



**MINUTES OF THE 1/28/14 BOARD OF DIRECTORS MEETING
LOYOLA DEVELOPMENT CORPORATION
Loyola Office, 83 Bank Street, 2nd floor, Waterbury, CT**

Board Present: Leonard Mecca, President/Chairperson, Gary O'Connor, Secretary, John Vaz, Treasurer, William Summa, William Campion, Susan Torres, Victoria Encarnacion, and Orlando Perez

Staff Present: Nancy MacMillan, Executive Director

1. *Call to Order:*

Meeting called to order at approximately 6:11 PM by John Vaz present at meeting; Len Mecca attending first half of meeting via conference call.

2. *Approval of Minutes from the December 18, 2013 Board of Director's Meeting:*

MOTION: To approve the 12/18/13 meeting minutes (Summa, Torres) So voted unanimously.

3. *Treasurer's Financial Report:*

Mr. Vaz gave Treasurer's Report: discussion of cash flow projection; unpaid bills; funding from Carabetta; and required cash to get us through end of February.

John discussed the LDC Cash Flow Projection which was prepared by our accountant. It was noted that the accountant meets with us regularly to update LDC's records and balance the books for the corporation. The cash flow projection was last reconciled on Jan. 27, 2014. Next accountant meeting is scheduled for Feb. 20, 2014.

Income outlined on cash flow projection includes \$22,553 which is the administration money drawn down from the CDBG funds via the Housing Rehabilitation Program. This administration money is basically just reimbursing Loyola for partial salaries and partial benefits for the Executive Director. The funds were requested in January from WDC who is currently reviewing/processing the requisition #3 submitted by our Executive Director. WDC reviews the contractors information, change orders, inspection approvals, support documentation for salaries, and also checks for taxes paid and/or owed by Loyola to the City. Requisition requests do not get sent to HUD unless all of this documentation get checked out. Mr. Vaz made mention that all of the Board of Directors are required to be current with their real property and personal property taxes to the City, so that financing for Liberty Commons does not get held up.

Operating expenses which need to be paid, as outlined, include insurance, taxes, American Express, and others.

Carabetta has been lending Loyola money the past several months to help us until we close on the financing for Liberty Commons and receive our developer's fee. They are basically providing gap financing that we need to pay salaries. Although Carabetta has been lending us some money, we still need a few thousand dollars to pay immediate expenses. At this time, Len Mecca, President of the Board of Directors, had offered to provide LDC with a bridge loan of \$5,000 to get us through the end of the month.



MOTION: To approve the Treasurer's Report (Summa, O'Connor). So voted unanimously.

At this time, our LDC Board Secretary, Gary O'Connor, had proposed a Motion to approve a bridge loan from Len Mecca to Loyola:

I, Gary B. O'Connor, hereby certify that I am the duly elected and acting Secretary of Loyola Development Corporation, a corporation organized and existing under the laws of the State of Connecticut and further certify that the following facts are true and made part of the Board of Directors Meeting Minutes:

The following was adopted by unanimous consent through a vote at a meeting of the Board of Directors at a Meeting of the corporation duly held on the 28th day of January, 2014.

"It is hereby resolved that the Loyola Development Board of Director's approves the loan in the sum of \$5,000 without interest from Len Mecca to Loyola Development Corporation in order for Loyola Development Corporation to use this sum to pay operating expenses for the organization; and

It is hereby further resolved that the loan between Len Mecca and Loyola Development Corporation is to be paid upon demand. A promissory note in the sum of \$5,000 is approved by the Board of Directors; and

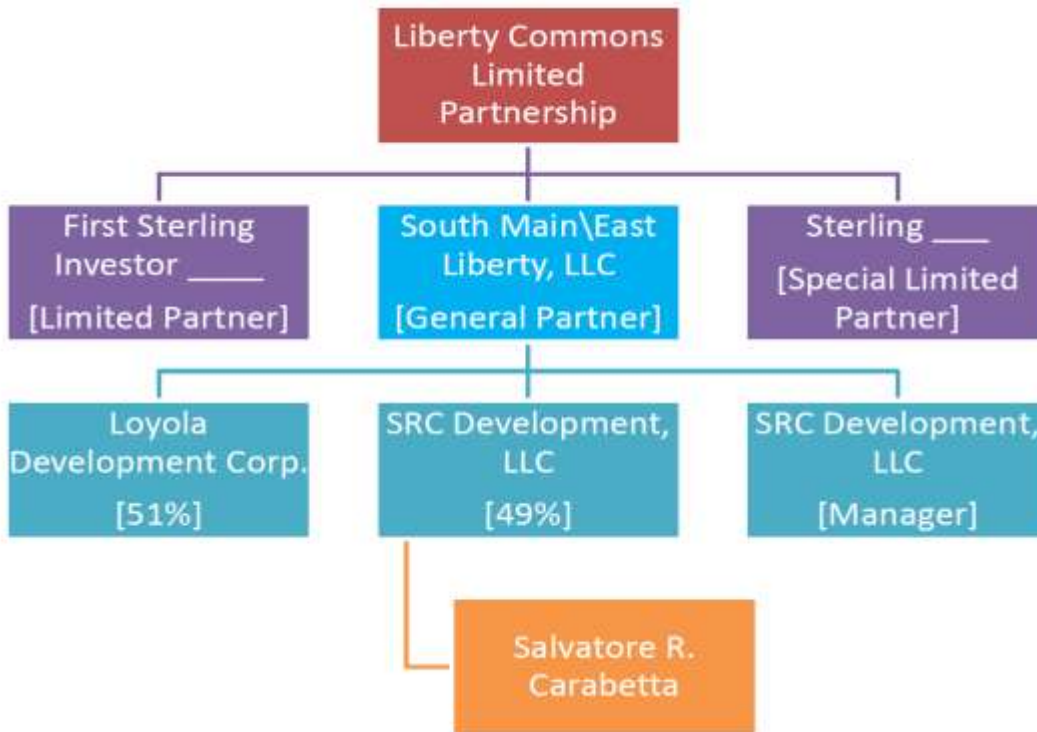
It is hereby further resolved that all acts heretofore taken by or under the authorization of the corporation that would have been authorized hereby when taken are hereby ratified confirmed and approved."

MOTION: To approve the loan between Len Mecca and Loyola Development Corporation (Campion, Summa). So voted unanimously.

4. Resolution Approval and Board Signatures:

Secretary, Gary O'Connor, had requested that the Executive Director explain the organizational structure of the Liberty Commons deal so that the Board of Directors could better understand the entities involved in the tax credit transaction. Nancy MacMillan described the joint venture agreement between Loyola and Carabetta, the entity created for that joint venture, then the entity created for Liberty Commons. Mr. O'Connor then asked that the organizational chart be presented so that he could describe the reasons for the resolutions which required approval and signature.

The following chart was described by Gary to the Board. Nancy noted that this chart does not illustrate the Loyola South End LLC entity, a for profit entity, which was created for tax credit purposes, and which falls under the Loyola Development Corporation LLC entity. See next page for chart.



Mr. Connor then proceeded to read each of the Resolutions which required the Boards vote and approval, and the Certificates which required signature. These documents are all part of the lenders/investors required documentation needed for the financing/closing for Liberty Commons.

- a.) Consent of Members - Schedule A to General Certificate from South Main East Liberty LLC.

MOTION: To approve the Schedule A to the General Certificate (O'Connor, Summa.) So voted unanimously.

- b.) Resolution of Loyola Development Corporation - to implement the intent of the Joint Venture Agreement.

MOTION: To approve the Resolution of Loyola Development Corporation (Summa, Mecca.) So voted unanimously.

- c.) Resolution of All Members and Managers of South Main /East Liberty LLC

MOTION: To approve the Resolution of All Members and Mangers of South Main East Liberty, LLC (O'Connor, Vaz.) So voted unanimously.

- d.) Secretary Certificate - Secretary Signature only.
- e.) Incumbency Certificate of LDC - LDC Officers and Executive Director Signature's only.



f.) Amendment to the Purchase & Sale Agreement, Extension to the Closing date

MOTION: To approve the Amendment to the Purchase & Sale Agreement, Extension to the Closing Date (Summa, Champion.) So voted unanimously.

At this time, Board President, Len Mecca, discussed LDC's meeting with Carabetta the previous week. He mentioned the Purchase Option negotiation and the Right of First Refusal reconciliation.

5. *Executive Director's Report:*

The Executive Director, Nancy MacMillan, gave her report to the Board, outlined as follows:

A. Project Update

1. SMEL - Liberty Commons Update

- a. WDC - Home loan - documents to be circulated for review and revision
- b. WHA - AHAP status - public comment period under way
- c. CHFA subsidy layering - approved
- d. DECD Pre-development loan - status - to be paid back at closing
- e. Building Permit - state DOT - awaiting final approval
- f. Accounting - Reznick report for reimbursement of expenses
- g. Closing date - Feb 13, 2014

2. Housing Rehab Program – Update

- a. 52-54 E Dover Street - completed - requisition submitted to WDC
- b. WDC requisition 3 - waiting funds - administration fee

B. Standard Demolition Services - paid \$22,680 plus retainage for a total of approx. \$35,000. Loan with WDC to be paid back after closing in Feb.

C. Old Office Space - assistance moving tools etc. and shutting off utilities - need Board's assistance - date to move office contents - Saturday, Feb 1 at 11 am.

D. Personal Remarks - pending March surgery; work plan

6. *Old Business/New Business/Next Meeting:*

Next meeting to be scheduled for February 25, 2014, at 6 pm.

7. *Adjournment:*

MOTION: To adjourn at 7:20 PM (Campion, Torres) So voted unanimously.

Meeting notes were prepared by Nancy MacMillan, LDC Executive Director on behalf of Gary O'Connor, LDC Board Secretary.