

**RIPPOWAM CORPORATION  
REGULAR BOARD MEETING**

**January 25, 2023**

**6:45 PM**

**Agenda**

TO: Richard Ostuw  
Ronice Latta  
Bianca Shinn-Desras

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- a. Call to Order
- b. Approval of the Board Meeting Minutes for December 14, 2022
- c. Development Update
- d. Oak Park Redevelopment Update
- e. Annual report on progress toward 2022 goals and proposed 2023 goals
- f. Resolutions:
  - 23-01 Approval of 2022 Discretionary Retirement Plan Contribution
- g. Other Business
- h. Adjourn



Jonathan Gottlieb, President

The undersigned, being all of the Directors of Rippowam Corporation, do hereby affirm and consent to each and every resolution duly adopted, and action duly taken by the Directors of the Corporation at this Meeting.

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Ronice Latta

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Rich Ostuw

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Bianca Shinn-Desras

THE ABOVE BEING ALL OF THE DIRECTORS  
OF RIPPOWAM CORPORATION

## RIPPOWAM CORP. DEVELOPMENT UPDATE JANUARY 2023

### IN CONSTRUCTION

**Lawnhill Terrace 4:** Two buildings have been fully interior punch listed by the architect. The third is mostly complete and the final two are scheduled to be done before the end of the month. Inspections to receive temporary occupancy certificates (TCOs) have begun. The as-built survey is now complete and will go to the city so that Engineering and the Environmental Protection Bureau (EPB) can do their inspections. There are a few exterior and landscape items pending better weather, but the exterior is also substantially complete. We expect to begin leasing for March 1. We are coordinating the leasing effort with COC Operations staff and with our leasing agent from NewBridge Properties.

**Glenbrook Manor:** After submitting additional back up regarding the asbestos remediation during the renovation, the lender contacted HUD indicating all items had been addressed. However, HUD determined another inspection would be necessary and requested the 3<sup>rd</sup> party inspector (Partner) to visit the site and physically observe the post renovated areas that had been previously identified as asbestos containing and supply HUD with an updated report. Partner visited the building on January 18<sup>th</sup> and expect to issue their report in mid-February. Efforts to lease the larger than usual number of vacancies continues.

### IN PLANNING STAGE

**Oak Park:** The application for over \$17 million in 9% federal tax credits and \$4 million in State capital funding has been submitted to CHFA and DOH. Awards are expected in April. The applications reflect the costs of environmental remediation as identified by our consultants. The City Planning Board has recommended an award of \$1 million in City capital funds. We have requested that the final award be the full amount of \$1.25 million as recommended by the Mayor.

**Clinton Manor:** After examination by an architect, engineer, and siding consultant, it has been determined that the siding on the two sides of the building that was not replaced during major renovations several years ago should now be replaced. The closing of the refinance of the existing loan and the supplemental loan to fund the siding repairs has been completed. The refinance of the existing debt at a lower interest rate will be effective immediately. The new loan to fund the repairs will be drawn down as work progresses. The initial advertisement to Bid was published in October but only one complete bid was received and it was far in excess of the estimated cost. Drawings and specifications are being updated to provide clearer information for potential bidders. Once complete, the project will be rebid.

**Quintard Manor:** Planning is under way for the installation of a second elevator. The existing elevator is older and needs frequent servicing. In order to avoid using existing residential space for the new elevator, we will utilize the area now occupied by a stairwell. A replacement fully enclosed stairwell will be added on exterior. The appraisal ordered by CHFA shows a value of \$9 million and maximum permitted debt of \$7.2 million. The existing debt is \$3.6 million, so we can borrow up to an additional \$3.6 million if necessary. Elevator Design Development (DD) drawings have been completed and are under review. Cost estimates will be updated based on the completed DD drawings following review and any modification. After discussions with the City regarding the required Street Improvements for projects

exceeding \$250k, the Planning staff offered to locate funding assistance for minor street improvements but have yet to confirm a funding source.

#### ASSET MANAGEMENT

**Rippowam Manor:** The COC Operations team has been successful in reducing the number of vacant units. In coordination with the new Limited Partner we continue to pursue the refinancing the property in order to generate cash which flows 80% to the Limited Partner. Estimates have been received for the installation of security cameras and other estimates are being sought.

**Security and Marketability Analysis of Various Properties:** We are reviewing pricing for the purchase of security cameras at Rippowam Manor and Glenbrook Manor and hope to complete installation in 2023. Funding for this work was anticipated when the 2023 operating budgets were developed. We are reviewing security conditions at other developments and will likely propose additional measures in some locations. We are monitoring vacancies and leasing activity at all sites, and particularly at the recently renovated Rippowam Manor and Glenbrook Manor. We are also developing recommendations for marketability and “curb appeal” improvements, especially at developments that do not receive rent subsidies.

**Capital Needs Assessments:** Detailed physical needs assessments and multi-year cost projections have been completed for Taylor Street, Stamford Manor, Clinton Manor, and Post House. The written reports have been received and will help us plan for long-term capital budget needs at each site and aid in decisions regarding refinancing and renovation planning. As part of the annual operating budget development process, we are working with the Finance Dept. to ensure that deposits to each project’s replacement reserve are sufficient to fund repairs called for in the needs assessments.

**Project Operating Budgets:** As part of the enhanced asset management function, we have participated to a greater extent than in previous years with Finance and Operations staff in the review of 2022 operating revenue and expenses and the development of operating budgets for 2023.

**Property Inspections and Reviews:** Another aspect of the enhanced asset management role is a more frequent presence at each site in the Rippowam and COC portfolios. This will help to identify issues to be addressed and enable us to assist the Operations team. We have recently held discussions with Taylor Street condo unit owners to plan repairs and capital budgets, since these decisions will affect the monthly common charge paid by the eight condo unit owners.

**Lawnhill Terrace 3:** The legal process to deal with high balance tenant accounts continues. We have had one eviction, and three families have entered into court mandated repayment agreements. There are pending court dates for the several remaining tenants with multiple months of delinquent rent. JP Morgan Chase has begun the review process to take the property through their credit committee to approve the conversion from construction to permanent financing. Our current analysts believe that the December financials should show enough progress in reducing delinquent rent to allow the conversion during February, but the final decision is still pending.

**Park 215, (Phase IV Vidal Court Revitalization):** Over half of the commercial space is leased and medical offices there are in operation. A letter of intent has been signed with a pediatric medical group based in Greenwich to lease the larger of the two remaining commercial areas (6,600 square feet). A proposed lease has been issued to the prospective tenant for review. After extensive discussion, the prospective tenant requested that we fund the full design and build out of the space and recapture the costs through higher rent payments. A Zoom meeting was held with the architects and prospective tenant to kick off the architect's preparation of a possible floor plan accommodating the various spaces and requirements provided by the tenant. A second Zoom meeting was held in which the architects presented the sample layout. The client provided feedback and the architects are now revising the layout to reflect these comments. The space needed to accommodate the preferred program have increased to almost 6,000 square feet. Following presentation of the layout plan now under revision, the client will be asked to sign a design contract and commit to leasing the space. If the tenant commits, we will seek financing for the cost of improvements and recapture that cost through higher rent.

**Summer Place – Siding Repair of Adjacent Building:** The two buildings on either side of Summer Place are built on the lot lines and are built out to the street frontage. Summer Place is set back from the street with its parking area in front. A significant amount of the exterior siding on one of the adjacent buildings (1010 Summer Street) has detached and fallen into our parking area. We provided the 1010 owner with a temporary license and indemnity agreement, allowing workers to access our property to make the required repairs while protecting us from liability. The initial phase of repair work has been completed and fencing removed, allowing us full use of our parking area. Supply chain issues have delayed the delivery of the finish siding material, which is not expected for several months. We will continue to monitor the condition of the wall that abuts our property in the interim

**Conversion of COC Public Housing Portfolio:** Applications for Rental Assistance Demonstration (RAD) conversion of Ursula Park Townhouses, Sheridan Mews, Lawn Avenue, and CT Avenue, and for the 33 public housing units at Fairgate to Section 8 project-based vouchers have received preliminary approval. Repairs which recent needs assessments call for in the first five years following RAD conversion must be done shortly after conversion. We estimate the cost of those repairs at approximately \$1.6 million for the four COC developments, which will be funded from either the proceeds of scattered site property sales or existing public housing reserves. Repairs at Fairgate will be funded from existing project reserves.

HUD does not accept Capital Needs Assessments (CNAs) older than 18 months, requiring the previously prepared and approved CNAs to be updated. The architect is working on revising the original CNAs and cost estimates based on an anticipated start of renovations in 2023. The financing plan documents regarding scopes of work, budgets and proformas will also be updated once the revised CNAs have been completed. The RAD Conversion start date for Ursula Park/Sheridan Mews and Fairgate will be determined once HUD is satisfied all financing plan (including the CNAs) have been received. Lawn Avenue and CT Avenue conversions are on hold pending the completion of the erosion control work.

For the remaining 249 units, which includes Stamford Manor (215 units), and the public housing units within Post House, Taylor Street, Palmer Square, Greenfield, and Park 215, we will pursue conversion to Section 8 under the Streamlined Voluntary Conversion program, which is available for portfolios under

250 units. The simpler streamlined process has two significant advantages: Full Section 8 rental assistance is provided for every resident household, and HUD does not require a specific program of repairs. The revenue increase would be quite large, allowing reserves to be built up and providing an ability to fund repairs and improvements over time.

**Taylor Street:** Taylor Street has reached the end of its fifteen-year tax credit compliance period (12/2022). We have concluded discussions with April Housing, a subsidiary of Blackstone, which purchased AIG's limited partnership interest effective in January 2022 regarding their exit from the partnership, which typically occurs after year 15. April Housing has agreed to sell us their 99.9% interest in Taylor Street for \$1.00. State transfer tax liability is expected to be approximately \$10,000. April Housing has issued a proposed exit agreement. We have reviewed and suggested edits to the agreement, some of which have been accepted, while others remain under discussion. The existing first mortgage at Taylor Street is approximately \$400,000. The exiting limited partner is a party to the debt and we must either remove them from the mortgage or pay off the existing loan and refinance the balance. We have requested the lender to remove the exiting limited partner from the mortgage. Our request is under review.

**Leasing of Higher End Affordable Units:** Eligibility under the Low-Income Housing Tax Credit Program (LIHTC) extends through households earning up to 60% of the area median income (AMI). In Stamford, the maximum income for a family of four is currently \$108,000, (60% of the Area Median). While there is almost always significant demand for LIHTC units in the separate category for households under 25% of AMI, there are fewer applications submitted by households at the higher end of the 26% - 50% AMI category, and within the 51% - 60% AMI category. We use a private leasing agent, NewBridge Realty, to aid the marketing of affordable units reserved for the 50% - 60% AMI range, and COC has strengthened its marketing effort to this income category, as well.

**Year 15 Tax Credit Project Planning (Post House and Taylor Street):** As tax credit projects approach their fifteenth year of operations, it is necessary to prepare for the exit of the investor limited partner, which typically exits between years thirteen and fifteen of operations. Taylor Street and Post House are the two oldest tax credit developments in our portfolio. Both are currently in year 15. The transfer of one half of the Post House Limited Partner's interest to a new entity controlled by Rippowam Corp. has been completed. An exit agreement with the Taylor Street limited partner is under negotiation, although it has been agreed that no payment will be made to the exiting partner. The exit agreement with the Taylor Street Limited Partner is almost complete with a few items remaining under negotiation.

#### UPCOMING TRANSACTIONS AND TASKS

**Rent Arrearage:** Address higher than anticipated rent delinquency levels. Assist COC and Stone Harbour in addressing chronic delinquency issues

**992 Summer Street:** Monitor repair work at the adjacent 1010 Summer Street. Continue to facilitate communication and coordination between COC property managers and Inspirica service provider team. Determine appropriate use for space previously planned for medical clinic for residents. Execute agreement for repayment of funds drawn from the services reserve by Inspirica.

**Park 215:** Continue marketing effort to obtain tenants for remaining available commercial space. Attempt to negotiate agreement with current prospective tenant. Coordinate commercial tenant fit-out process. Continue to work with active prospective tenant to conclude lease for approximately 6,000 square feet.

**Glenbrook Manor:** Coordinate final close-out of construction loan and conversion to permanent financing.

**Lawnhill Terrace 3:** Complete project close-out.

**Lawnhill Terrace 4:** Oversee completion of renovations, leasing of units, and project close-out, including conversion to permanent financing and receipt of balance of investor equity.

**Oak Park:** Respond to any questions from CHFA and DOH as our funding applications are reviewed. Update residents and other stakeholders as funding announcements are made.

**Clinton Manor:** Re-bid the proposed scope of work and increase outreach to achieve larger pool of qualified and complete proposals.

**Quintard Manor:** Complete design and cost estimating, determine if funds available for the work are sufficient.

**Wait List Management Improvement:** Working with COC, develop improvements in marketing and recruitment of applicants, in evaluating applicant eligibility, and in keeping applicants eligible and interested while on the waiting lists. Coordinate use of private real estate agents.

**Year 15 Preparation:** Conclude discussions with investor limited partners for Taylor Street regarding the investor's exit from the limited partnership. Either pay off balance of mortgage debt or refinance.

#### PORTFOLIO PERFORMANCE

Market rate occupancy levels continue strong, with larger than usual rent increases for new tenants and lease renewals. A significant amount of unpaid rent resulting from the Covid pandemic has been recaptured through the COC and State rent relief programs. Demand and occupancy continues strong at the fully affordable developments in the Rippowam Corp. portfolio: Post House, Taylor Street, Clinton Manor, Quintard Manor, Summer Place, Rippowam Manor, Glenbrook Manor, and Lawnhill Terrace 1, 2 and 3, although unpaid rent remains significant at some sites. Rippowam staff work very closely with property managers from COC and Stone Harbour Management, and with Family Centers, which provides supportive services for all sites in our portfolio. Vacancies in excess of typical levels remain at certain developments, especially among affordable units without rent subsidy and studios.



# **RIPPOWAM CORPORATION**

## **2023 GOALS**

### **DEVELOPMENT**

#### **Lawnhill Terrace 4 (final phase)**

- Complete punch list and receive temporary certificates of occupancy – 2/23
- Initiate leasing of all units – 3/23
- Complete lease-up process – 6/23
- Receive final certificate of occupancy – 6/23
- Conversion to permanent financing – 8/23

#### **Challenges and Variables**

- Leasing may take longer than expected
- Actual rents achieved may be less than projections

#### **Oak Park**

- Receive notice of award of tax credits and State capital funds – 4/23
- Complete construction plans and specs – 7/23
- Negotiate final loan agreement with lender and partnership agreement with equity investor 10/23
- Complete required documentation for subordinate loans and regulatory agreements – 11/23
- Complete final development budget adjustments – 11/23
- Close financing and commence demolition and internal relocation – 12/23

#### **Rental Assistance Demonstration (RAD) (combines development and asset management)**

- Obtain final HUD approval for conversion of three federal public housing developments to project-based Section 8 – 4/22
- Commence preparation of plans and specs for required renovations – 4/22
- Close transfer of two sites to new ownership entities 4/22
- Obtain HUD approval for final two conversions in first RAD round – 8/23
- Close transfer of two sites to new ownership entities – 8/23
- Commence RAD application for Stamford Manor and public housing units at Palmer Square, Greenfield, Park 215, Post House and Taylor Street – 8/23
- Complete plans and specs for required renovations and bid out work - 8/23
- Procure contractor(s) to perform required renovations at all sites 10/23
- Commence required repairs and improvements – 11/23
- Submit second round of RAD applications – 12/23

## **Asset Management**

### **Rippowam Manor**

- Select insurance coverage – 2/23
- Complete refinancing of existing mortgage debt – 5/23
- Install new security cameras and monitoring system – 4/23

#### **Challenges and Variables**

- Maintain target occupancy levels

### **Glenbrook Manor**

- Complete closeout of renovation project and obtain balance of cash from financing – 3-23
- Increase leasing of vacant units to reach target occupancy levels – 4-23

#### **Challenges and Variables**

### **Lawnhill Terrace 3**

- Complete conversion to permanent financing – 2/23

#### **Challenges and Variables**

- Possible extended period of elevated arrearage

### **Clinton Manor Exterior Cladding Replacement**

- Close refinancing of existing loan and new second loan – 3/22
- Procure contractor to replace siding on two sides of building – 5/22
- Commence siding replacement – 7/22
- Complete siding replacement

#### **Challenges and Variables**

- Increasing interest rates resulting in higher debt service costs
- Construction bids in excess of estimates
- Unforeseen existing conditions requiring additional cost to address

### **Quintard Manor Second Elevator and Improvements**

- Complete plans and specs for relocation of existing stairwell and design of elevator – 3/23
- Obtain land use approval for new stairwell – 6/23
- Obtain updated cost estimate for stairwell and elevator – 5/23
- Obtain second mortgage commitment from existing lender (CHFA) to fund improvements – 7/23
- Procure contractor to relocate stairwell and prepare for elevator installation – 9/23
- Procure elevator installation contractor – 9/23
- Commence stairwell and elevator work – 10/23

#### **Challenges and Variables**

- Increasing interest rates resulting in higher debt service costs
- Construction bids in excess of estimates
- Unforeseen existing conditions requiring additional cost to address

### **Clinton Manor and Quintard Manor Unsubsidized Unit Leasing**

- Coordinate efforts of COC and private leasing agent to market and lease the 50% of units with no operating subsidy.
- Obtain rents as close to tax credit maximums as possible for unsubsidized units.
- Challenges and Variables  
Potential revenue loss if unassisted rents are below previous subsidized rents

### **Taylor Street**

- Assist condo owners with sale and/or refinancing in compliance with program rules
- Conclude transfer of interest from Limited Partner to entity owned by Rippowam Corp. – 4/23
- Refinance existing debt – 4/23
- Challenges and Variables
- Interest rates or underwriting process could hinder refinancing plan.
- Continuing difficult relationship with certain condo unit owners

### **Summer Place**

- Monitor efforts of abutting property owner to repair siding using access to Summer Place. Ensure quality of work is acceptable.
- Execute repayment agreement for Inspirica replenishment of supportive services reserve – 2/23

### **Mixed-Income Developments**

- Review and approve all applications for market rate units.
- Coordinate marketing of affordable units without operating subsidy
- Monitor reserve levels for adequacy to fund anticipated maintenance.

### **Park 215**

- Conclude space planning and execute lease with relocating pediatric group – 2/23
- Complete plans and specs and bid documents for pediatric group space – 4/23
- Procure contractor to perform buildout of space for pediatric group – 6/23
- Commence buildout of pediatric space – 7/23
- Continue to market balance of remaining available commercial space.

### **HOPE VI Homeownership Program**

- Assist homeowners with sale and refinancing in compliance with program rules

### **Marketing and Leasing**

- Coordinate with COC and leasing agent on ideas for improvements in marketing efforts targeting 50% and 60% AMI households for affordable units without rental subsidy.
- Coordinate with property management and leasing agent on use of Multiple Listing Service and other sources to market 50% and 60% AMI units and increase size of waiting lists.
- Coordinate with COC and property management in reducing affordable unit turnover time
- Coordinate with COC and leasing agent to improve wait list management and maintain contact with households on waiting lists.

### **Covid-19 Response**

- Assist COC and Stone Harbour in responding to any significant increases in Covid activity and monitor any management restrictions that may be imposed and relief programs that may be offered.

### **Security and Fire Safety Practices and Record Maintenance Review**

- Continue to review and monitor health and safety at all sites and implement improvements including fire protection and personal safety and security items as appropriate.
- With COC, coordinate removal of emergency pullcords in all properties – 8/23
- Review of security guard deployment and number of shifts

### **Operating Budget Preparation**

- Participate with operations team in development of annual operating budgets for each site
- Monitor expenditures throughout year

### **Capital Budgeting and Reserve Analysis**

- Participate with operations team in obtaining or updating physical needs assessments for sites without current assessments.
- Participate with operations team in evaluating replacement reserve levels at each site and determine if annual deposits to reserves are sufficient to fund repairs indicated in the needs assessments.

### **Continue to Implement Formal Asset Management Program**

Review and oversee current operations and long-term planning for all properties from the owner's perspective, complementing the property management and operations role played by COC and Stone Harbour. Focus includes the following items:

### **Current Operations**

As the owner or owner's representative, asset managers will monitor and focus on:

- Occupancy levels, rent collection, delinquency, legal issues, write-offs. In order to meet lender/investor requirements and follow industry standards, final approval of write-offs, based on recommendations from the COC Executive Director and the Stone Harbour President
- Marketing process, lease-up time (turnover), admissions and applicant screening
- Maintenance activity and cost, physical condition of site, including appearance. Procurement of contractors and vendors
- Energy consumption and efficiency
- Compliance with applicable legal and funder requirements (tax credits, HUD, CHFA, DOH, private lender, City of Stamford)
- Development and on-going monitoring of annual operating budgets
- Review annual audits and interact with auditors as appropriate

### **Long Term Planning**

- Trends in demand for various unit types and sizes, and building/development types and locations
- Trends in resident income levels at various sites
- Trends in delinquency and arrearage levels
- Trends in operating expenses at each site
- Trends in utility consumption that may indicate failing building systems
- Trends in sources of demand (COC website, MLS, other media, resident referral, etc.)
- Trends in the Stamford area real estate market

### **Portfolio Wide Considerations**

- How best to deploy resources (human and capital) across the portfolio for maximum benefit
- Do we have too much or too little housing of a certain type (examples: elderly, market rate)
- Is property management/maintenance staff allocated appropriately across multiple sites
- Allocation of available capital between development/acquisition of new or existing properties and maintenance/improvement of existing portfolio

### **Financial**

- Increase number and value of assets on balance sheet
- Operate within administrative budget projections; limit administrative expenses
- Provide direct financial support to COC

### **Organizational Development**

- Continue staff capacity development and increase in responsibilities as appropriate
- Continue leadership development for incumbent personnel
- Assist with on-boarding of new Board members
- Provide program and property descriptions for Board members.
- Plan for change in staff leadership

### **Miscellaneous**

- Assist COC in revision/update of Agency Plan and ACOP
- Seek opportunities for new development and/or acquisition, including possible Year 15 tax credit acquisition and fee for service projects

# RIPPOWAM CORPORATION

## PROGRESS TOWARD 2022 GOALS

### DEVELOPMENT

#### Rippowam Manor

- Obtain final City sign-off and Certificate of Occupancy  
**Final Certificate of Occupancy Issued**
- Complete lease-up of vacant units  
**Units vacated to create temporary location spaces have been leased**
- Close second loan  
**Supplemental loan closing delayed due to sale of partnership interest by limited partner**

#### Challenges and Variables

**The previous limited partner preferred drawing additional equity from the property via a supplemental loan supported by higher, post-renovation Section 8 subsidy. The new limited partner that unexpectedly purchased the interest of the original limited partner prefers to refinance the existing loan rather than take a supplemental loan. That process is currently under way**

#### Glenbrook Manor

- Complete renovations  
**Renovations are complete**
- Continue to assist residents with temporary relocation; minimize inconvenience of renovations  
**Relocation was completed and residents returned to renovated units**

#### Challenges and Variables

- Unanticipated conditions in building discovered during renovations, adding to costs
- Delays in delivery of materials
- Subcontractor personnel shortages  
**Renovation was completed close to planned schedule despite a variety of delays and issues resulting from Covid 19**

#### Lawnhill Terrace 3

- Complete leasing of vacant units  
**Leasing successfully completed**
- Convert to permanent financing  
**Conversion delayed due to excessive delinquent tenant rent remaining from pandemic period**
- Complete formal close-out process  
**Close-out completed except for permanent financing conversion**

### Challenges and Variables

- None anticipated
- **Higher than normal rent delinquency due to Covid 19 employment loss and eviction moratorium has delayed conversion to permanent financing. Reduction in delinquency levels in recent months make conversion in early 2023 likely.**

### **Lawnhill Terrace 4 (final phase)**

- Complete financial closing  
**Closing occurred on schedule**
- Commence renovations – 2/22  
**Renovations commenced on schedule and are almost complete, ahead of schedule**

### Challenges and Variables

- Unforeseen existing conditions requiring additional cost to address
- Materials delivery delays and/or subcontractor personnel shortages
- Materials cost increases due to supply chain issues  
**Although delays were encountered with certain materials and equipment, the overall project is ahead of schedule and under budget**

### **Oak Park**

- Select design team  
**Design team procured and work started on schedule**
- Finalize building location plan and begin design process (based on Redniss & Mead study)  
**Proposed site plan developed to address flooding, rock outcropping, and accessibility**
- Determine scope of emergency repairs  
**Further investigation determined appropriateness of delaying repairs pending outcome of redevelopment proposal**
- Continue design and engineering plans and initiate land use approval process and resident consultation  
**Design work sufficient for land use applications completed and zoning proposals submitted and fully approved**
- Procure contractor for emergency repairs and commence work  
**Further investigation determined appropriateness of delaying repairs pending outcome of redevelopment proposal**
- Procure Construction Manager  
**Procured Viking Construction as construction manager through competitive process**
- Complete planning and resident consultation process  
**Plans and specs completed to 90% of final. Consulted with residents and City officials**
- Prepare and submit 9% tax credit and DOH funding applications  
**CHFA and DOH tax credit and funding application submitted on schedule**
- Continue search for funding – throughout year  
**Received commitments of City capital funding and Fee-in-Lieu funds**

### **Rental Assistance Demonstration (RAD) (combines development and asset management)**

- Obtain final HUD approval for conversion of five federal public housing developments to project-based Section 8  
**Approval process delayed due to changes in HUD requirements**
- Create ownership/General Partner entities to own four sites being converted  
**New ownership entities have been created**
- Close transfer of four sites to new ownership entities  
**Closing and transfer delayed due to HUD rule changes and processing time**
- Procure contractor(s) to perform required renovations  
**To be initiated following closing of transfers**
- Commence required repairs and improvements
- Commence RAD application for Stamford Manor and public housing units at Palmer Square, Greenfield, and Park 215
- Submit RAD application

### **Asset Management**

#### **Clinton Manor Exterior Cladding Replacement**

- Close refinancing of existing loan and new second loan  
**Refinancing of existing loan and closing of supplemental loan completed**
- Procure contractor to replace siding on two sides of building  
**Project was put out to bid. No acceptable submissions received. To be re-bid.**
- Commence siding replacement
- Complete siding replacement

#### **Challenges and Variables**

- Increasing interest rates resulting in higher debt service costs
- Construction bids in excess of estimates
- Unforeseen existing conditions requiring additional cost to address  
**Increased interest rates resulted in higher debt service costs. Some bids received proposed costs well in excess of estimates.**

#### **Quintard Manor Second Elevator and Improvements**

- Implement common area refurbishing to enhance marketability  
**Interior and exterior improvements completed**
- Commence planning for relocation of existing stairwell and design of elevator  
**Design of new stair tower and elevator plan at advanced stage**
- Obtain preliminary cost estimate for stairwell and elevator  
**Preliminary cost estimate and scope of work completed**
- Complete design and engineering for stairwell and elevator  
**Design and engineering at advanced stage but not complete**
- Procure contractor to relocate stairwell and prepare for elevator installation  
**Contractor to be procured following plan completion and bidding**
- Procure elevator installation contractor  
**Contractor to be procured following plan completion and bidding**



### Challenges and Variables

- Increasing interest rates resulting in higher debt service costs  
**Appraisal completed and debt service details with lender are in place**
- Construction bids in excess of estimates
- Unforeseen existing conditions requiring additional cost to address

### **Clinton Manor and Quintard Manor Unsubsidized Unit Leasing**

- Coordinate efforts of COC and private leasing agent to market and lease units with no operating subsidy now that limits on conversion to Project-Based Section 8 have been reached  
**Leasing of unsubsidized units has commenced successfully. Coordination continues**
- Obtain rents as close to tax credit maximums as possible for unsubsidized units  
**Rent for unsubsidized units is at projected levels near to tax credit limits**
- Challenges and Variables  
Potential revenue loss if unassisted rents are below previous subsidized rents  
**Both developments continue to generate significant cash flow and perform well**

### **Taylor Street**

- Assist condo owners with sale and/or refinancing in compliance with program rules  
**Assisted with three sales, including eligibility determination and program guidance**
- Initiate discussion of Year 15 partnership dissolution with Limited Partner (Blackstone)  
**Concluded exit fee negotiations and near to concluding balance of exit terms**
- Issue RFP for property manager  
**RFP issued and competitive selection process implemented**
- Select new property manager or retain COC  
**Management agent selection process completed, new management agreement in place**  
Challenges and Variables
- Blackstone may wish to remain in partnership or may require significant payment to exit  
**Exit payment negotiation was difficult but concluded with no fee due to exiting partner. Learned of requirement to refinance existing debt to remove limited partner from loan**
- Continuing difficult relationship with certain condo unit owners  
**COC and Rip Corp asset management staff successfully managing relationship with owners**

### **Summer Place**

- Monitor efforts of abutting property owner to repair siding using access to Summer Place. Ensure quality of work is acceptable  
**After intervention with several City departments, repair work was advancing until delayed by supply chain issues and cold weather.**

### **Mixed-Income Developments**

- Review and approve all application for market rate units  
**Reviews continued throughout the year, as did attempts to achieve rent increases for market rate units.**

## Park 215

- Attempt to lease remaining commercial space not yet under lease  
**Several potential tenants viewed the property. Negotiations currently at advanced state with pediatric medical practice for the majority of the remaining space available.**

## HOPE VI Homeownership Program

- Assist homeowners with sale and refinancing in compliance with program rules  
**Facilitated several transactions involving sale, refinancing or foreclosure of homes with COC third mortgages**

## Marketing and Leasing

- Coordinate with COC and leasing agent on development and implementation of new marketing efforts targeting 50% and 60% AMI households for affordable units without rental subsidy  
**Extensive coordination throughout the year resulting in improved demand**
- Coordinate with property management and leasing agent on use of Multiple Listing Service to market 50% and 60% AMI units and increase size of waiting lists  
**Various additional marketing outlets and opportunities were identified during the year**
- Coordinate with COC and property management in reducing affordable unit turnover time  
**Staff shortages limited success during much of the year but progress has recently been noted**
- Coordinate with COC and leasing agent to improve wait list management and maintain contact with households on waiting lists.  
**Improvements in communication and processing have been identified and implements**

## Covid-19 Response

- Prepare final application for FEMA funds for Scofield Manor  
**Application was completed and submitted on schedule**
- Follow-up to ensure FEMA application approval and issuance of payment  
**Application was approved and fully funded on schedule**
- Monitor and provide updates and guidance on federal and State eviction moratoria and financial assistance programs  
**Provided frequent updates to COC regarding changes in financial rent relief programs, eviction moratorium and related legal restrictions on lease enforcement**
- Coordinate with COC in preparation of applications for financial assistance including debt forgiveness, debt service forbearance, cash assistance, and regulatory waivers  
**Assisted COC with waiver requests and provided updates regarding federal assistance programs**
- Participate in overall efforts to reduce tenant accounts receivable and increase tenant access to federal and State benefits and relief programs  
**Assisted COC in successfully receiving rent relief payments for tenants with arrearages, spoke with State rent relief program personnel to expedite reviews and provide ownership details**

### **Security and Fire Safety Practices and Record Maintenance Review**

- Initiate review of health and safety measures at all sites, including fire protection and personal safety and security items.  
**Completed health and safety review, identified and began implementation of corrective measures**
- Review of security guard deployment and number of shifts  
**Completed review and modified schedule to be more effective**
- Recommend improvements as applicable  
**Prepared recommendations and began implementation, including additional security cameras**

### **Operating Budget Preparation**

- Participate with operations team in development of annual operating budgets for each site  
**Worked closely with Finance and Property Management to develop annual budgets**
- Monitor expenditures throughout year  
**Followed financial performance of each site and coordinated with Operations team**

### **Capital Budgeting and Reserve Analysis**

- Participate with operations team in obtaining or updating physical needs assessments for site without current assessments  
**Ordered and participated in four detailed capital needs assessments and disseminated results to Finance and Property Management**
- Participate with operations team in evaluating replacement reserve levels at each site and determine if annual deposits to reserves are sufficient.  
**With Finance, evaluated existing reserve levels and annual deposits to determine if sufficient**

### **Implement Formal Asset Management Program**

Review and oversee current operations and long-term planning for all properties from the owner's perspective, complementing the property management and operations role played by COC and Stone Harbour. Focus includes the following items:

#### **Current Operations**

As the owner or owner's representative, asset managers will monitor and focus on:

- Occupancy levels, rent collection, delinquency, legal issues, write-offs. In order to meet lender/investor requirements and follow industry standards, final approval of write-offs, based on recommendations from the COC Executive Director and the Stone Harbour President
- Marketing process, lease-up time (turnover), admissions and applicant screening
- Maintenance activity and cost, physical condition of site, including appearance. Procurement of contractors and vendors
- Energy consumption and efficiency
- Compliance with applicable legal and funder requirements (tax credits, HUD, CHFA, DOH, private lender, City of Stamford)

- Development and on-going monitoring of annual operating budgets
- Review annual audits and interact with auditors as appropriate

**Each of the above items were investigated for every property in the portfolio. Areas of potential improvement were identified and implementation of improvements begun. This is an ongoing process and will continue as an asset management focus**

### **Long Term Planning**

- Trends in demand for various unit types and sizes, and building/development types and locations
- Trends in resident income levels at various sites
- Trends in delinquency and arrearage levels
- Trends in operating expenses at each site
- Trends in utility consumption that may indicate failing building systems
- Trends in sources of demand (COC website, MLS, other media, resident referral, etc.)
- Trends in the Stamford area real estate market

**National, State and local market trends and projections were monitored throughout the year. Data was used in creating proposed unit mix for the Oak Park redevelopment, prioritizing capital improvements, projecting future operating revenue and expenses, and demand for various housing types**

### **Portfolio Wide Considerations**

- How best to deploy resources (human and capital) across the portfolio for maximum benefit  
**This has been the subject of much discussion in the past year as we address difficulties in staff recruitment and retention, especially in property management, but also in Section 8. Improvements have been implemented although more needs to be done and the effort will continue in 2023**
- Do we have too much or too little housing of a certain type (examples: elderly, market rate)  
**We monitor long term changes in demand for various housing types and sizes, as well as by user characteristics. The trend in reduced demand for three, four-and five-bedroom units continues, as does the trend of applicants entering our senior developments at a later age. The aging in place of senior residents and the accompanying difficulties of remaining in an independent living environment is an important issue to address**
- Is property management/maintenance staff allocated appropriately across multiple sites  
**The allocation of maintenance cost according to actual time spent at each site is helpful in ensuring an appropriate cost allocation**
- Allocation of available capital between development/acquisition of new or existing properties and maintenance/improvement of existing portfolio  
**In planning for possible new development efforts, it is necessary to conserve capital to fund major repairs and improvements at existing sites. The needs of existing developments are considered when plans are made for new projects**

## Financial

- Increase number and value of assets on balance sheet  
**Asset value increased to \$18.39 million from \$16.98 million.**
- Operate within administrative budget projections; limit administrative expenses  
**Admin expenses were below projected levels.**
- Provide direct financial support to COC  
**A total of \$1.19 million was paid to COC from operating surplus cash flow from Rippowam Corp. developments.**

## Organizational Development

- Continue staff capacity development and increase in responsibilities as appropriate  
**During 2022, staff development and increased responsibilities were recognized by the promotion of three team members to Senior Development Manager Design and Construction; Senior Development Manager, Finance and Construction; and Senior Portfolio Manager. The team continues to assume greater responsibilities each year.**
- Continue leadership development for incumbent personnel  
**Staff development continues to be an important focus, with opportunities provided for independent work and project leadership**
- Assist with on-boarding of new Board members  
**Assisted with preparation of materials for new Board members and participated in orientation sessions with new Commissioners and Advisory Board members**
- Provide program and property descriptions for Board members  
**Prepared detailed descriptions of the primary funding programs we use as well as descriptions of the various development in the portfolio**

## Miscellaneous

- Recommend additional architects to increase size of pre-qualified pool  
**Issued RFQ for architects and added several firms to the pre-qualified list**
- Assist COC in revision/update of Agency Plan and ACOP  
**Participated in the update of the annual Agency Plan**
- Seek opportunities for new development and/or acquisition, including possible Year 15 tax credit acquisition and fee for service projects  
**Evaluated potential acquisitions, offers of partnership, and fee for service opportunities as they became available.**

## Items Not Included in 2022 Goals

- RFPs were issued for Legal Services and for Financial Consulting.
- Negotiated bond issuance agreement with developer of assisted living facility. First tranche issued and first portion of issuance fee received.
- Prepared HUD-required Declaration of Trust documents for two RAD conversion sites after learning these were not recorded at initial development.
- Participated in development of City housing study and resulting housing plan.

- Monitored and assisted with sale of pharmacy located in Fairgate commercial space, including confirming financial strength and relevant experience of new owner.
- Worked with Summer Place equity partner and COC Finance to create repayment agreement for withdrawals from supportive services reserve made by Inspirica.
- Seeking debt financing for the buildout of commercial space at Park 215 to accommodate prospective tenant that wishes to pay higher rent instead of paying for the buildout.
- Reviewed results of Citywide property tax revaluation for market rate units at five mixed-income developments. Coordinated with appraiser and determined not to file appeal.
- Extensive unanticipated documentation was required for an already approved component of the funding for Lawnhill 4: The HUD Economic Development Initiative (EDI) grant.

**RIPPOWAM CORPORATION**  
**40 Clinton Avenue, Suite 101**  
**Stamford, Connecticut 06901**

**Board Meeting Date:** January 25, 2023

**Resolution Number:** 23-01

**RESOLUTION**

**Subject:** Approval of 2022 Discretionary Retirement Plan Contribution

**Background:** The Board of Directors of Rippowam Corporation approved the creation of a 401(k) plan in October 2009. The initial annual employer contribution approved by the Board at the time of the Plan's creation was 8% of employee base salary. The Plan was established following Board approval and has been in operation since January 2010. The initial resolution also empowered the Board to authorize, at its discretion, an additional employer contribution at the end of each year, following compilation and evaluation of the corporation's operations. Given the strong operational and financial results of Rippowam's activities in 2022, staff recommends that an additional contribution, in the amount of 7% of employee compensation during 2022, be made. The total contribution – in the amount of 15% of employee base salary – reflects the significant level of effort required of Rippowam Corporation employees to meet aggressive development schedules involving multiple projects, perform a variety of asset management functions while achieving positive financial results consistent with goals established for the year.

**Resolution:** **BE IT RESOLVED BY THE DIRECTORS OF RIPPOWAM CORPORATION THAT THE EMPLOYER'S DISCRETIONARY CONTRIBUTION FOR CALENDAR 2022 TO THE 401(k) RETIREMENT PLAN SHALL BE AS FOLLOWS: A DISCRETIONARY CONTRIBUTION OF 7% OF THE TOTAL COMPENSATION OF EACH EMPLOYEE DURING CALENDAR 2022. THE PRESIDENT OR VICE PRESIDENT OF RIPPOWAM CORPORATION IS AUTHORIZED TO EXECUTE SUCH DOCUMENTS AS NECESSARY TO IMPLEMENT THE APPROVED CONTRIBUTIONS TO THE RETIREMENT PLAN.**

**Jonathan Gottlieb**  
**Staff Member Submitting Report**