



AGENDA OF GBHA PROPERTIES I, INC.

**THURSDAY, JUNE 8, 2023, 2:00 PM
IMMEDIATELY FOLLOWING GREEN BAY HOUSING
AUTHORITY MEETING.**

**City Hall, Room 604 - The Harry Maier Room.
Virtual attendance is also available via Zoom.**

A. Zoom Meeting Information.

1. This item contains documents which provide call in information and instructions for the Zoom meeting.

B. Roll Call.

1. William VandeCastle - Chair, Terri Refsguard Vice-Chair, Sandra Popp, Erin Edwards and Stephen Srubas

C. Approval of the Agenda.

1. Approval of the agenda for the June 8, 2023, meeting of GBHA Properties I, Inc.

D. Regular Business.

1. Approval of the Executive Summary for the transaction between Gorman & Company LLC and GBHA Properties I, Inc related to the renovation of Mason Manor and Scattered Sites.
2. Consideration with possible action on amending the GBHA Properties I bylaws.
3. Consideration with possible action on approval of the Conflict of Interest Policy.

E. Adjournment.

- 1) THIS MEETING IS RECORDED: THE VIDEO OF THIS MEETING AND MINUTES ARE AVAILABLE ONLINE AT www.greenbaywi.gov
- 2) ACCESSIBILITY: Any person wishing to attend who requires special accommodation because of a disability, should contact the City Safety Manager at 920-448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.

- 3) **QUORUM:** Please take notice that a majority or quorum of the Common Council may attend this GBHA Properties I, Inc. meeting and will constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4) **REPRESENTATION:** The party requesting the communication, or their representative, should be present at this meeting.

Virtual Meeting Instructions



Green Bay Housing Authority

Zoom Meeting Information

Join Zoom Meeting

<https://us02web.zoom.us/j/81434999289?pwd=N0dIMGxWSS85SGswK2IZeGhZZUN0UT09>

Meeting ID: 814 3499 9289

Passcode: 483400

One tap mobile

+13017158592,,81434999289# US (Germantown)

+13126266799,,81434999289# US (Chicago)

Dial by your location

+1 301 715 8592 US (Germantown)

+1 312 626 6799 US (Chicago)

+1 646 876 9923 US (New York)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

Meeting ID: 814 3499 9289

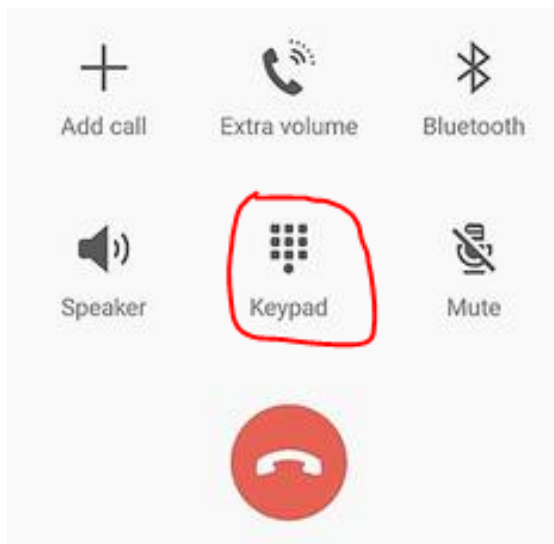
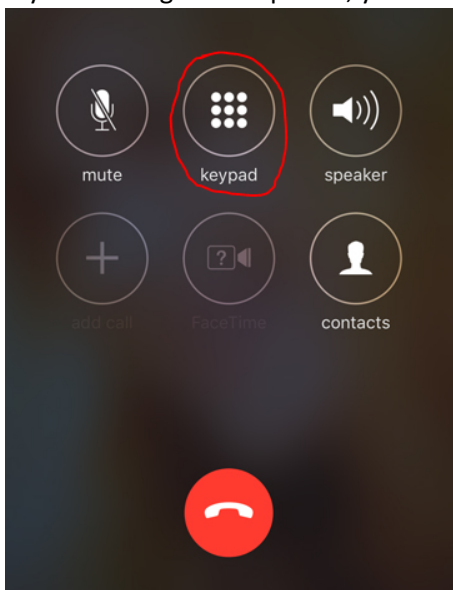
Find your local number: <https://us02web.zoom.us/u/koUDU8TSd>

Additional Information

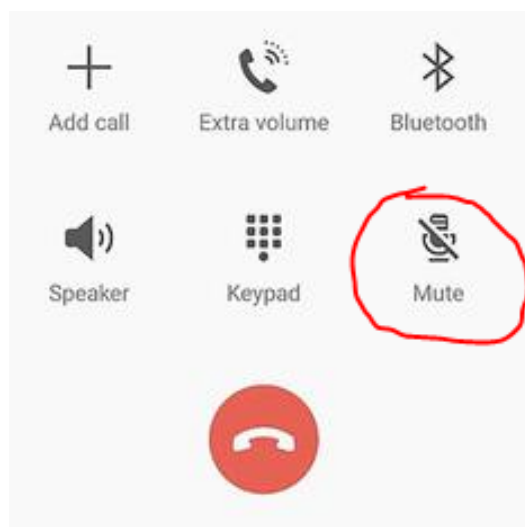
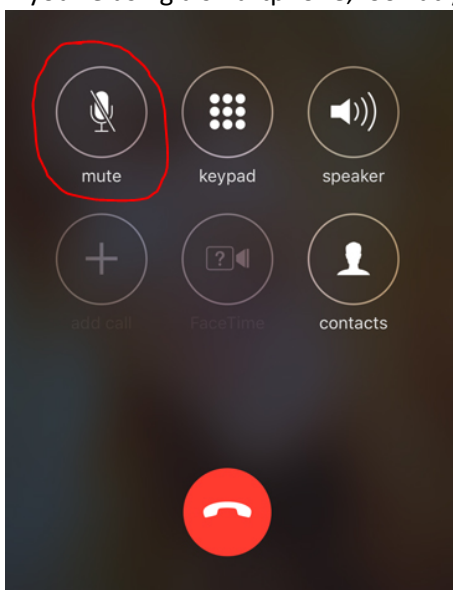
1. Wisconsin Open Meetings Law still applies
 - a. Persons interested in speaking to an item must give their name and address
 - b. Committee/Commission/Board members will still follow *Roberts Rules of Order*
2. All zoom meetings will have a password in the instructions. Please enter when prompted.
3. Please log into the Zoom meeting 10 minutes before the meeting starts to ensure proper technology is working.
 - a. If you are a Board Member, please log into [CivicClerk](#) with a computer, laptop, or tablet device.
4. Once you are in the meeting please mute yourselves.
 - a. You may unmute yourself when you are called upon to speak.
5. Waiting room
 - a. When you call in, all callers/participants will be placed in a “waiting room.”
 - b. Persons on the agenda will be admitted to the meeting, and then once the item is concluded, the host will permanently mute you from the meeting (you can still hear the meeting).
6. Using Zoom with a tablet or computer
 - a. Tablet—you will be asked to sign in. Download the app either with the Apple Store or the Play Store
 - b. Computer—you will be asked to sign in. You may download the app or click on the link to open Zoom in your browser.
7. Registering
 - a. The host may ask you to register for the meeting. A registration link will be sent to you along with the invite. You’ll receive another email confirming that you’re registered for the meeting.
 - b. If you’re using a phone, your registration will still be tied to an email.
8. Raising your hand
 - a. Committee members—you can either use CivicClerk and request to speak or you can “raise your hand” in the zoom meeting (you’d need to use a computer or tablet) to let the host know you’d like to speak. You can also un-mute yourselves and start speaking.
 - b. Persons on the agenda—you can “raise your hand” but you’d need to use a computer. You will be allowed to speak, per Wisconsin Open Meetings Rules, once the committee has “opened the floor for interested parties to speak.” Once the committee is finished with your agenda item, the host will mute you permanently, unless the committee opens the floor again.
9. What devices should I use?
 - a. Smart phone (please see more detailed instructions on page 3)
 - b. Land line
 - c. Tablet—well in advance of the meeting, please download the Zoom Meeting app before you join a meeting by using either the Apple Store or the Play Store. You will be asked to input your name, thus identifying you for the meeting. You’ll also be asked to verify your email.
 - d. Computer—well in advance of the meeting, please download the Zoom Meeting app, but you can also click on a link to open the Zoom Meeting in your browser. You will be asked to input your name, thus identifying you for the meeting.
 - e. For tablet and computer users—if you download the app you will be asked to verify your email.
10. Zoom etiquette
 - a. Muting yourselves when you’re not talking will prevent your background noise from interfering with others’ ability to listen to and participate in the meeting.
 - b. If you’re using a telephone, please identify yourself with your phone number and name before you speak. Zoom meeting hosts can see only your telephone number and will ask you to identify yourselves.
11. Closed session
 - a. Persons in the Zoom meeting will be put into a waiting room while the committee meets in Closed Session. Participants will be admitted back into the Zoom meeting once the committee reconvenes in Open Session.
 - b. Persons watching live on YouTube will see a gray screen with the City logo during closed session.
12. Persons interested in listening to the meeting can go to www.youtube.com/CityofGreenBay

Calling into the Zoom meeting using a smartphone

1. Dial the phone number listed at the beginning of this document.
2. When prompted, enter the Meeting ID number followed by #
 - a. If you're using a smartphone, you can access the keypad by clicking "Keypad" on your screen



3. Once you are in the meeting, notify the meeting host that you are in and state your name.
4. If you do not need to talk, please make sure your phone is on **Mute**
 - a. If you're using a smartphone, look at your screen and click the Mute button



- b. If you're using a computer, you should see a Mute button in the Zoom application





Report to the
GBHA Properties I, Inc.
of the City of Green Bay

MEETING DATE

June 8, 2023

PREPARED BY

Jayne Valentine, Staff

AGENDA ITEM # D.I

Approval of the Executive Summary for the transaction between Gorman & Company LLC and GBHA Properties I, Inc related to the renovation of Mason Manor and Scattered Sites.

BACKGROUND

The Executive Summary lays out the process to bring the transaction between Gorman & Company LLC and GBHA Properties I, Inc to fruition. The Executive Summary follows the Memorandum of Understanding that was agreed upon between Gorman & Company and GBHA Properties I, Inc in December 2022, which defines the responsibilities and obligations of both parties.

Staff has been working closely with Attorney Paul Dombrowski at Husch Blackwell and Kaitlin Konyn and team from Baker Tilly on the specifics of these legal documents. The attached documents have been reviewed by all parties and are being recommended by staff for board approval.

RECOMMENDATION

To approve the Executive Summary for the transaction between Gorman & Company LLC and GBHA Properties I, Inc related to the renovation of Mason Manor and Scattered Sites.

FISCAL IMPACT

ATTACHMENTS

1. Executive Summary Board Resolution with Exhibits
2. GBHA Memorandum of Understanding executed

EXECUTIVE SUMMARY

June 1, 2023

The materials presented to you today for approval will start the process of fulfilling the concepts that were previously stated and agreed to within the Memorandum of Understanding dated November 30, 2022 (the “MOU”) between Gorman & Company, LLC (“Gorman”) and the Green Bay Housing Authority (“GBHA”). Please note the MOU has been provided as part of your packet today for reference and the paragraphs numbered within this document intentionally correspond to the paragraphs with the MOU for ease of reference.

1. Formation of Development Entity

A new limited liability company will be formed, GBHA Properties, LLC, to act as the “Development Entity” for the renovation of Mason Manor (152 units) and the scattered sites (48 units) to be collectively referred to as “The Project”. Our proposed tax credit purchaser, Enterprise Housing Credit Investments, LLC (“Enterprise”) will own 99.99% of the Development Entity. The remaining .01% of the Development Entity will be owned by another new LLC we will form called GBHA Properties MM, LLC, which will be referred to herein as the “Managing Member Entity”. This Managing Member Entity will be initially owned by Gorman holding 51% and the GBHA owning 49%. Gorman will own the majority of this Managing Member Entity from construction through Project Stabilization due to the guarantees it will have to provide during this period. Please note that during this period Gorman is specifically excluded from the following actions without unanimous consent : (i) selling any part of the Project; (ii) acquiring more debt; (iii) filing for bankruptcy or (iv) changing design, scope or specifications of the Project.

2. *Gorman & Company/GBHA's Role in the Project*

Gorman will design and construct the Project pursuant to a scope of work, design specifications, a resident relocation plan (within Mason Manor) and a lease up strategy we all agree upon. After the Project is complete and all substantive HUD, WHEDA and Investor requirements for the Project have been met, Gorman will exit the Managing Member Entity upon "Project Stabilization" (defined as the Project being complete and achieving the required Debt Service Ratio, typically a 1.15, for three consecutive months. This exit will occur by Gorman assigning its 51% membership interest in the Managing Member Entity to GBHA so that GBHA will be the 100% owner of the Managing Member Entity. Prior to Project Stabilization, GBHA will act as a co-manager and co-developer of the Project with Gorman. After Project Stabilization Gorman will exit the Project and GBHA will be the sole Manager of the Project. GBHA will manage the Project in its ordinary course for 15 years from the date the Project is completed or called "Placed in Service". At the end of the 15th year the Development Entity Operating Agreement will allow GBHA to acquire the 99.99% from Enterprise within the Development Entity for one dollar (assuming all of the outstanding debt) and own the Project 100%. At this point GBHA can cancel or retain (at its sole discretion) any ground lease or promissory note it holds on the Project.

3. *Site Control*

Mason Manor is currently owned by the GBHA. GBHA will ground lease the land under Mason Manor to the Development Entity for 75 years for \$1. GBHA will convey the improvements on top of this leased land (i.e. the Mason Manor building, etc.) to the Development Entity for a purchase price of \$9,100,000.

The scattered sites are currently owned by GBHA Properties 1, Inc. (referred to herein as “Properties 1”). Properties 1 will ground lease the land under the scattered sites to the Development Entity for 75 years for \$1. Properties 1 will convey the improvements associated with the scattered sites (i.e. the homes, etc.) to the Development Entity for \$5,700,000.

Please note these values were determined by a Novogradac appraisal dated April 8, 2022.

4. *Project Sources – Final Documents To Be Drafted For GBHA Review and Approval*

The sources of the Project will be as follows:

- WHEDA First Mortgage (35 term/35 amort.) \$5,130,578
Please refer to the attached draft WHEDA Conditional Commitment dated May 25, 2023
- Enterprise Equity from sale of tax credits \$24,840,666
Please refer to the draft Enterprise Letter of Intent dated May 31, 2023 showing the terms by which Enterprise agrees to purchase the following tax credits: Federal LIHTC, Federal HTC and State HTC
- GBHA Seller Note for Mason Manor (3.72% interest long term AFR)-
40-year term/0% interest-no payments due \$5,975,000
- Properties 1 Seller Note for Scattered Sites (3.72% interest)
40-year term/0% interest-no payments due \$3,825,000
- GBHA Subordinate Debt (from proceeds received at closing for sale
of Mason Manor) at 3.72% interest
40-year term/0% interest-no payments due \$3,125,000

<ul style="list-style-type: none"> • Properties 1 Subordinate Debt (from proceeds received at closing for sale of scattered sites) at 3.72% interest 40-year term/0% interest-no payments due 	\$1,875,000
<ul style="list-style-type: none"> • GBHA CFP Funds Promissory Note (3.72% interest) 40-year term/0% interest-no payments due 	\$1,769,916
<ul style="list-style-type: none"> • GBHA Reserves Promissory Note (3.72% interest) 40-year term/0% interest-no payments due 	\$500,000
<ul style="list-style-type: none"> • Deferred Developer Fee (5% interest) 15-year payout 	\$3,000,000
TOTAL	\$50,041,160
<ul style="list-style-type: none"> • GBHA Loan from Unrestricted Funds to the Project as Additional Operating Deficit Reserve Funds (3.72% interest) No more than 15-year term 	\$ _____

5. Project Guarantees

Gorman will provide the following Guarantees from closing to Project Stabilization:

- Completion Guaranty – this guaranty will state that we promise to complete the scope, design and specifications that we agreed to with WHEDA and Enterprise
- Construction Finance Guaranty – this guaranty will state that we promise to pay back the WHEDA construction note
- Compliance Guaranty – this guaranty will state we will comply with all HUD and WHEDA regulations as well as other City, State and Federal laws, rules and regulations
- Operating Deficit – we have to make sure enough funds are available to operate the Project during this period as a co-manager
- Tax Credit Delivery – we have to promise to deliver the tax credits we sold to Enterprise in a timely manner
- Any other guarantees provided by Enterprise

GBHA will provide the following Guarantees from Closing to Project Stabilization:

- Environmental – guaranteeing unknown that results in more cost

GBHA will provide the following Guarantees after Project Stabilization:

- Operating Deficit – GBHA will have to make sure enough funds are available to manage the Project post stabilization for the next five years
- Tax Credit Delivery – GBHA will have to operate the Project post stabilization in its ordinary course to make sure tax credits are delivered each year during the 10 year tax credit delivery period
- Environmental – guaranteeing unknown that results in more cost

We are still negotiating with Enterprise to eliminate the liquidity and net worth requirement for GBHA at stabilization.

6. *Developer Fee Projected* - Total Developer Fee is ~ \$6,000,000

- Gorman will receive 50% of this fee by Project Stabilization which is referred to as “Realized Fee”
- GBHA will receive 50% of this fee Post Project Stabilization through cash flow which is referred to as “Deferred Fee”. The amount and extent of Deferred Fee is important because it allows the GBHA to capture 100% of the cash flow of the project despite the fact they only have a .01% partnership interest.

7. *Gorman’s role in the Project from Closing to Project Stabilization*

- General Contractor
- Architect
- Co-Manager
- Relocation Consultant

- Compliance Manager

GBHA's role in the Project from Closing to Project Stabilization

- Co-Manager

GBHA's role in the Project from Project Stabilization

- Manager
- Compliance Manager (Can outsource this)

8. See above

9. Predevelopment Expenses

Currently the predevelopment expenses total \$216,542.37 to date and these expenses have been incurred by Gorman to date with the assistance of a predevelopment loan from Impact 7. An itemized list of these predevelopment expenses are attached. We anticipate another \$100,000 of legal expense to close this transaction and another \$100,000 of scattered site survey expense prior to closing. That will total approximately \$416,000 of predevelopment expenses.

10. Schedule of the Project

- | | |
|-----------------------------------|--------------|
| • Financing Plan Submitted to HUD | June 2023 |
| • Closing | October 2023 |
| • Start Construction | October 2023 |
| • Construction Completion | March 2025 |
| • Project Stabilization | October 2025 |

Project Name: GBHA Repositioning
Project Number: 3063
Loan Number: 111654
Location: Green Bay, WI (Brown County)

Sent Via Email: tmatkom@gormausa.com

May 25, 2023

Mr. Ted Matkom
Gorman & Company
200 N. Main Street
Oregon, WI 53575

RE: Conditional Commitment to Issue Tax-Exempt Bonds in the amount of \$24,205,942

Dear Mr. Matkom:

Wisconsin Housing and Economic Development Authority ("WHEDA") has reviewed the materials submitted by Green Bay Housing Authority Properties, LLC ("Borrower") in connection with its request that WHEDA issue long-term tax-exempt bonds in the amount of **\$5,130,578** and short-term tax-exempt bonds in the amount of **\$19,075,464** or such other amount as the parties may mutually agree upon in writing (the "Bonds") to finance the development of a multifamily housing project known as **GBHA Repositioning**, to be located at **Multiple Addresses (scattered site), Green Bay, WI** (the "Project"), all as described in more detail in the materials.

The proceeds from the Bonds are to be loaned to Borrower (the "Loan"), and, subject to limitations on the use of Bond proceeds, the Loan may be used to finance the purchase of land, buildings, furnishings, and equipment, constructing improvements, making rehabilitation expenditures, funding of initial marketing expenses, rehabilitation costs, construction costs, bonding costs, and initial operating deficits of the Project. We anticipate the rental revenue generated from the Project will be used to make debt service payment on the Bonds.

Based upon the information provided, WHEDA is willing to issue such Bonds and make such Loan, subject to the terms and conditions described in this letter (the "Conditional Commitment"). The current indicative interest rates as of 05/26/2023 are 6.60% and 6.00% for the long-term tax-exempt bonds and the short-term tax-exempt bonds, respectively. The long-term tax-exempt bonds will be fully amortized over 35 years once the loan has been converted to permanent financing. A 24 month construction period is expected based on the application provided.

WHEDA's willingness to issue the Bonds and make the Loan is expressly conditioned upon the following:



WHEDA

Tony Evers, Governor | Elmer Moore, Jr., CEO

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- Borrower and WHEDA agreeing to the structure of the Bonds
- WHEDA having sufficient private activity volume cap to issue the Bonds, as determined in WHEDA's sole discretion and taking into consideration other uses for such volume cap.
- Borrower agreeing to pay and paying either: (a) all issuance costs associated with the Bonds as well as WHEDA's issuance fee and other fees if the Bonds are issued as a stand-alone issuance, or (b) all Loan fees and other expenses associated with the Loan if WHEDA elects to issue the Bonds as part of a larger issuance of bonds, all as approved by WHEDA's Members Loan Committee.
- WHEDA timely receiving all required due diligence materials as requested from time-to-time in order to underwrite the Project.
- Borrower providing a market study, and other reports and documentation requested by WHEDA, each in form and content acceptable to WHEDA.
- WHEDA determining, in its sole discretion, that that the Project is financially feasible, based upon the terms of the Loan, the market demand for the rental units, and any other factors considered by WHEDA.
- The Bonds and Loan being structured in a manner satisfactory to WHEDA and so as not to violate any applicable legal or other requirement.
- WHEDA determining, in its sole discretion, that its underwriting of the Project meets WHEDA's internal requirements.
- Borrower entering into WHEDA's loan documents in form and substance acceptable to WHEDA.
- The Bonds, the use of proceeds, and all other aspects of the transaction complying in all respects with all applicable provisions of the Internal Revenue Code, regulations, revenue rulings, revenue procedures, notices, and announcements.
- Between the date of this letter and the date of the issuance of the Bonds, there existing no material adverse change in: the financial feasibility of the Project; the capital financial structure of the Project financed by the proceeds of the Bonds; or the state, national, or international financial, banking, bond, or credit industries.
- All information and materials submitted or otherwise provided to WHEDA in connection with the Bonds and the Loan being acceptable to WHEDA, and not being materially



WHEDA

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inaccurate or incomplete either as of the date of the submission or as of the date of the issuance of the Bonds.

- Once the structuring and other details related to the Bonds and the Loan are determined, WHEDA obtaining all necessary internal approvals and resolutions to issue the Bonds and make the Loan, including, but not limited to, the approval of its Members Loan Committee to issue the Bonds and make the Loan, as determined in its sole discretion, and the adoption of the requisite series resolutions to issue the Bonds by WHEDA's Board or Members Loan Committee as applicable.
- Borrower and WHEDA entering into a mutually agreeable amendment to this Conditional Commitment or a superseding commitment, setting forth the structure of the Loan and the Bonds in more detail, and incorporating various other closing conditions and general requirements, all in form and substance acceptable to WHEDA, on or before 12/31/2023.

WHEDA agrees that the Bonds will be initially sold through public sale. WHEDA reserves the unilateral right to issue the Bonds as part of a larger bond issuance, the proceeds of which to be used to finance the Loan to the Project and other loans to other projects.

This Conditional Commitment sets forth the entire agreement between Borrower and WHEDA and supersedes any and all agreements, understandings, statements or representatives, whether oral or written, of WHEDA or anyone acting on behalf of WHEDA. Any modification or waiver of any provision of this Conditional Commitment must be in writing and be signed by Borrower and WHEDA. To the extent the terms and conditions of this Conditional Commitment are not contradicted by the terms and conditions of documents later executed and delivered, the terms and conditions hereof shall survive the execution and delivery of such later documents. If there is any conflict between the Conditional Commitment and the ultimate Bond and Loan documents, the terms of the Bond and Loan documents shall prevail.

BORROWER (AND ANYONE ACTING ON BEHALF OF BORROWER) AND WHEDA EACH COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THIS CONDITIONAL COMMITMENT, TRANSACTIONS CONTEMPLATED THEREBY AND RELATIONSHIPS ESTABLISHED IN CONNECTION THEREWITH. THIS WAIVER IS SEPARATELY GIVEN BY EACH PARTY KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF LEGAL COUNSEL (OR THE OPPORTUNITY TO CONSULT LEGAL COUNSEL, WHICH SUCH PARTY HAS WAIVED). THIS WAIVER SHALL BE DEEMED A MATERIAL INDUCEMENT TO WHEDA TO MAKE, AND BORROWER (AND ANYONE ACTING ON BEHALF OF BORROWER) TO ACCEPT, THIS OFFER.



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If the terms and conditions of this Conditional Commitment are acceptable, please return a copy of the Conditional Commitment signed on behalf of Borrower to Dan Beres at dan.beres@wheda.com

Sincerely,
WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

By: _____
Shreedhar Ranabhat
Director, Commercial Lending

ACCEPTANCE BY BORROWER:

The undersigned hereby accepts the foregoing offer this _____ day of _____, 2023 and agrees to be fully bound by the terms and conditions hereof.

By: _____

By: _____

Name: _____

Title: _____



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May 31, 2023

Mr. Brian Swanton
President & CEO
Gorman & Company, LLC
200 N. Main Street
Oregon, WI 53575

Ms. Cheryl Renier-Wigg
Executive Director
Green Bay Housing Authority
100 North Jefferson Street
Green Bay, WI 54301

Dear Mr. Swanton and Ms. Renier-Wigg:

Thank you for considering our proposal! This letter outlines the terms and conditions under which Enterprise Housing Credit Investments (“Enterprise”) as representative for one or more equity funds will make an equity investment in Mason Manor and Scattered Sites (the "Project") located in Green Bay, Wisconsin.

A. The Project

- Involves the new construction and/or acquisition and rehabilitation of 200 rental units in 42 buildings, 100% of which will be leased to LIHTC-eligible households
- Is projected to qualify for:
 - \$2,022,319 of annual Federal Low-Income Housing Tax Credits (the "Federal Housing Credit"), based on the following tax credit percentages, which will be locked as of closing: 4% for acquisition and 4% for construction
 - \$5,337,178 of Federal Historic Tax Credits (the “Federal HTC”)
 - \$3,500,000 of State Historic Tax Credits (the “State HTC”)

B. Project Ownership, Fees, Cash Flow and Capital Proceeds Allocations

- Sponsored by Green Bay Housing Authority (the “Sponsor”)
- At closing through Stabilization, the general partner will be a non-profit subsidiary of the Sponsor (the “General Partner”), which will be a single purpose entity with a 0.0049% interest in the partnership and a for-profit subsidiary of Gorman & Company, LLC which will be a single purpose entity with a 0.0051% interest in the partnership. Per the requirements in section G below, Gorman & Company will exit the ownership structure on the date on which the Limited Partner makes its third equity contribution and receipt of IRS Form(s) 8609. Thereafter, the general partner

ENTERPRISE HOUSING CREDIT INVESTMENTS, LLC.

70 Corporate Center ■ 11000 Broken Land Parkway ■ Suite 700 ■ Columbia, MD 21044 ■ 410.964.0552 ■ www.EnterpriseCommunity.org

*If there is a discrepancy between any figures shown in this letter, compared to the projections shared by Enterprise, please defer to the projections.

will be a non-profit subsidiary of the Sponsor (the “General Partner”), which will be a single purpose entity with a 0.01% interest in the partnership. While the LOI refers to an LP structure for the partnership, the Sponsor may subsequently propose to use an LLP or LLC structure.

- The Enterprise equity fund will be the limited partner (the "Limited Partner") with a 99.99% interest in the partnership
- Development Fee – the development fee in the amount of \$6,000,000, or such other amount approved by WHEDA, will be payable as follows:
 - \$2,895,313 is projected to be paid out of equity as detailed in Section C below
 - The remainder is deferred and paid from cash flow at the interest rate shown in the projections.
- Investor Services Fee - the Limited Partner will receive an investor services fee of \$10,000 inflating 3% per year paid in accordance with Section E. Unpaid investor services fee will accrue without interest and be paid as a priority from subsequent cash flow or proceeds from refinancing or sale
- Partnership Administration Fee - the General Partner will receive a partnership administration fee of \$9,608, inflating at 3% per year paid in accordance with Section E. Unpaid partnership administration fee will accrue without interest to be paid from subsequent cash flow or proceeds from refinancing or sale

Ownership Assumptions

Percentage Ownership Interest
 Share of CF After GIA
 Share of Capital Proceeds at Sale
 Investor Income Tax Rate:
 GIA - (Priority Cash Distribution to GP)

Inv. Mem.	For Profit MM/AM	Non Profit MM/AM
99.990%	0.0000%	0.01%
99.990%	0.0000%	0.01%
99.990%	0.00%	0.01%
21.00%	Notes:	
	0.000%	0.00%

C. Pricing of Credits and Schedule of Capital Contribution Payments

The Limited Partner proposes making an investment of \$24,840,666 based upon:

- \$0.87 per dollar of Federal Housing Credit (“Federal Housing Credit Price”)
- \$0.82 per dollar of Federal HTC (“Federal HTC Price”)
- \$0.82 per dollar of State HTC (“State HTC Price”)

We assume the Limited Partner will be admitted to the partnership on October 1, 2023. If prior to closing there are material changes in the underwriting or timing assumptions or Enterprise’s cost or availability of capital, the Limited Partner may adjust the investment. Capital contributions (“Payments”), as scheduled in the projections, will be due upon the satisfaction of conditions and delivery of the items outlined below, to the extent not provided at closing, with approval by the Limited Partner. All Payments are contingent upon satisfaction of the conditions of prior Payments, and receipt of reporting items (see Section I below) and representations and warranties to insure the Project’s viability. Additional conditions may be imposed during underwriting and will be reflected in the final partnership agreement (the “Partnership Agreement”).

First Payment: Admission \$2,484,067 (10%)

Up to the amount projected but limited to the amount needed to cover immediate costs.

\$724,000 of Development Fee (25% of paid fee) will be paid as part of this Payment.

Second Payment: Completion \$17,388,4665 (70%)

\$724,000 of Development Fee (25% of paid fee) will be paid as part of this Payment.

On the latest to occur of April 1, 2025 and:

- Temporary certificates of occupancy for 100% of the units (for renovation projects, all applicable building department signoff on permits or recorded notice of completion or other such confirmation that the local government approves of the completed work may be acceptable in lieu of certificates of occupancy)
- Construction completion which requires that the Limited Partner and its consultant accept the architect certification that construction is complete in accordance with the relevant project documents, excepting punch list items that do not impede occupancy on a full rent paying basis provided that funds are escrowed or retained by construction lender to complete them
- Radon testing for each building and evidence of mitigation, if required
- Lead free inspection certificate (for buildings built before 1978) or acceptable Operations and Maintenance Plan.
- The Part 3 application submitted to the National Park Service
- Title report evidencing there are no recorded mechanics liens that have not been released or bonded against
- Partial lien release and current AIA forms G702 and G703
- Draft as-built plans approved by the architect
- Draft General Partner or accountant prepared cost certification documenting the Project's eligible basis, balanced sources and uses, calculation of annual credit and evidence of the 50% test.
- Current source and use schedule for the Project confirming sufficient funds will be available to achieve loan conversion ("Loan Conversion") which consists of:
 - Conversion of all loans to permanent status
 - Closing and funding of all permanent loans in accordance with the terms shown on the Projections
 - Repayment of all construction loans
 - Approval of all loan documents
- Required insurance
- Operating or rental subsidy agreements

Third Payment: Conversion/Stabilization \$4,678,133 (18.44%)

\$1,157,313 of Development Fee (40% of paid fee) will be paid as part of this Payment.

On the latest to occur of October 1, 2025 and:

- Permanent certificates of occupancy for 100% of the units (for renovation projects, all applicable building department signoff on permits or recorded notice of completion or other such confirmation that the local government approves of the completed work may be acceptable in lieu of certificates of occupancy)
- Final mechanic's lien release and final AIA forms G702 and G703
- Part 3 Approval from the National Park Service
- Recorded extended use agreement. When the state process precludes recording the extended use agreement prior to the end of the first credit year, Enterprise may defer this requirement
- Final accountant certified cost certification documenting the Project's eligible basis, balanced sources and uses, calculation of annual credit and evidence of the 50% test.
- 98% documented tax credit qualified occupancy
- Credit projection
- Stabilization Date, which is the date that is the later of:
 - i. Construction completion
 - ii. The date the Project has satisfied the required debt service coverage ratio (the "Coverage Ratio") of 1.15 for a period of three (3) consecutive calendar months evidenced as a single time period, with revenues calculated on a cash basis and expenses on an accrual basis. Rental and operating subsidy payments receivable may be included in rental income (up to the projected subsidy income) provided such amounts are not more than sixty (60) days in arrears. Revenue shall not include non-recurring revenue nor tenant-based voucher income exceeding maximum Federal Housing Credit rents. Throughout this period, the underwritten physical occupancy of the residential units is achieved and revenue equals or exceeds projected effective gross income. Project expenses (including required reserve funding) will be actuals for insurance and for all other expenses, the greater of:
 1. actual expenses; OR
 2. the lesser of
 - A. the expenses shown on the projections
 - B. the current approved budgetNote that the Coverage Ratio may be adjusted upward during underwriting to maintain appropriate minimum Coverage Ratio during the initial compliance period.
- Loan Conversion, which may be simultaneous with equity funding per this Payment

Fourth Payment: 8609 \$290,000 (1.56%)

\$290,000 of Development Fee (10% of paid fee) will be paid as part of this Payment.

On the latest to occur of April 1, 2026 and:

- Receipt of IRS Form(s) 8609
- Tax return for the first Federal Housing Credit year

D. Adjusters

The maximum aggregate upward adjuster is 10% of the projected total capital contribution and payment thereof shall not be subject to any conditions other than as may be set forth below. The calculation of the adjuster will be subject to the Limited Partner’s approval and include no negative tax implications to the Limited Partner. If the unpaid Payments are less than any downward adjustment, the General Partner will make a cash contribution or loan in the amount of the deficiency on an after-tax basis to be distributed to the Limited Partner. The specific adjustments follow:

1. Total Credit Adjuster:

If there is a reduction of total credits of any type at any time, as compared to projections, then the next Payment will be reduced. The amount of the downward adjuster will be the respective credit price multiplied by the reduction of the relevant credits.

If there is an increase of total credits of any type, as compared to projections then the aggregate capital contribution will be increased as of the Payment for which 8609s are received. The amount of the upward adjuster will be the respective credit price multiplied by the increase of the relevant credits.

2. Timing Adjuster:

If there is a reduction in equity according to the following paragraphs, it will be implemented as of the Payment dependent upon the Stabilization Date. Any additional equity funded under this section D.2 will be payable as part of the Payment requiring receipt of the relevant tax return showing the faster delivery, by year. If the Project delivers fewer Federal Housing Credits than shown in the following schedule, total capital contribution will be reduced by \$0.59 per dollar of credit differential, and if the Project delivers more Federal Housing Credits than shown in the following schedule, total capital contributions will be increased by \$0.49 per dollar of credit differential:

2024	2025
\$455,022	\$1,981,874

If the increase in first year Federal Housing Credits results in any loss of Federal Housing Credits due to the 2/3 rule, the increase will be reduced by both the permanent loss of Federal Housing Credits and present value of the rescheduled credit delivery.

If the project delivers Federal HTC starting in the year subsequent to the projected placed-in-service year, the total capital contribution for the Federal HTC will be decreased by \$0.36 per dollar of credit for such year. If the project delivers Federal HTC in the year prior to the projected placed-in-service year, the total capital contribution for the Federal HTC will be increased by \$0.30 per dollar of credit for such year.

If the project delivers State HTC in the year subsequent to the projected placed-in-service year, the total capital contribution for State the HTC will be decreased by \$0.41 per dollar of credit for such year. If the project delivers State HTC in the year prior to the projected placed-in-service year, the total capital contribution for the State HTC will be increased by \$0.41 per dollar of credit for such year.

3. Recapture Adjuster

If the actual Federal Housing Credits allocated to the Limited Partner on the federal tax return are less than projected (after adjustments per D.1 and D.2 above), or there is recapture of Federal Housing Credits, then the Limited Partner's capital will be reduced by \$1.00 for every dollar reduction in the amount of Federal Housing Credits plus any interest and penalties imposed by the IRS.

If it is determined that a recapture adjuster will be applicable in subsequent years, the full adjuster for the future years will be made at the time of the initial determination. If the unpaid capital contributions are less than this adjustment, the General Partner will make a cash contribution in the amount of the deficiency on an after-tax basis. This contribution will be distributed to the Limited Partner. However, this cash contribution will be limited to the capitalized Development fee. If the adjuster exceeds the capitalized Development fee, the difference will be distributed to the Limited Partner as a priority from available cash flow and/or proceeds upon refinance or sale.

4. Depreciation Adjuster

Failure to make various General Partner or Sponsor tax and Project depreciation elections as called for in the projections and the Partnership Agreement will result in a reduction in capital contributions to reflect the reduction in benefits to the Limited Partner. If unpaid capital contributions are less than such adjustment, the General Partner will be required to make a cash contribution up to the amount of such reduction in tax benefits on an after-tax basis. This contribution will be distributed to the Limited Partner.

5. Excluded Credit Adjustment Amount

There will be no adjuster for any reduction or recapture of credits if such reduction or recapture is due solely to (i) an act or omission attributable to gross negligence or intentional misconduct of the Limited Partner in violation of the Partnership Agreement; (ii) the transfer by the Limited Partner of all or a portion of its interest in the Partnership; or (iii) any change in the Code or change in Treasury Regulations (except as related to the Average Income minimum set-aside election) that occurs after the effective date of the Partnership Agreement, with which the General Partner is unable to comply despite the exercise of good faith and reasonable efforts.

E. Application of Cash Flow and Refinance or Sale Proceeds

1. Cash Flow

Cash remaining after funding operating expenses, reserve deposits, and required debt service will be applied according to the following priorities:

- a) to the Limited Partner for:
 - i. unpaid credit deficiency

- ii. taxes owed on taxable income allocated to the Limited Partner
- iii. unpaid Investor Services Fees
- b) to replenish the operating reserve to required level
- c) to the property manager for the cash flow portion of property management fee (if related manager)
- d) to the developer to pay off remaining deferred Development Fee
- e) to the General Partner
 - i. to reimburse operating deficit contributions
 - ii. for Partnership Administration Fee (if applicable)
 - iii. to reimburse development advances, at the Limited Partner's sole discretion after tax analysis
- f) Contingent loan payments with limits for each loan scheduled in the projections and in accordance with the loan documents
- g) A percentage to the General Partner accompanied by a special allocation of income of such amount and the remainder to the Limited Partner per Section B above

2. Capital (Refinance or Sale) Proceeds

The proceeds of a refinance or sale of the Partnership's property, net of paying off outstanding debt, will be distributed according to the following priorities:

- a) to the Limited Partner for
 - i. unpaid credit deficiency
 - ii. taxes owed resulting from the sale or refinancing
 - iii. unpaid Investor Services Fees
- b) to the developer for unpaid Development Fee
- c) to the General Partner
 - i. to reimburse operating deficit contributions and credit adjuster advances
 - ii. for Partnership Administration Fee (if applicable)
 - iii. to reimburse development advances, at the Limited Partner's sole discretion after tax analysis
- d) Distributions to the General Partner and the remainder to the Limited Partner in accordance with Section B of this agreement.

F. Disposition of the Limited Partner's Interest

The Limited Partner will have an absolute right to withdraw from the Partnership after the credit period. Beginning after the credit period the Limited Partner may require the General Partner or its designee to purchase the Limited Partner's entire interest in the Partnership for one hundred dollars (\$100.00) and to provide adequate protection against the possibility of tax credit recapture through the end of the compliance period.

The General Partner will have the following purchase options which will terminate twelve months after each respective trigger date:

1. Purchase of the Limited Partner's Interest

The General Partner will have the option to purchase the Limited Partner's interest at the end of the initial compliance period for a price ("Buyout Price") equal to the greater of (a) the appraised value of the Limited Partner's interest subject to all applicable use

restrictions, or (b) any taxes payable by the Limited Partner attributable to the sale of its interest in excess of projections.

2. Purchase of the Project

After the initial compliance period, the General Partner will have the option to purchase the Project for a price equal to the greater of (a) the as-is appraised value of the Project subject to all applicable use restrictions, or (b) (i) the total amount of debt on the Project, plus (ii) any taxes payable by the Limited Partner due to the sale, in excess of projections.

3. Right of First Refusal

The Sponsor, or another qualified 501(c)(3) corporation approved by Enterprise, will have a right of first refusal to purchase the real estate of the Partnership for a price equal to the sum of: (i) taxes payable by the Limited Partner due to the sale, and (ii) outstanding debt secured by the real estate. If the Code changes to allow a right of first refusal to purchase the Limited Partner's interest, the right of first refusal will be automatically amended to permit a right of first refusal to purchase of the Limited Partner's interest at the Section 42(i)(7) price. Further, if the Code changes to allow an option to purchase the Limited Partner's interest and/or the project at the 42(i)(7) price, the right of first refusal will be automatically amended to provide an option to purchase the Limited Partner's interest and/or the project at the 42(i)(7) price.

G. General Partner Obligations

All obligations of the General Partner, including but not limited to the following, will be guaranteed by Green Bay Housing Authority (the "Guarantor") and Gorman & Company, LLC, jointly and severally. Gorman & Company, LLC's guarantee obligations will end once the requirements under G.1.b below are met, 8609s are received/approved and Green Bay Housing Authority meets a \$1 million/\$3 million liquidity/net worth benchmark. Thereafter, Green Bay Housing Authority shall be held to a \$1 million/\$3 million liquidity/net worth covenant until the requirements under G.1.c below are met, and then \$500K/\$3 million for the remainder of the Partnership term. The General Partner and Guarantor must demonstrate to Enterprise, in its sole and absolute discretion, their ability to provide meaningful guarantees.

1. Guarantees

- a) Achieve lien-free construction completion, cover all development advances necessary for the completion of the Project, and convert to permanent financing at the amounts and terms shown in the projections. Advances under this guarantee may be structured as non-interest bearing, cash-flow contingent loans, provided there are no adverse effects on the allocation of credits to the Limited Partner. If advances under this guarantee are necessary, the Sponsor may choose to defer fee up to 50% of the total fee (as long as the fee can be shown to be paid back from project cash flow and it does not cause 704(b) tax issues).
- b) Advance funds needed to cover operating deficits until the later of the Stabilization Date or Loan Conversion.

- c) After the later of the Stabilization Date or Loan Conversion, the Guarantor must demonstrate the ability to advance funds needed to cover operating deficits up to 6 months of operating expenses, reserve contributions, and debt service currently scheduled to be \$836,000. The duration of this guarantee is at least 5 consecutive audited years (including the calendar year of Stabilization or Loan Conversion) following the later of Loan Conversion or Stabilization Date. This guarantee will continue until such time as:
 - i. the operating reserve is funded as per Projections
 - ii. the Project has achieved the Coverage Ratio for the final 2 consecutive years of the guarantee period. This ratio may be adjusted during underwriting to maintain a minimum Coverage Ratio during the initial compliance period
 - iii. the project-based rental or operating subsidy and/or service subsidy is in full force and effect per the projections.
- d) Contribute capital to fund:
 - i. adjusters as described in Section D above;
 - ii. reserve accounts not funded due to capital contribution adjustments; and
 - iii. unpaid Development Fee at the end of the compliance period.
- e) Repurchase the Limited Partner's interest if:
 - (A) At any time before the Project has operated at Break-even for a period of three (3) consecutive calendar months, any loan is in default, after the expiration of any applicable notice and cure period, or an action is commenced and successfully executed to foreclose, abandon, or permanently enjoin the construction of the Project;

OR

- (B) If the Partnership fails to:
 - i. Qualify for Federal Housing Credits for failing the 50% test as required in Code Section 42(h)(4)
 - ii. receive Part 3 approvals for the Federal HTC and State HTC from the National Park Service with respect to all of the buildings comprising the Partnership Property by the deadline for receipt of the tax return for the tax year in which the project is placed in service
 - iii. Achieve the minimum set-aside test for the Project
 - iv. Achieve at least 75% of the projected Federal Housing Credit
 - v. Operate at break-even for 3 consecutive months within 18 months of the completion date
 - vi. Achieve Loan Conversion
 - vii. Maintain any loan commitment which is not replaced by a comparable commitment acceptable to the Limited Partner
 - viii. Receive 8609s by September 1 of the second year after the first year of the credit period for the last building placed in service.

OR

- (C) Upon an Event of Bankruptcy with respect to the General Partner or the Guarantor prior to the completion date.

The repurchase price will be 100% of capital contributions made to date plus interest at the Prime Rate plus 2%, plus the costs and expenses incurred (including reasonable attorneys' fees incurred to enforce these provisions), less the credits allocated to the Limited Partner not subject to recapture, less cash distributed to the Limited Partner.

- f) Indemnify the Partnership and the Limited Partner for any income tax liability on an after-tax basis or costs to remove liens realized by the Partnership or the Limited Partner in any taxable year attributable to any taxable grant not approved by the Limited Partner or to any deemed sale of state credits. This indemnification is a recourse obligation of the General Partner and shall survive the dissolution of the Partnership and/or the insolvency, bankruptcy, removal, or withdrawal of the General Partner.
- g) Indemnify and hold harmless the Partnership and the Limited Partner from any loss incurred due to the General Partner's gross negligence, fraud, willful misconduct, malfeasance, material breach of any representation, warranty, covenant, or agreement, or environmental violations. This indemnification is a recourse obligation of the General Partner and shall survive the dissolution of the Partnership and/or the insolvency, bankruptcy, removal, or withdrawal of the General Partner.

2. Reserve Requirements

- a) The operating reserve (the "Operating Reserve") will be funded in the total amount of at least 6 months of operating expenses, reserve contributions, and debt service plus the amount necessary to maintain the Coverage Ratio through the compliance period, and is currently scheduled to be \$836,180. After the Project has achieved the Stabilization Date and Loan Conversion, the General Partner will be permitted to use the Operating Reserve prior to making operating deficit contributions to the extent the Operating Reserve has been funded as of the date of the deficit.

Upon termination and winding up of the Partnership, subject to the provisions of the Partnership Agreement, the balance in the Operating Reserve shall be used to pay any tax (including exit and transfer taxes) imposed on the Partnership, the Limited Partner and its partners as a result of the sale of the Partnership Property and winding up of the Partnership or for other uses approved by the Limited Partner. Paying off Sponsor notes is an eligible use of these funds.

- b) The replacement reserve (the "Replacement Reserve") will be funded from operations in the amount of \$350 per unit per year, increasing 3% annually. For rehabilitation projects, the physical needs over time analysis may indicate that a higher annual contribution is required.

H. Opinion of Counsel & Syndication Costs

The Limited Partner's attorneys will prepare the Partnership Agreement, review due diligence, and prepare the tax opinion. The Limited Partner will pay its attorney fees.

The Limited Partner will require a satisfactory opinion of Partnership's counsel on certain corporate and other matters including formation of the Partnership, limited liability of the Limited Partner, no conflict between the Partnership Agreement and other binding contracts, no litigation, etc. The General Partner and the Partnership's counsel will prepare all other necessary documents, collect due diligence, legal opinions, and perform other work necessary to complete the transaction.

The Partnership will pay the costs of construction plan review (estimated to be \$8,000-\$12,000) and construction inspections (estimated to be \$2,500-\$5,000), as commissioned by the Limited Partner. Enterprise will attempt to engage a third-party review firm in coordination with the selected construction lender for cost savings.

I. Reporting

The Partnership will deliver to the Limited Partner:

- a) Construction progress reports
- b) monthly lease-up report within 15 days after each month
- c) The Partnership will be required to prepare quarterly and annual reports in form and substance satisfactory to investor as set forth in the Partnership Agreement.
- d) annual draft audited financial statements and draft tax returns not later than 45 days after the end of each year and final audited financial statements and final tax returns not later than 60 days after the end of each year. The audit and tax return must be prepared by Baker Tilly or another certified public accountant approved by Enterprise. Late delivery of annual audited financial statements or tax returns obligates the General Partner to pay to the Limited Partner the sum of \$50 dollars per day for the first 30 days such audit or tax return is late, and \$100 per day thereafter

J. Additional Requirements

In addition to the conditions set forth above, any investment by the Limited Partner is contingent upon availability of capital at the time of closing and upon review and approval by Enterprise's Investment Committee, in its sole and absolute discretion, of all of the following:

- Market demand, Rent, and Operating Expenses
- Management Agent and Management Plan
- Phase I Environmental Assessment including radon, lead paint and asbestos reports, as applicable
- Commitments and documents from all other sources of financing
- Legal or other opinions
- Any other items material to the underwriting of the Project
- Enterprise reserves the right to require an approved third party LIHTC compliance consultant
- Partnership Agreement
- Investor approval
- If the project is utilizing 4% tax credits, an award of tax exempt bond authority from the relevant agency, a bond inducement resolution issued, and evidence that the project

qualifies for Federal Housing Credits in the amount of the Federal Housing Credit allocation because 50% or more of the project is financed with tax exempt bonds subject to the volume cap, as provided in Section 42(h)(4)(B) of the Code

Enterprise may waive any of the conditions to closing set forth in this letter. The waiver of any condition does not constitute a waiver of any remaining conditions.

The Sponsor acknowledges that this letter of interest is proprietary and confidential and may not be shared with competing investors or any other developer. Upon execution of this letter, Enterprise will commence its underwriting and due diligence review and will have its outside counsel commence the preparation of the transaction documents. The Sponsor agrees that Enterprise will have an exclusive right to syndicate the credits for this Project which will terminate if the Limited Partner has not been admitted to the Partnership within 90 days after the projected closing date. Enterprise reserves the right to terminate this letter if the Limited Partner has not been admitted to the Partnership within 90 days after the projected closing date. Further, or to the extent there is tax or regulatory reform prior to closing, terms are subject to renegotiation. The Sponsor can terminate this exclusive right to syndicate the credits for this Project if Enterprise does not perform on its obligations under this letter during the underwriting process. The Sponsor will also have no obligation to close the transaction with Enterprise if the terms or pricing set forth in this letter change.

This letter of interest will expire if the counter-signed copy is not received by Enterprise by the 11th day after the date of this letter. Please remit one fully executed copy right away. We look forward to working with you!

Sincerely,
ENTERPRISE HOUSING CREDIT
INVESTMENTS



Brian Windley, Vice President

Agreed and accepted:

By:

Title:

By:

Title:

PROJECT ASSUMPTIONS

The terms and conditions are based on the following assumptions, which may be adjusted prior to closing:

1. Market rents as established by the Enterprise market analyst are at least 10% above the scheduled unsubsidized rents and at least equal to the rental subsidy contract rents.
2. Total vacancy loss (physical vacancy plus loss to lease and bad debt) rate of 5%.
3. Annual operating expenses of \$6,379 per unit net of Replacement Reserves and Investor Services Fee. Operating expenses will be further analyzed during underwriting and may require adjustments that could affect debt sizing.
4. Other Income will continue to be analyzed during underwriting and may be adjusted as necessary.
5. Should the Project not break even, the property management fee paid to parties related to the General Partner or Guarantor will be deferred and collected from cash flow.
6. Enterprise assumes that the rate for the permanent mortgage will be locked at closing using a fixed-rate construction-permanent product or a forward commitment which encompasses the projected construction, leasing, and stabilization period with a cushion. Swaps are not acceptable. Debt service covenants which would put the project into default as long as payments are being made are generally unacceptable.
7. The project will have 200 project-based vouchers under a 15- or 20-year HAP Agreement. In the event the rental or operating or service subsidies are not in full force and effect as per the projections, we assume the property could achieve base year gross rent potential due to adjusted use and rent restrictions. The following adjustments to use and rent restrictions and operating expenses which need to be supported during underwriting follow:
 - The subsidized units adjust to the lesser of the tax credit maximum or 90% of market.
8. The Project contractor will provide a 15% letter of credit or 100% payment and performance bond. Retainage will be 10% through completion unless limited by state law.
9. Construction will begin by October 1, 2023 and will be complete by April 1, 2025. Liquidated damages for delayed delivery will be built into the General Contract according to the following minimum standards:
 - Contracts up to \$5MM: \$500 per day
 - Contracts over \$5MM up to \$10MM: \$1,000 per day
 - Contracts over \$10MM up to \$15MM: \$1,500 per day
 - Contracts over \$15MM up to \$20MM: \$2,000 per day
 - Contracts over \$20MM up to \$30MM: \$2,500 per day
 - Contracts over \$30MM up to \$50MM: \$3,000 per day

- Contracts over \$50MM up to \$75MM: \$3,500 per day
- Contracts over \$75MM up to \$100MM: \$4,000 per day

10. For projects in Uniform Building Code zones 3 or 4, a seismic survey will be required. Enterprise will not invest in projects with a Scenario Expected Loss ratio (SEL) above 40% post completion. Until such time as the SEL is below 20%, then earthquake insurance sufficient to cover replacement with a deductible of no more than 5% of insured value will be required.

11. Depreciation according to the following base election schedule, but with special allocations as specified in the projections (including depreciating soft costs pro-rata according to the useful lives of the hard costs):

Depreciation Assumptions

Is FP GP a For-Profit Subsidiary of a Non-Profit?	No	Years
Will a 168 (h) (6) Election be made?	No	Years
Is there a Commercial Depreciation Override?	No	Years
Will there be a Building by Building Override?	No	Years
Will there be Soft Cost Allocation?	Yes	Years
Depreciable Life of Building	30.0	Years
Depreciable Life of Furniture, Fixtures, Equipment	5	Years
Depreciable Life of Site Work	15	Years
Will there be Bonus Depreciation?	Yes	Years

12. The financing and tax structure will be approved by our tax attorney.

Project Loan Information:		LOAN 1	LOAN 2	LOAN 3	LOAN 4	LOAN 5	LOAN 6	LOAN 7	LOAN 8	LOAN 9
Important: Enter Loans in Lien Priority at Sale		TBD - Perm Loan				DDF	GBHA Seller Note	GBHA Subordinate Debt	CFP Funds	Ground Lease
Financing Source	DCR/ECR	Bank/Conventional				Other	Other	Other	Other	
Loan Amount:	Base year: 1.91 Year 15: 1.000	4,330,000				3,104,687	9,800,000	5,500,000	1,769,916	1
Interest Rate:		6.85%				5.00%	3.72%	3.72%	3.72%	3.72%
Mortgage Insurance Premium		Fixed				Fixed	Fixed	Fixed	Fixed	Fixed
Term (Years):		35				15	38	38	40	75
Amortization:		35				15	38	38	40	75
Loan Type		Conventional Must pay				Deferred Develop. Fee	Contingent	Contingent	Contingent	Contingent
Loan Repayment Type		Fully Amortizing				Cash Flow Conting	Cash Flow Conting	Cash Flow Conting	Cash Flow Conting	Cash Flow Conting
Loan First Payment Date:		10/1/2025	10/1/2025	10/1/2025	10/1/2025	10/1/2025	4/2/2025	4/2/2025	10/1/2025	10/1/2025
No. of Months in First Year:		3	3	3	3	3	9	9	3	3
Monthly Payment:		27,208	0	0	0	0	0	0	0	0
Annual Payment:	Sponsor's must pay:	326,502	0	0	0	0	0	0	0	0
MIP Payment (1st Year):		0	0	0	0	0	0	0	0	0
Non-Recourse Loan?		Non-Recourse	Non-Recourse	Non-Recourse	Non-Recourse	Non-Recourse	Non-Recourse	Non-Recourse	Non-Recourse	Non-Recourse
Related Party Loan?		Non-Related Party	Non-Related Party	Non-Related Party	Non-Related Party	Related Party	Non-Related Party	Non-Related Party	Non-Related Party	Non-Related Party

Report Name: Job Cost Activity Report
 Job: Mason Manor
 Filter: As Of: 12/31/2023
 Attributes: Predev Location Groups:Predev - WI

Cost Code	Cost Code Description	Post Date	Vendor ID/ GL Account	Vendor Name/ GL Description	AP Invoice/ JE No.	Description	Amount Invoiced	Amount Paid	Remaining to Pay	Retention Held	Unit
Mason Manor											
04-000-00-00	ARCHITECT/DESIGN										
04-110-00-00	Architect - Design	09/27/2022	KOR004	Korb and Associates Architects	21011_02_03-01	MASON MANOR - ARCHITECTURE	35,000.00	35,000.00	0.00	0.00	
		05/19/2023	PAT07	Patrello Design Architecture	2023-2-MASON MANOR	MASON MANOR	3,500.00	0.00	3,500.00	0.00	
Total Architect - Design							38,500.00	35,000.00	3,500.00	0.00	
04-630-00-00	Engineering	04/20/2023	JSD001	JSD Professional Services Inc	23-13031S-1	MASON MANOR	15,000.00	15,000.00	0.00	0.00	
		05/19/2023	MRW001	M R Window Solutions LLC		1217 MASON MANOR	15,000.00	0.00	15,000.00	0.00	
Total Engineering							30,000.00	15,000.00	15,000.00	0.00	
Total ARCHITECT/DESIGN							68,500.00	50,000.00	18,500.00	0.00	
05-000-00-00	SOFT COSTS										
05-140-00-00	Appraisal	02/03/2022	Mar07	Market Consulting Services LLC		2254 MASON MANOR - APPRAISAL	3,250.00	3,250.00	0.00	0.00	
		02/10/2022	Nov01	Novogradac and Company LLC	020922-MASON		5,150.00	5,150.00	0.00	0.00	
		05/01/2022	Nov01	Novogradac and Company LLC	10550513	MASON MANOR - APPRAISAL	5,150.00	5,150.00	0.00	0.00	
Total Appraisal							13,550.00	13,550.00	0.00	0.00	
05-160-00-00	PlanReview/Copies/Renderings	10/06/2022	BPI001	BPI Color	0596548	MASON MANOR - PRINTING	156.85	156.85	0.00	0.00	
		05/19/2023	BLU11	Blue Print Service Company, Inc.	162219	MASON MANOR	215.98	0.00	215.98	0.00	
		05/19/2023	BLU11	Blue Print Service Company, Inc.	162122	MASON MANOR	125.96	0.00	125.96	0.00	
Total PlanReview/Copies/Renderings							498.79	156.85	341.94	0.00	
05-257-00-00	Marketing/Travel	09/30/2021	BRA013	Mitch Brady	92921		30.24	30.24	0.00	0.00	
		02/28/2022	BRA013	Mitch Brady	022422-MASONM	MASON MANOR - MILEAGE REIMBURSEMENT	34.52	34.52	0.00	0.00	
		10/19/2022	BRA013	Mitch Brady	101822-MASONM	MASON MANOR - MILEAGE REIMBURSEMENT	36.88	36.88	0.00	0.00	
		01/11/2023	MEE001	Marti Meeks	011023	MASON MANOR - EXPENSE REIMBURSEMENT	217.46	217.46	0.00	0.00	
		01/17/2023	WEH02	Matt Wehrhahn	010923-MM	MASON MANOR - MILEAGE REIMBURSEMENT	194.54	194.54	0.00	0.00	
		04/05/2023	MAR054	Katlyn Martinson	032323-MM	MASON MANOR	182.09	182.09	0.00	0.00	
Total Marketing/Travel							695.73	695.73	0.00	0.00	
05-610-00-00	Accounting/Modeling	03/07/2022	BAK02	Baker Tilly US LLP	BT2017600	MASON MANOR - ACCOUNTING	6,500.00	6,500.00	0.00	0.00	
Total Accounting/Modeling							6,500.00	6,500.00	0.00	0.00	
05-620-00-00	Legal Fees	12/30/2021	REI02	Reinhart Boerner Van Deuren SC	13027989	MASON MANOR - LEGAL	1,365.00	1,365.00	0.00	0.00	
		12/30/2021	REI02	Reinhart Boerner Van Deuren SC	13025373	MASON MANOR - LEGAL	520.00	520.00	0.00	0.00	
		02/28/2022	REI02	Reinhart Boerner Van Deuren SC	13031633	MASON MANOR - LEGAL	91.00	91.00	0.00	0.00	
		02/28/2022	REI02	Reinhart Boerner Van Deuren SC	13037337	MASON MANOR - LEGAL	195.00	195.00	0.00	0.00	
		04/30/2022	REI02	Reinhart Boerner Van Deuren SC	13040506	MASON MANOR - LEGAL	845.00	845.00	0.00	0.00	
		05/01/2022	REI02	Reinhart Boerner Van Deuren SC	13042962	MASON MANOR - LEGAL	546.00	546.00	0.00	0.00	
		06/24/2022	REI02	Reinhart Boerner Van Deuren SC	13047576		156.00	156.00	0.00	0.00	
		11/29/2022	REI02	Reinhart Boerner Van Deuren SC	13058967	MASON MANOR - LEGAL	486.50	486.50	0.00	0.00	
		12/28/2022	REI02	Reinhart Boerner Van Deuren SC	13062211	MASON MANOR - LEGAL	764.50	764.50	0.00	0.00	
		02/21/2023	REI02	Reinhart Boerner Van Deuren SC	13068159	MASON MANOR - LEGAL	1,164.50	1,164.50	0.00	0.00	
		02/24/2023	REI02	Reinhart Boerner Van Deuren SC	13071103	MASON MANOR - LEGAL	884.50	884.50	0.00	0.00	
		04/12/2023	REI02	Reinhart Boerner Van Deuren SC	13074095	MASON MANOR - LEGAL	1,440.00	1,440.00	0.00	0.00	
		05/19/2023	REI02	Reinhart Boerner Van Deuren SC	13077402	MASON MANOR - LEGAL	2,887.50	0.00	2,887.50	0.00	
		05/19/2023	REI02	Reinhart Boerner Van Deuren SC	13079868	MASON MANOR - LEGAL	1,207.50	0.00	1,207.50	0.00	
Total Legal Fees							12,553.00	8,458.00	4,095.00	0.00	
05-690-00-00	Historic Consultant	11/29/2022	HER10	HERITAGE CONSULTING GROUP	101722-MM	MASON MANOR - HISTORIC RETAINER	4,500.00	4,500.00	0.00	0.00	
		12/30/2022	HER10	HERITAGE CONSULTING GROUP	32608	MASON MANOR - HISTORIC RETAINER	4,164.39	4,164.39	0.00	0.00	
		04/17/2023	NPS01	NPS Historic Tax Incentive	041723	MASON MANOR	3,250.00	3,250.00	0.00	0.00	
		04/24/2023	HER10	HERITAGE CONSULTING GROUP	33411	MASON MANOR	9,328.20	0.00	9,328.20	0.00	
Total Historic Consultant							21,242.59	11,914.39	9,328.20	0.00	
05-715-00-00	Tax Credit Fees	11/29/2022	WHE01	WHEDA	112922-MM	MASON MANOR - 4% LIHTC APP FEE	2,500.00	2,500.00	0.00	0.00	
Total Tax Credit Fees							2,500.00	2,500.00	0.00	0.00	
05-810-00-00	Studies - Environmental/Traffic/Market	04/19/2022	STA59	Stantec Consulting Services, Inc.	1892448	MASONMANOR - STUDIES	15,312.50	15,312.50	0.00	0.00	
		09/01/2022	STA59	Stantec Consulting Services, Inc.	1904456	MASONMANOR - STUDIES	27,160.00	27,160.00	0.00	0.00	
		09/01/2022	STA59	Stantec Consulting Services, Inc.	1936011	MASONMANOR - STUDIES	13,672.65	13,672.65	0.00	0.00	
		09/27/2022	STA59	Stantec Consulting Services, Inc.	1972583	MASONMANOR - STUDIES	8,262.50	8,262.50	0.00	0.00	
		11/23/2022	DOM06	Dominion Due Diligence Group	eR2022-133643	MASON MANOR - CAPITAL NEEDS ASSESSMENT	21,500.00	21,500.00	0.00	0.00	
		01/23/2023	BAK02	Baker Tilly US LLP	BT2213267	MASON MANOR	3,000.00	3,000.00	0.00	0.00	
Total Studies - Environmental/Traffic/Market							88,907.65	88,907.65	0.00	0.00	
05-840-00-00	Survey	08/02/2022	ACH001	A Chappa Construction LLC	45329	MASON MANOR - SURVEY	1,594.61	1,594.61	0.00	0.00	
Total Survey							1,594.61	1,594.61	0.00	0.00	
Total SOFT COSTS							148,042.37	134,277.23	13,765.14	0.00	
Total Mason Manor							216,542.37	184,277.23	32,265.14	0.00	

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is dated as of November 30, 2022 between GORMAN & COMPANY, LLC ("Gorman") and GREEN BAY HOUSING AUTHORITY ("Authority").

RECITALS

Gorman and Authority acknowledge the following:

A. Gorman and Authority desire to develop an affordable housing project (the "Project") on certain real property located in Green Bay, Wisconsin (the "Property"). The Property consists of the building known as Mason Manor and includes approximately 48 scattered lots in the vicinity of the Mason Manor building.

B. Gorman and Authority desire to set forth in writing their agreements regarding the Project.

AGREEMENTS

In consideration of the Recitals and mutual agreements which follow, Gorman and Authority agree as follows:

1. Gorman intends to form a limited liability company (the "Owner") that will be the owner of the Project and a limited liability company (the "MM") that will be the managing member of the Owner. Gorman (or its affiliate) will own a fifty-one percent (51%) interest in MM, and Authority (or its affiliate) will own a forty-nine percent (49%) interest in MM. Authority acknowledges that it may be necessary for a taxable affiliate of Authority to own the membership interest in MM for depreciation and other tax purposes. MM will own a one-hundredths percent (0.01%) interest in Owner, and a third party acting as an investor member ("Investor") will own a ninety-nine and ninety-nine hundredths percent (99.99%) interest in the Owner. As between Gorman and Authority, during the time Gorman is a member of MM, Gorman will have the full, exclusive and complete discretion in the management and control of the MM and the Owner, will make all decisions affecting the MM's and the Owner's affairs and may take such actions as it deems desirable and necessary to accomplish the purposes of the MM and the Owner, with the exception that Gorman must obtain Authority's consent (which shall not be unreasonably withheld, conditioned or delayed) in connection with any Major Actions. Major Actions shall include, but may not be limited to: (a) taking or authorizing any act which would make it impossible to carry on the ordinary business of the MM or the Owner, (b) voluntarily filing a petition of bankruptcy against the MM or the Owner, (c) selling all or any portion of the Project, (d) approving the Project sources and uses, and the terms of equity and debt financing for the Project and (e) approving the design criteria for the exterior and interior of the Project, approving the type of heating, ventilating and air conditioning, electrical and plumbing systems to be incorporated in the Project, and approving the budget for and scope of construction work. The final definition of Major Actions agreed upon by Gorman and Authority shall be included in the operating agreement of the MM.

The terms of the MM's operating agreement and the Owner's operating agreement must be mutually acceptable to Gorman and Authority.

2. Gorman shall withdraw as a member of the MM, and Authority shall become the sole member of MM, upon Project Stabilization (as defined below), subject to the terms and conditions set forth below. "Project Stabilization" generally means the date on which construction of the Project has been completed, initial lease-up of the Project has occurred, the Project is operating at a debt service coverage ratio of 1.15 or better for three consecutive months, and the permanent loan for the Project has closed. Gorman and Authority acknowledge that the exact definition of Project Stabilization will be set forth in Owner's operating agreement and will be subject to Investor consent. The parties anticipate that any guaranties provided by Gorman in connection with the Project will be released upon Gorman's withdrawal from MM.

3. The Property is owned by the Authority. The Authority will lease the Property to the Owner pursuant to a long-term lease (i.e., 60 years or longer). The terms of the lease must be acceptable to Gorman, the Authority and the Investor.

4. Gorman and Authority intend to utilize low income housing tax credits ("LIHTCs") and historic tax credits ("HTCs") in connection with the Project. Gorman and Authority intend to finance the development of the Project through a combination of construction and permanent financing and LIHTC/HTC proceeds. The Project will also be a conversion of an existing HUD project utilizing the Rental Assistance Demonstration ("RAD") and Section 18 programs. The Investor and all lenders shall be selected by Gorman with input from the Authority. Authority shall assist Gorman in obtaining LIHTCs and HTCs for the Project, closing the RAD and Section 18 transactions, and finding any required predevelopment and soft financing for the Project.

5. Gorman and Authority acknowledge that the Investor and lenders will require various guaranties in connection with the Project. The parties anticipate that the responsibility for providing such guaranties will be as follows:

(a) Gorman shall be solely responsible for providing any construction loan guaranties.

(b) Authority shall be solely responsible for providing any permanent loan guaranties.

(c) Authority shall be solely responsible for providing any guaranties related to any environmental matters or hazardous substances that may be present on the Property.

(d) Gorman shall be solely responsible for providing any guaranties to the Investor for the period beginning on the closing of the Investor interest in the Owner and terminating on Project Stabilization. Authority shall be solely responsible for providing any guaranties required by the Investor for the period after Project Stabilization.

The terms of any guaranties provided by Gorman must be acceptable to Gorman. The terms of any guaranties provided by Authority must be acceptable to Authority.

In the event Gorman or the Authority is required to make any guaranty payments in connection with the Project, such payments shall be structured as a loan to the Owner and then a payment from the Owner to the creditor. Any such loans made by Gorman or the Authority to the Owner shall be repaid out of Owner's cash flow. The priority position in Owner's cash flow waterfall for the repayment of such loans must be acceptable to Gorman and the Authority. Gorman, in its discretion and if permitted by Investor, shall have the right to require that any loans that it has made to the Owner be repaid in their entirety upon Gorman's withdrawal from the MM, to the extent funds are available for such repayment. If Gorman agrees that such loans need not be repaid in full upon such withdrawal, then such loans will continue to be paid out of Owner's cash flow.

6. Owner shall pay Gorman and Authority a development fee in connection with the development of the Project. The amount of the development fee, and the terms of the development agreement, must be mutually acceptable to Gorman and Authority. Gorman and Authority shall each be entitled to fifty percent (50%) of the total development fee (the "Total Development Fee"). A portion of the Total Development Fee will be paid out of loan proceeds and capital contributions from the Investor (the "Non-Deferred Development Fee") and a portion of the Total Development Fee will be paid out of Project cash flow (the "Deferred Development Fee"). [Gorman's share of the Total Development Fee shall be paid in its entirety out of Non-Deferred Development Fee, and the Authority's share of the Total Development Fee shall be paid out of Deferred Development Fee and Non-Deferred Development Fee. For example if the Total Development Fee payable by Owner to Gorman and the Authority is \$1,500,000, the Non-Deferred Development Fee is \$1,000,000 and the Deferred Development Fee is \$500,000, then Gorman would be paid its share of the Total Development Fee (\$750,000) out of Non-Deferred Development Fee and the Authority would be paid its share of the Total Development Fee (\$750,000) out of Non-Deferred Development Fee (\$250,000) and Deferred Development Fee (\$500,000).]

7. Gorman and Authority intend for Gorman (or its affiliates) to act as the general contractor and architect for the Project. The form of the architect and construction contracts for the Project must be mutually acceptable to Gorman and Authority. Gorman shall also provide certain relocation services for the existing residents of the Property. Gorman and Authority shall agree on the relocation services to be provided by Gorman, and the form of the agreement regarding such relocation services must be mutually acceptable to Gorman and Authority. The amount of fees payable to Gorman for the services described above must be acceptable to Gorman, but in no event shall the amount of fees exceed the fees allowable by the Wisconsin Housing and Economic Development Authority (which is the agency in Wisconsin that allocates LIHTCs).

8. Gorman (or its affiliate) shall act as the property manager for the Project. The property management fees shall be equal to six percent (6%) of gross revenues from the Project and shall be paid on a monthly basis. The term of the property management agreement shall continue through the date on which Gorman withdraws as a member from MM. Subject to Investor's consent, the Authority shall then become the property manager for the Property from and after such date. The terms of Gorman's property management agreement must be mutually acceptable to Gorman and Authority, including, without limitation, confirmation that the Authority's existing property management staff will be maintained at levels acceptable to the Authority.

9. Gorman and Authority shall mutually agree on a budget for all predevelopment costs (including legal fees) in connection with the Project. Gorman shall arrange financing for all predevelopment costs (other than Authority legal fees) through a third party loan or otherwise as determined by Gorman. Gorman shall pay all predevelopment costs (other than Authority legal fees) subject to reimbursement by the Authority as set forth below. Authority shall not incur any predevelopment costs in connection with the Project (other than its legal fees) without first obtaining the approval of Gorman. Gorman shall not incur any predevelopment costs in connection with the Project, to the extent such costs are outside of the agreed upon budget, without first obtaining the approval of the Authority. If the transaction contemplated by this MOU closes (i.e., the closing of all debt and equity financing), then all predevelopment costs incurred by Gorman (including approved legal fees) shall be reimbursed by the Owner to Gorman at the closing and all approved legal fees incurred by Authority shall be reimbursed by the Owner to Authority at the closing. If this MOU is terminated (as a result of the transaction not closing or as otherwise set forth herein), then (a) Authority shall reimburse Gorman for fifty percent (50%) of all predevelopment costs (including approved legal fees) incurred by Gorman in connection with the Project and (b) Gorman shall reimburse Authority for fifty percent (50%) of all approved legal fees incurred by Authority in connection with the Project. Each party shall make such reimbursement within ten (10) days after the other party delivers reasonable evidence of the total approved costs it has incurred in connection with the Project.

10. Gorman and Authority shall use reasonable efforts to close the transaction contemplated by this MOU no later than December 31, 2023. If the transaction does not close by such closing deadline, this MOU shall automatically terminate unless both parties agree to extend this deadline.

11. Neither party shall have the right to unilaterally terminate this MOU.

12. Gorman and Authority acknowledge that numerous issues still need to be agreed upon between Gorman and Authority in connection with the Project and that both parties will cooperate in good faith to reach agreement on such issues. Authority acknowledges that the terms set forth in this MOU are predicated upon the Investor and lenders agreeing to the terms of paragraphs 2 and 5 above. In the event the Investor and/or lenders do not approve such terms, and Gorman is required to remain as a member of the MM and/or to provide guaranties after Project Stabilization, then in such event Gorman shall be entitled to receive fifty-one percent (51%) of all cash flow received in connection with the Project, and Authority shall be entitled to receive forty-nine percent (49%) of all cash flow received in connection with the Project, until such time as Gorman is able to withdraw from MM and is released from its guaranties. For purposes of determining the share of cash flow payable to Gorman and Authority, Authority's share shall include any ground lease payments and/or loan repayments made to Authority (for example, if Authority obtains a grant for the Project, lends the grant to the Owner, and then is repaid the loan out of cash flow). For example, if there is \$100,000 in cash flow during any year, and the Authority receives \$30,000 in ground lease payments during such year, then of the remaining balance of \$70,000, \$19,000 would be paid to Authority and \$51,000 would be paid to Gorman. In addition, Gorman shall remain as the property manager for the Project until the date on which Gorman withdraws as a member from MM. In the event Gorman is required to remain as a member of MM and provide guaranties during the entire 15-year compliance period for the LIHTCs, Gorman shall withdraw from the MM at the end of such 15-year period.

13. This MOU may be amended only by a writing signed by all of the parties hereto and shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns. Neither party may assign its interest in this MOU without the consent of the other party. Notwithstanding the foregoing, this MOU shall be binding upon the Authority only after approval of this MOU by the Board of the Authority and written notice of such approval has been provided by the Authority to Gorman.

14. This MOU may be executed in counterparts, each of which shall be deemed an original and all of which shall be deemed one and the same instrument. Signatures sent via facsimile or e-mail transmission shall be deemed original signatures for purposes of creating a binding agreement.

[Signatures on next page]

IN WITNESS WHEREOF, Gorman and Authority have executed this Memorandum of Understanding as of the date hereinabove written.

GORMAN:

GORMAN & COMPANY, LLC

BY _____
Brian Swanton, President

AUTHORITY:

GREEN BAY HOUSING AUTHORITY

BY Cheryl Benis-Wigg 12/1/22
Its: Executive Director



Report to the
GBHA Properties I, Inc.
of the City of Green Bay

MEETING DATE

June 8, 2023

PREPARED BY

Stephanie Schmutzer, Staff

AGENDA ITEM # D.2

Consideration with possible action on amending the GBHA Properties I bylaws.

BACKGROUND

Attorney Dombrowski has reviewed the bylaws and is suggesting that we amend them to clarify that the Green Bay Housing Authority (GBHA) is the sole member of the corporation, and as such, GBHA is tasked with selecting the Board for the corporation. Also, to update the fiscal year end to June to stay consistent with the GBHA year end.

RECOMMENDATION

To approve the amended bylaws.

FISCAL IMPACT

ATTACHMENTS

1. Comparison Report - GBHA Properties I Bylaws
2. GBHA Properties I, Inc. Bylaws - 06-08-2023

**BYLAWS
OF
GBHA PROPERTIES I, INC.**

**ARTICLE I
Offices**

Section 1. Principal Office. GBHA Properties I, Inc. (the “Corporation”) may have such offices, either within or without the State of Wisconsin, as may be designated from time to time by resolution of the Board of Directors (the “Board”), one of which may be designated as the principal office.

Section 2. Registered Office and Registered Agent. The Corporation shall maintain a registered office and registered agent in the State of Wisconsin. The registered office may, but need not be, the same as any of its places of business. The identity and address of the registered agent may be changed from time to time by notifying the Wisconsin Department of Financial Institutions pursuant to the provisions of the Wisconsin Nonstock Corporation Law (the “WNCL”). The registered agent of the Corporation, for the purposes of the State of Wisconsin Department of Financial Institutions, shall be the President of the Corporation, or such other person or entity designated by the Board.

**ARTICLE II
Purposes**

The purposes for which the Corporation is formed are to function as a nonstock and nonprofit corporation under Wisconsin Statutes, chapter 181 and such purposes as are set forth in the Articles of Incorporation.

**ARTICLE III
Members**

Section 1. Membership. Green Bay Housing Authority, a Wisconsin public body corporate and politic existing under the laws of the State of Wisconsin and formed under the Wisconsin Housing Authorities Law, shall be the initial and sole member of the Corporation (the “Member”). Admission of any additional member of the Corporation shall require the consent of the Member and the Board.

Section 2. Place of Meetings. All meetings of the Member shall be held at such place, if any, either within or without the State of Wisconsin, or by means of remote communication, as shall be designated from time to time by resolution of the Board and stated in the notice of meeting.

Section 3. Annual Meeting. The annual meeting of the Member for the election of directors and for the transaction of such other business as may properly come before the Member shall be held at such date, time, and place, if any, as shall be determined by the Board and stated in the notice of the meeting.

Section 4. Special Meetings. Special meetings of the Member for any purpose or purposes shall be called pursuant to a resolution approved by the Board. The only business which may be conducted at a special meeting shall be the matter or matters set forth in the notice of such meeting.

Section 5. Notice of Meetings. Notice of the place, if any, date, hour, the record date for determining the Members entitled to vote at the meeting (if such date is different from the record date for Members entitled to notice of the meeting), and means of remote communication, if any, of every Member meeting shall be given by the Corporation not less than ten (10) days nor more than sixty (60) days before the meeting (unless a different time is specified by law) to every Member entitled to vote at the meeting as of the record date for determining the Members entitled to notice of the meeting. Notices of special meetings shall also specify the purpose or purposes for which the meeting has been called. Notices of meetings to Members may be given by mailing the same, addressed to the Member entitled thereto, at such Member's mailing address as it appears on the records of the Corporation, and such notice shall be deemed to be given when deposited in the U.S. mail, postage prepaid. Without limiting the manner by which notices of meetings otherwise may be given effectively to Members, any such notice may be given by electronic transmission in accordance with applicable law.

Section 6. Waivers of Notice. Notice of any meeting need not be given to any Member who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any Member so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

Section 7. Adjournment. Any meeting of the Members may be adjourned from time to time to reconvene at the same or some other place, if any, and notice need not be given of any such adjourned meeting if the time, place, if any, thereof, and the means of remote communication, if any, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each member of record entitled to vote at the meeting. If after the adjournment a new record date is fixed for members entitled to vote at the adjourned meeting, the Board shall fix a new record date for notice of the adjourned meeting and shall give notice of the adjourned meeting to each Member of record entitled to vote at the adjourned meeting as of the record date fixed for notice of the adjourned meeting.

Section 8. Quorum. Unless otherwise required by law, the Corporation's Articles of Incorporation, or these Bylaws, at each meeting of the Members, one-third (1/3) of the Members of the Corporation, present in person or by proxy, shall constitute a quorum.

Section 9. Voting. At any meeting of the Members, each Member present, in person or by proxy, shall be entitled to one (1) vote. Unless otherwise required by law or the Articles of Incorporation, the election of directors shall be decided by a plurality of the votes cast by the Members of the Corporation present in person or represented by proxy at the meeting and entitled to vote in the election. Unless otherwise required by law, the Articles of Incorporation, or these Bylaws, any matter, other than the election of directors, brought before any meeting of Members shall be decided by the affirmative vote of the majority of the Members present in person or represented by proxy at the meeting and entitled to vote on the matter.

Section 10. Proxies. Each Member entitled to vote at a meeting of Members may authorize another person or persons to act for such Member by proxy, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A Member may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date.

Section 11. Consent of Members Without a Meeting. Any action to be taken at any meeting of Members may be taken without a meeting, without prior notice, and without a vote, if a consent or consents, setting forth the action to be so taken, shall be signed by Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members having a right to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in the State of Wisconsin (by hand or by certified or registered mail, return receipt requested), its principal place of business, an officer or agent of the Corporation having custody of the book in which proceedings of meetings of Members are recorded, or to an information processing system designated by the Corporation for receiving such consents in accordance with applicable law. Every consent shall bear the date of signature of each Member who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this Section 11, consents signed by a sufficient number of holders to take action are delivered to the Corporation as aforesaid. Prompt notice of the taking of the corporate action without a meeting by less than unanimous consent shall, to the extent required by applicable law, be given to those Members who have not consented in writing, and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that consents signed by a sufficient number of holders to take the action were delivered to the Corporation.

Section 12. Fixing the Record Date. Unless otherwise provided in the Articles of Incorporation, these Bylaws, or a Board resolution, the record date for any meeting or corporate action shall be the date of such meeting or corporate action.

ARTICLE III

Board of Directors

Section 1. General Powers. The affairs of the Corporation shall be managed by the Board in accord with the mission of the Corporation and its Articles of Incorporation.

Section 2. Number and Qualifications of Directors.

(a) The number of Directors shall be as determined by the ~~Board~~Member from time to time but in no event less than three (3) nor more than fifteen (15) and shall serve for the term provided in Section 3 of this Article. No amendment of this Section shall reduce the number of Directors to less than the number required by the WNCL, which at the time of adoption of these ~~bylaws~~Bylaws is three (3).

(b) Directors shall be selected for their community leadership, their participation in public housing issues, and their contributions to educational, charitable, cultural, and civic aspects of their communities. Directors need not be residents of the State of Wisconsin.

Section 3. Election and Term.

(a) Method of Election. Directors of this Corporation shall be nominated by a member of the Board~~-, which nomination shall be approved by the Member,~~ and elected initially at a meeting of the Member called for the purpose, amongst other things, of the election of the original new members of the Board, and thereafter at the annual meeting of the ~~Board~~Member.

(b) Term of Office. Directors shall hold office from the close of the annual meeting for a term of two (2) years or until their successors have been elected and qualified. At the close of each annual meeting of this Corporation, the successors to the class of Directors whose terms expire that year shall commence to hold office for a term of two (2) years or until their successors have been elected and qualified.

Section 4. Resignation. A Director may resign at any time by filing a written resignation with the President, Vice-President or the Secretary of the Corporation.

Section 5. Removal. A Director may be removed from office with cause by the ~~vote of a majority of the Board~~Member of the Corporation either at a regular meeting or at any special meeting called for that purpose.

Section 6. Vacancies. In the event a vacancy occurs among the Directors on the Board from any cause, including an increase in the number of such Directors, an interim Director may be elected by the Board. An interim Director shall serve until a successor is elected upon expiration of the term of office for that Director.

Section 7. Annual Meeting. The annual meeting of the Board shall be held each year, at such time and place as the Board may determine, for the purpose of electing directors and transacting such other business as may come before the meeting.

Section 8. Other Meetings. The Board may, in addition to the regular meetings and annual meeting, provide by resolution for regular or stated meetings of the Board, to be held at a fixed time and place, and upon the passage of any such resolution, such special Meetings shall be held at the stated time and place without other notice than such resolution.

Section 9. Special Meetings. Special meetings of the Board may be held at any time and place for any purpose or purposes, unless otherwise prescribed by the WNCL, on call of

the President, or on the written request of any three (3) of the Directors, and shall be called by the Secretary. A special meeting may be a closed door session, at the discretion of elected officers, based on the nature of said meeting.

Section 10. Meetings By Telephone or Other Communication Technology.

(a) Any or all Directors may participate in a regular or committee meeting of the Board by, or conduct the meeting through the use of, telephone or any other means of communication by which either: (i) all participating Directors may simultaneously hear each other during the meeting or (ii) all communication during the meeting is immediately transmitted to each participating Director, and each participating Director is able to immediately send messages to all other participating Directors. Due to the nature of special meetings, it is at the discretion of the elected officers, by unanimous vote, as to whether or not Directors may participate via this method at said special meeting.

(b) If a meeting will be conducted through the use of any means described in subsection (a), all participating Directors shall be informed that a meeting is taking place at which official business may be transacted. A Director participating in a meeting by any means described in subsection (a) is deemed to be present in person at the meeting.

Section 11. Notice and Waiver of Notice.

(a) Notice. Notice of the date, time and place of any annual or special meeting shall be given by oral, electronic or written notice delivered personally to each Director at least twenty-four (24) hours prior thereto, or by written notice given by other than personal delivery at least forty-eight (48) hours prior thereto. Notice shall be given in one of the methods described in Article IV hereof. The purpose of and the business to be transacted at any special meeting of the Board need not be specified in the notice or waiver of notice of such meeting.

(b) Waiver of Notice. Whenever any notice ~~whatever~~ is required to be given under the provisions of the WNCL or under the provisions of the Articles of Incorporation or Bylaws of the Corporation, a waiver thereof in writing, signed at any time by the person or persons entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 12. Quorum. A majority of the number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 13. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by the WNCL, or the Articles of Incorporation or Bylaws of the Corporation.

Section 14. Action by Written Consent of Directors. Any action required by the Articles of Incorporation or Bylaws of the Corporation, or any provision of the WNCL, to be taken

at a meeting, or any other action which may be taken at a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting.

Section 15. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board, or a committee thereof, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 16. Compensation. Directors of the Corporation shall not receive direct compensation from the Corporation for serving as Directors or for providing other personal services to the Corporation. However, Directors may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement is authorized by the Board.

Section 17. Committees.

(a) Composition. The Board, by resolution, may create committees, consisting of three (3) or more Directors, having such powers as are then permitted by the WNCL and as are specified in the resolution, and which are not inconsistent with subsection (b) hereof. Upon nomination by the President or the Board, persons who are not Directors may be designated to serve as non-voting members of any such committee with the exception of the Executive Committee.

(b) Nondelegable Powers; Alternative Members; Rules of Committees. No committee of Directors shall be empowered to act in lieu of the entire Board in respect to election of officers or the filling of vacancies on the Board or on committees of Directors created pursuant to this Section. All members of the Board who are not members of a given committee shall be alternate members of such committee and may take the place of any absent member or members at any meeting of such committee, upon request of the President or the chairperson of such committee. Each committee of the Board shall fix its own rules governing the conduct of its activities, not inconsistent with rules promulgated by the Board, and shall make such reports to the Board of its activities as the Board may request. There shall be no term limit to serve on a committee other than the Executive Committee as stated in subsection (c).

(c) Executive Committee. There shall be an Executive Committee consisting of the elected officers of the Board. ~~The committee~~ Each elected officer of the Board shall serve on the Executive Committee during ~~their~~ such person's term as an elected officer of the Board. Additional committee members shall be nominated, elected and appointed to serve on the Executive Committee by the Board at their annual meeting. Additional committee members, ~~non-elected officers,~~ who are not elected officers of the Board shall hold a committee term for two (2) years, or until their successors have been elected or qualified. Interim

vacancies on the Executive Committee shall be filled by vote of the Board until the next annual meeting of the Board.

Section 18. Conflict of Interest.

(a) Each Director shall disclose to the Board any duality of interest or possible conflict of interest whenever the duality or conflict pertains to a matter being considered by the Board.

(b) Any Director having duality of interest or conflict of interest on any matter shall abstain from voting on the matter and shall not be counted in determining the quorum for the vote on the matter. In addition, he or she shall not use his or her personal influence on the matter, but may briefly state his or her position on the matter and may answer pertinent questions from other Directors since his or her knowledge may be of great assistance.

(c) The minutes of the meeting involving any such situation shall reflect that a disclosure was made, the abstention from voting, and the quorum situation.

(d) The Board may adopt a written Conflict of Interest Policy, ~~not~~ inconsistent with this Section.

ARTICLE IV
Methods of Giving Notice

Notice of any annual or special meeting of the Board, and any other notice required to be given under these Bylaws or the WNCL, may be communicated in person, by telephone, facsimile, electronic mail (e-mail) or other form of wire or wireless communication, or by U.S. mail or private carrier.

ARTICLE V
Officers

Section 1. Number. The principal officers of the Corporation shall be President, Vice-President, Secretary and Treasurer, each of whom shall be elected by the Board. The Board may also elect such other officers and assistant officers and agents as may be deemed necessary. The same individual may simultaneously hold more than one (1) office, provided that no individual shall simultaneously hold the offices of President and Vice-President. Officers must be members of the Board for a minimum of one (1) year prior to being elected as an officer except by unanimous consent of the Board.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held at a special meeting as soon thereafter as conveniently may be. Each elected officer shall hold office from the close of the annual meeting for a term of two (2) years, until a qualified successor is elected upon expiration of the term of that officer, until

that officer's death, until that officer shall resign or shall have been removed in the manner hereinafter provided, or whichever shall come first.

Section 3. Removal. Any officer or agent elected or appointed by the Board may be removed by the Board, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by a qualified Director upon vote of the Board, for the unexpired portion of the term.

Section 5. President. The President shall call and, when present, preside at all meetings of the Board. ~~executive committee and~~, the Executive Committee, and the nominating committee. The President shall have general supervision of the affairs of the ~~corporation~~Corporation. The President shall perform such other duties as prescribed by the Board.

Section 6. Vice-President. The Vice-President shall serve as the first assistant to the President of the Board, performing the duties of the President in the absence of the President. The Vice-President shall ~~preform~~perform such other duties and have such authority as from time to time may be delegated by the President or by the Board.

Section 7. The Secretary. The Secretary shall: (a) keep the minutes of the Board meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the ~~Corporate~~Corporation's records; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board.

Section 8. The Treasurer. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine. The Treasurer shall: (a) have the oversight responsibility for all funds and securities of the Corporation, and for moneys due and payable to the Corporation from any source whatsoever, including the deposit of such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (b) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board.

Section 9. Other Assistants and Acting Officers. The Board shall have the power to appoint any person to act as assistant to any officer, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer so appointed by the Board shall have the power to perform all the duties of the office to which such person is so appointed to be assistant, or as to which such person is so appointed to act, except as such power may otherwise be defined or restricted by the Board.

Section 10. Additional Officers. Any additional officer not specified above shall have only such authority, duties and responsibilities as shall be specifically authorized and designated by the Board.

Section 11. Compensation. Unless authorized by the Board, officers of the Corporation shall not receive compensation for serving as officers or for providing other personal services to the Corporation. However, officers may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement is authorized by the Board.

ARTICLE VI Indemnification

Section 1. Mandatory Indemnification. The Corporation shall, to the fullest extent permitted or required by Sections 181.0871 to 181.0889, inclusive, of the WNCL, including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the Corporation to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any Director or Officer is a Party because such Director or Officer is a Director or Officer of the Corporation. The Corporation may indemnify its employees and authorized agents, acting within the scope of their duties as such, to the same extent as Directors or Officers hereunder. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses which such Director or Officer may be entitled under any written agreement, board resolution, vote of the Members, the WNCL or otherwise. All capitalized terms used in this Article VI and not otherwise defined herein shall have the meaning set forth in Section 181.0871 of the WNCL.

Section 2. Permissive Supplementary Benefits. The Corporation may, but shall not be required to, supplement the foregoing right to indemnification against Liabilities and advancement of Expenses under Section 1 of this Article by (a) the purchase of insurance on behalf of any one (1) or more of such Directors, Officers, employees or agents, whether or not the Corporation would be obligated to indemnify or advance Expenses to such Director, Officer, employee or agent under Section 1 of this Article, and (b) entering into individual or group indemnification agreements with any one or more of such Directors or Officers.

Section 3. Private Foundations. Notwithstanding the foregoing, at any time that the Corporation is deemed to be a private foundation as defined in I.R.C. Section 509(a), it shall not make any indemnification which would give rise to a penalty excise tax under I.R.C. Chapter 42.

ARTICLE VII Fiscal Year

The fiscal year of the Corporation shall end on the last day of June in each year.

ARTICLE VIII
Budgets and Spending

Section 1. Annual Budget. The Board shall adopt an annual budget for the operations of the Corporation at its annual Meeting, or a special meeting called for that purpose, which budget shall be drafted on a provisional basis and submitted to the Board for review, amendment and approval by the Executive Committee.

Section 2. Spending Authorization. The officers of the Corporation may spend within the amounts authorized in the annual budget, subject to such controls as may be set forth by resolution of the Board, including, but not limited to the number of signatories on checks, use of debit and/or credit cards or electronic transfer of funds.

ARTICLE IX
Corporate Acts, Loans, and Deposits

Section 1. Corporate Acts. The President, Vice President, Secretary, and Treasurer shall have authority to sign, execute and acknowledge on behalf of the Corporation, all deeds, mortgages, bonds, contracts, leases, reports, and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business, or which shall be authorized by resolution of the Board. Except as otherwise provided by the WNCL or directed by the Board, the President may authorize in writing any officer or agent of the Corporation to sign, execute and acknowledge such documents and instruments in his or her place and stead. The Secretary of the Corporation is authorized and empowered to sign in attestation all documents so signed, and to certify and issue copies of any such document and of any resolution adopted by the Board of the Corporation, provided, however, that an attestation is not required to enable a document to be an act of the Corporation.

Section 2. Loans. No moneys shall be borrowed on behalf of the Corporation and no evidences of such indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

Section 3. Deposits. All funds of the Corporation, not otherwise employed, shall be deposited from time to time to the credit of the Corporation in such banks, investment firms or other depositories as the Board may select.

ARTICLE X
Governance

~~Section 1. Robert's Rules.~~ The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Corporation in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Corporation may adopt.

~~ARTICLE XII~~
~~Amendments~~

~~Section 1. By the Directors. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board at any regular or special meeting thereof.~~

~~Section 2. Implied Amendments. Any action taken or authorized by the Board which would be inconsistent with the Bylaws then in effect but is authorized by affirmative vote of the Board, shall be given the same effect as though the Bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.~~

ARTICLE XI
Employees and Professional Services

The Corporation may employ or retain the professional services of any person or corporation, may hire employees and may establish staff positions as necessary to carry out the business of the Corporation and in furtherance of the purposes of the Corporation. ~~(a)~~ Any person employed or retained, for professional services, by the Corporation may not serve as a board member if compensated directly as further detailed in Article III, Section 16.

ARTICLE XII
Books and Records of Account

Section 1. Accounting Procedures. The Board shall establish and implement accounting procedures necessary to comply with generally accepted accounting procedures and practices and the requirements of state and federal laws.

Section 2. Audit and Financial Reports. The accounts and records of the Corporation shall be audited by an independent auditor. The scope of the audit shall be approved by the Board of the Corporation.

ARTICLE XIII
Nondiscrimination

The Corporation shall not discriminate in the selection or treatment of any recipients of the Corporation's services because of race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, physical handicap, matriculation, or political affiliation.

ARTICLE XIV
Amendments

Section 1. By the Directors. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board at any regular or special meeting thereof.

Section 2. Implied Amendments. Any action taken or authorized by the Board which would be inconsistent with the Bylaws then in effect but is authorized by affirmative vote of the Board, shall be given the same effect as though the Bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

* * * * *

Certified a true and correct copy of the Bylaws adopted on the ____ day of _____, ~~202~~2023, by the Board of Directors of GBHA Properties I, Inc.

_____, Secretary

Summary Report	
Title	compareDocs Comparison Results
Date & Time	6/5/2023 11:27:57 AM
Comparison Time	1.12 seconds
compareDocs version	v5.1.400.10

Sources	
Original Document	[#4870-9844-9510] [v1] GBHA Properties I Bylaws (base doc for redline).docx
Modified Document	[#4878-3916-7515] [v3] GBHA Properties I, Inc. Bylaws.docx

Comparison Statistics	
Insertions	21
Deletions	7
Changes	14
Moves	2
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	44

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
Deletions	
<u>Moves / Moves</u>	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after saving	General	Always
Report Type	Word	Redline
Character Level	Word	False
Include Comments	Word	True
Include Field Codes	Word	True
Flatten Field Codes	Word	False
Include Footnotes / Endnotes	Word	True
Include Headers / Footers	Word	True
Image compare mode	Word	Insert/Delete
Include List Numbers	Word	True
Include Quotation Marks	Word	False
Show Moves	Word	True
Include Tables	Word	True
Include Text Boxes	Word	True
Show Reviewing Pane	Word	True
Summary Report	Word	End
Detail Report	Word	Separate (View Only)
Document View	Word	Print

**BYLAWS
OF
GBHA PROPERTIES I, INC.**

**ARTICLE I
Offices**

Section 1. Principal Office. GBHA Properties I, Inc. (the “Corporation”) may have such offices, either within or without the State of Wisconsin, as may be designated from time to time by resolution of the Board of Directors (the “Board”), one of which may be designated as the principal office.

Section 2. Registered Office and Registered Agent. The Corporation shall maintain a registered office and registered agent in the State of Wisconsin. The registered office may, but need not be, the same as any of its places of business. The identity and address of the registered agent may be changed from time to time by notifying the Wisconsin Department of Financial Institutions pursuant to the provisions of the Wisconsin Nonstock Corporation Law (the “WNCL”). The registered agent of the Corporation, for the purposes of the State of Wisconsin Department of Financial Institutions, shall be the President of the Corporation, or such other person or entity designated by the Board.

**ARTICLE II
Purposes**

The purposes for which the Corporation is formed are to function as a nonstock and nonprofit corporation under Wisconsin Statutes, chapter 181 and such purposes as are set forth in the Articles of Incorporation.

**ARTICLE III
Members**

Section 1. Membership. Green Bay Housing Authority, a Wisconsin public body corporate and politic existing under the laws of the State of Wisconsin and formed under the Wisconsin Housing Authorities Law, shall be the initial and sole member of the Corporation (the “Member”). Admission of any additional member of the Corporation shall require the consent of the Member and the Board.

Section 2. Place of Meetings. All meetings of the Member shall be held at such place, if any, either within or without the State of Wisconsin, or by means of remote communication, as shall be designated from time to time by resolution of the Board and stated in the notice of meeting.

Section 3. Annual Meeting. The annual meeting of the Member for the election of directors and for the transaction of such other business as may properly come before the Member shall be held at such date, time, and place, if any, as shall be determined by the Board and stated in the notice of the meeting.

Section 4. Special Meetings. Special meetings of the Member for any purpose or purposes shall be called pursuant to a resolution approved by the Board. The only business which may be conducted at a special meeting shall be the matter or matters set forth in the notice of such meeting.

Section 5. Notice of Meetings. Notice of the place, if any, date, hour, the record date for determining the Members entitled to vote at the meeting (if such date is different from the record date for Members entitled to notice of the meeting), and means of remote communication, if any, of every Member meeting shall be given by the Corporation not less than ten (10) days nor more than sixty (60) days before the meeting (unless a different time is specified by law) to every Member entitled to vote at the meeting as of the record date for determining the Members entitled to notice of the meeting. Notices of special meetings shall also specify the purpose or purposes for which the meeting has been called. Notices of meetings to Members may be given by mailing the same, addressed to the Member entitled thereto, at such Member's mailing address as it appears on the records of the Corporation, and such notice shall be deemed to be given when deposited in the U.S. mail, postage prepaid. Without limiting the manner by which notices of meetings otherwise may be given effectively to Members, any such notice may be given by electronic transmission in accordance with applicable law.

Section 6. Waivers of Notice. Notice of any meeting need not be given to any Member who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any Member so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

Section 7. Adjournment. Any meeting of the Members may be adjourned from time to time to reconvene at the same or some other place, if any, and notice need not be given of any such adjourned meeting if the time, place, if any, thereof, and the means of remote communication, if any, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each member of record entitled to vote at the meeting. If after the adjournment a new record date is fixed for members entitled to vote at the adjourned meeting, the Board shall fix a new record date for notice of the adjourned meeting and shall give notice of the adjourned meeting to each Member of record entitled to vote at the adjourned meeting as of the record date fixed for notice of the adjourned meeting.

Section 8. Quorum. Unless otherwise required by law, the Corporation's Articles of Incorporation, or these Bylaws, at each meeting of the Members, one-third ($\frac{1}{3}$) of the Members of the Corporation, present in person or by proxy, shall constitute a quorum.

Section 9. Voting. At any meeting of the Members, each Member present, in person or by proxy, shall be entitled to one (1) vote. Unless otherwise required by law or the Articles of Incorporation, the election of directors shall be decided by a plurality of the votes cast by the Members of the Corporation present in person or represented by proxy at the meeting and entitled to vote in the election. Unless otherwise required by law, the Articles of Incorporation, or these Bylaws, any matter, other than the election of directors, brought before any meeting of Members shall be decided by the affirmative vote of the majority of the Members present in person or represented by proxy at the meeting and entitled to vote on the matter.

Section 10. Proxies. Each Member entitled to vote at a meeting of Members may authorize another person or persons to act for such Member by proxy, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A Member may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date.

Section 11. Consent of Members Without a Meeting. Any action to be taken at any meeting of Members may be taken without a meeting, without prior notice, and without a vote, if a consent or consents, setting forth the action to be so taken, shall be signed by Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members having a right to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in the State of Wisconsin (by hand or by certified or registered mail, return receipt requested), its principal place of business, an officer or agent of the Corporation having custody of the book in which proceedings of meetings of Members are recorded, or to an information processing system designated by the Corporation for receiving such consents in accordance with applicable law. Every consent shall bear the date of signature of each Member who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest dated consent delivered in the manner required by this Section 11, consents signed by a sufficient number of holders to take action are delivered to the Corporation as aforesaid. Prompt notice of the taking of the corporate action without a meeting by less than unanimous consent shall, to the extent required by applicable law, be given to those Members who have not consented in writing, and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that consents signed by a sufficient number of holders to take the action were delivered to the Corporation.

Section 12. Fixing the Record Date. Unless otherwise provided in the Articles of Incorporation, these Bylaws, or a Board resolution, the record date for any meeting or corporate action shall be the date of such meeting or corporate action.

ARTICLE III Board of Directors

Section 1. General Powers. The affairs of the Corporation shall be managed by the Board in accord with the mission of the Corporation and its Articles of Incorporation.

Section 2. Number and Qualifications of Directors.

(a) The number of Directors shall be as determined by the Member from time to time but in no event less than three (3) nor more than fifteen (15) and shall serve for the term provided in Section 3 of this Article. No amendment of this Section shall reduce the number of Directors to less than the number required by the WNCL, which at the time of adoption of these Bylaws is three (3).

(b) Directors shall be selected for their community leadership, their participation in public housing issues, and their contributions to educational, charitable, cultural, and civic aspects of their communities. Directors need not be residents of the State of Wisconsin.

Section 3. Election and Term.

(a) Method of Election. Directors of this Corporation shall be nominated by a member of the Board, which nomination shall be approved by the Member, and elected initially at a meeting of the Member called for the purpose, amongst other things, of the election of the original new members of the Board, and thereafter at the annual meeting of the Member.

(b) Term of Office. Directors shall hold office from the close of the annual meeting for a term of two (2) years or until their successors have been elected and qualified. At the close of each annual meeting of this Corporation, the successors to the class of Directors whose terms expire that year shall commence to hold office for a term of two (2) years or until their successors have been elected and qualified.

Section 4. Resignation. A Director may resign at any time by filing a written resignation with the President, Vice-President or the Secretary of the Corporation.

Section 5. Removal. A Director may be removed from office with cause by the Member of the Corporation either at a regular meeting or at any special meeting called for that purpose.

Section 6. Vacancies. In the event a vacancy occurs among the Directors on the Board from any cause, including an increase in the number of such Directors, an interim Director may be elected by the Board. An interim Director shall serve until a successor is elected upon expiration of the term of office for that Director.

Section 7. Annual Meeting. The annual meeting of the Board shall be held each year, at such time and place as the Board may determine, for the purpose of electing directors and transacting such other business as may come before the meeting.

Section 8. Other Meetings. The Board may, in addition to the regular meetings and annual meeting, provide by resolution for regular or stated meetings of the Board, to be held at a fixed time and place, and upon the passage of any such resolution, such special Meetings shall be held at the stated time and place without other notice than such resolution.

Section 9. Special Meetings. Special meetings of the Board may be held at any time and place for any purpose or purposes, unless otherwise prescribed by the WNCL, on call of

the President, or on the written request of any three (3) of the Directors, and shall be called by the Secretary. A special meeting may be a closed door session, at the discretion of elected officers, based on the nature of said meeting.

Section 10. Meetings By Telephone or Other Communication Technology.

(a) Any or all Directors may participate in a regular or committee meeting of the Board by, or conduct the meeting through the use of, telephone or any other means of communication by which either: (i) all participating Directors may simultaneously hear each other during the meeting or (ii) all communication during the meeting is immediately transmitted to each participating Director, and each participating Director is able to immediately send messages to all other participating Directors. Due to the nature of special meetings, it is at the discretion of the elected officers, by unanimous vote, as to whether or not Directors may participate via this method at said special meeting.

(b) If a meeting will be conducted through the use of any means described in subsection (a), all participating Directors shall be informed that a meeting is taking place at which official business may be transacted. A Director participating in a meeting by any means described in subsection (a) is deemed to be present in person at the meeting.

Section 11. Notice and Waiver of Notice.

(a) Notice. Notice of the date, time and place of any annual or special meeting shall be given by oral, electronic or written notice delivered personally to each Director at least twenty-four (24) hours prior thereto, or by written notice given by other than personal delivery at least forty-eight (48) hours prior thereto. Notice shall be given in one of the methods described in Article IV hereof. The purpose of and the business to be transacted at any special meeting of the Board need not be specified in the notice or waiver of notice of such meeting.

(b) Waiver of Notice. Whenever any notice is required to be given under the provisions of the WNCL or under the provisions of the Articles of Incorporation or Bylaws of the Corporation, a waiver thereof in writing, signed at any time by the person or persons entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 12. Quorum. A majority of the number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 13. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by the WNCL, or the Articles of Incorporation or Bylaws of the Corporation.

Section 14. Action by Written Consent of Directors. Any action required by the Articles of Incorporation or Bylaws of the Corporation, or any provision of the WNCL, to be taken

at a meeting, or any other action which may be taken at a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting.

Section 15. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board, or a committee thereof, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 16. Compensation. Directors of the Corporation shall not receive direct compensation from the Corporation for serving as Directors or for providing other personal services to the Corporation. However, Directors may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement is authorized by the Board.

Section 17. Committees.

(a) Composition. The Board, by resolution, may create committees, consisting of three (3) or more Directors, having such powers as are then permitted by the WNCL and as are specified in the resolution, and which are not inconsistent with subsection (b) hereof. Upon nomination by the President or the Board, persons who are not Directors may be designated to serve as non-voting members of any such committee with the exception of the Executive Committee.

(b) Nondelegable Powers; Alternative Members; Rules of Committees. No committee of Directors shall be empowered to act in lieu of the entire Board in respect to election of officers or the filling of vacancies on the Board or on committees of Directors created pursuant to this Section. All members of the Board who are not members of a given committee shall be alternate members of such committee and may take the place of any absent member or members at any meeting of such committee, upon request of the President or the chairperson of such committee. Each committee of the Board shall fix its own rules governing the conduct of its activities, not inconsistent with rules promulgated by the Board, and shall make such reports to the Board of its activities as the Board may request. There shall be no term limit to serve on a committee other than the Executive Committee as stated in subsection (c).

(c) Executive Committee. There shall be an Executive Committee consisting of the elected officers of the Board. Each elected officer of the Board shall serve on the Executive Committee during such person's term as an elected officer of the Board. Additional committee members shall be nominated, elected and appointed to serve on the Executive Committee by the Board at their annual meeting. Additional committee members to the Executive Committee who are not elected officers of the Board shall hold a committee term for two (2) years, or until their

successors have been elected or qualified. Interim vacancies on the Executive Committee shall be filled by vote of the Board until the next annual meeting of the Board.

Section 18. Conflict of Interest.

(a) Each Director shall disclose to the Board any duality of interest or possible conflict of interest whenever the duality or conflict pertains to a matter being considered by the Board.

(b) Any Director having duality of interest or conflict of interest on any matter shall abstain from voting on the matter and shall not be counted in determining the quorum for the vote on the matter. In addition, he or she shall not use his or her personal influence on the matter, but may briefly state his or her position on the matter and may answer pertinent questions from other Directors since his or her knowledge may be of great assistance.

(c) The minutes of the meeting involving any such situation shall reflect that a disclosure was made, the abstention from voting, and the quorum situation.

(d) The Board may adopt a written Conflict of Interest Policy not inconsistent with this Section.

ARTICLE IV
Methods of Giving Notice

Notice of any annual or special meeting of the Board, and any other notice required to be given under these Bylaws or the WNCL, may be communicated in person, by telephone, facsimile, electronic mail (e-mail) or other form of wire or wireless communication, or by U.S. mail or private carrier.

ARTICLE V
Officers

Section 1. Number. The principal officers of the Corporation shall be President, Vice-President, Secretary and Treasurer, each of whom shall be elected by the Board. The Board may also elect such other officers and assistant officers and agents as may be deemed necessary. The same individual may simultaneously hold more than one (1) office, provided that no individual shall simultaneously hold the offices of President and Vice-President. Officers must be members of the Board for a minimum of one (1) year prior to being elected as an officer except by unanimous consent of the Board.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held at a special meeting as soon thereafter as conveniently may be. Each elected officer shall hold office from the close of the annual meeting for a term of two (2) years, until a qualified successor is elected upon expiration of the term of that officer, until

that officer's death, until that officer shall resign or shall have been removed in the manner hereinafter provided, or whichever shall come first.

Section 3. Removal. Any officer or agent elected or appointed by the Board may be removed by the Board, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by a qualified Director upon vote of the Board, for the unexpired portion of the term.

Section 5. President. The President shall call and, when present, preside at all meetings of the Board, the Executive Committee, and the nominating committee. The President shall have general supervision of the affairs of the Corporation. The President shall perform such other duties as prescribed by the Board.

Section 6. Vice-President. The Vice-President shall serve as the first assistant to the President of the Board, performing the duties of the President in the absence of the President. The Vice-President shall perform such other duties and have such authority as from time to time may be delegated by the President or by the Board.

Section 7. The Secretary. The Secretary shall: (a) keep the minutes of the Board meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the Corporation's records; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board.

Section 8. The Treasurer. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine. The Treasurer shall: (a) have the oversight responsibility for all funds and securities of the Corporation, and for moneys due and payable to the Corporation from any source whatsoever, including the deposit of such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (b) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board.

Section 9. Other Assistants and Acting Officers. The Board shall have the power to appoint any person to act as assistant to any officer, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer so appointed by the Board shall have the power to perform all the duties of the office to which such person is so appointed to be assistant, or as to which such person is so appointed to act, except as such power may otherwise be defined or restricted by the Board.

Section 10. Additional Officers. Any additional officer not specified above shall have only such authority, duties and responsibilities as shall be specifically authorized and designated by the Board.

Section 11. Compensation. Unless authorized by the Board, officers of the Corporation shall not receive compensation for serving as officers or for providing other personal services to the Corporation. However, officers may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement is authorized by the Board.

ARTICLE VI Indemnification

Section 1. Mandatory Indemnification. The Corporation shall, to the fullest extent permitted or required by Sections 181.0871 to 181.0889, inclusive, of the WNCL, including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the Corporation to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any Director or Officer is a Party because such Director or Officer is a Director or Officer of the Corporation. The Corporation may indemnify its employees and authorized agents, acting within the scope of their duties as such, to the same extent as Directors or Officers hereunder. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses which such Director or Officer may be entitled under any written agreement, board resolution, vote of the Members, the WNCL or otherwise. All capitalized terms used in this Article VI and not otherwise defined herein shall have the meaning set forth in Section 181.0871 of the WNCL.

Section 2. Permissive Supplementary Benefits. The Corporation may, but shall not be required to, supplement the foregoing right to indemnification against Liabilities and advancement of Expenses under Section 1 of this Article by (a) the purchase of insurance on behalf of any one (1) or more of such Directors, Officers, employees or agents, whether or not the Corporation would be obligated to indemnify or advance Expenses to such Director, Officer, employee or agent under Section 1 of this Article, and (b) entering into individual or group indemnification agreements with any one or more of such Directors or Officers.

Section 3. Private Foundations. Notwithstanding the foregoing, at any time that the Corporation is deemed to be a private foundation as defined in I.R.C. Section 509(a), it shall not make any indemnification which would give rise to a penalty excise tax under I.R.C. Chapter 42.

ARTICLE VII Fiscal Year

The fiscal year of the Corporation shall end on the last day of June in each year.

ARTICLE VIII
Budgets and Spending

Section 1. Annual Budget. The Board shall adopt an annual budget for the operations of the Corporation at its annual Meeting, or a special meeting called for that purpose, which budget shall be drafted on a provisional basis and submitted to the Board for review, amendment and approval by the Executive Committee.

Section 2. Spending Authorization. The officers of the Corporation may spend within the amounts authorized in the annual budget, subject to such controls as may be set forth by resolution of the Board, including, but not limited to the number of signatories on checks, use of debit and/or credit cards or electronic transfer of funds.

ARTICLE IX
Corporate Acts, Loans, and Deposits

Section 1. Corporate Acts. The President, Vice President, Secretary, and Treasurer shall have authority to sign, execute and acknowledge on behalf of the Corporation, all deeds, mortgages, bonds, contracts, leases, reports, and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business, or which shall be authorized by resolution of the Board. Except as otherwise provided by the WNCL or directed by the Board, the President may authorize in writing any officer or agent of the Corporation to sign, execute and acknowledge such documents and instruments in his or her place and stead. The Secretary of the Corporation is authorized and empowered to sign in attestation all documents so signed, and to certify and issue copies of any such document and of any resolution adopted by the Board of the Corporation, provided, however, that an attestation is not required to enable a document to be an act of the Corporation.

Section 2. Loans. No moneys shall be borrowed on behalf of the Corporation and no evidences of such indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

Section 3. Deposits. All funds of the Corporation, not otherwise employed, shall be deposited from time to time to the credit of the Corporation in such banks, investment firms or other depositories as the Board may select.

ARTICLE X
Governance

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Corporation in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Corporation may adopt.

ARTICLE XI
Employees and Professional Services

The Corporation may employ or retain the professional services of any person or corporation, may hire employees and may establish staff positions as necessary to carry out the business of the Corporation and in furtherance of the purposes of the Corporation. Any person employed or retained, for professional services, by the Corporation may not serve as a board member if compensated directly as further detailed in Article III, Section 16.

ARTICLE XII
Books and Records of Account

Section 1. Accounting Procedures. The Board shall establish and implement accounting procedures necessary to comply with generally accepted accounting procedures and practices and the requirements of state and federal laws.

Section 2. Audit and Financial Reports. The accounts and records of the Corporation shall be audited by an independent auditor. The scope of the audit shall be approved by the Board of the Corporation.

ARTICLE XIII
Nondiscrimination

The Corporation shall not discriminate in the selection or treatment of any recipients of the Corporation's services because of race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, physical handicap, matriculation, or political affiliation.

ARTICLE XIV
Amendments

Section 1. By the Directors. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board at any regular or special meeting thereof.

Section 2. Implied Amendments. Any action taken or authorized by the Board which would be inconsistent with the Bylaws then in effect but is authorized by affirmative vote of the Board, shall be given the same effect as though the Bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

* * * * *

Certified a true and correct copy of the Bylaws adopted on the ____ day of _____,
2023, by the Board of Directors of GBHA Properties I, Inc.

_____, Secretary



Report to the
GBHA Properties I, Inc.
of the City of Green Bay

MEETING DATE

June 8, 2023

PREPARED BY

Stephanie Schmutzer, Staff

AGENDA ITEM # D.3

Consideration with possible action on approval of the Conflict of Interest Policy.

BACKGROUND

It was recommended by Attorney Dombrowski that GBHA Properties I adopt a conflict of interest policy. When applying for a 501(c)3 with the IRS, they usually request a conflict of interest policy be in place. Attorney Dombrowski has reviewed the policy and suggested some modifications that are reflected in the document provided.

RECOMMENDATION

To approve the Conflict of Interest Policy.

FISCAL IMPACT

ATTACHMENTS

- I. Conflict of Interest Policy for GBHA Properties I, Inc.

**GBHA PROPERTIES I, INC.
CONFLICT OF INTEREST POLICY**

ARTICLE I
PURPOSE

The purpose of the conflict of interest policy is to protect the interest of **GBHA Properties I, Inc.** (the “**Corporation**”) when (i) it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction, or (ii) operating its Rental Assistance Program (the “**Program**”). This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II
DEFINITIONS

1. ***Interested Person.*** Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. ***Financial Interest.*** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

(a) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,

(b) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

(c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Except as provided with respect to the Program under Article IV, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists under Article III, Section 2.

ARTICLE III
PROCEDURES

1. ***Duty to Disclose.*** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the

opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. ***Determining Whether a Conflict of Interest Exists.*** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. ***Procedures for Addressing the Conflict of Interest.***

(a) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(b) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the governing board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. ***Violations of the Conflicts of Interest Policy.***

(a) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV
SPECIFIC RULES RELATED TO THE CORPORATION'S RENTAL ASSISTANCE
PROGRAM

1. *Article IV Definitions.*

(a) "Article IV Interested Person" for purposes of this Article includes not only the persons listed in the definition of Interested Person in Article II (except an officer who is a tenant commissioner) but also includes (i) an employee of the Corporation who formulates policy or influences decisions with respect to the Program, and (ii) a staff member of the Corporation who serves as a (A) local public official or state public official, as such terms are defined in Section 19.42 of the Wisconsin Statutes, (B) state or local legislator, or (C) member of a governing body which exercises functions or responsibilities with respect to the Program.

(b) "Immediate Family" means an individual's spouse, and an individual's relative by marriage, lineal descent or adoption who receives, directly or indirectly, more than one-half of his or her support from such individual or from whom such individual receives, directly or indirectly, more than one-half of his or her support.

(c) "Tenure" means the time during which such person is an Article IV Interested Person and for one year after such person is no longer a person described in section (ii) of the definition of Article IV Interested Person.

2. Except as set forth in Article IV, Section 4, no Article IV Interested Person shall (i) have any direct or indirect interest in any contract, subcontract or arrangement in connection with the Program, or (ii) directly or indirectly receive benefits from the Program (a "RAP Conflict of Interest").

3. The following provisions shall be used to interpret the phrase "direct or indirect" for as used in this Article IV. A transaction or arrangement is directly with an individual if such individual is a party to a transaction with the Corporation or any funds flow between the individual and the Corporation. A transaction or arrangement is indirectly with an individual if a member of such individual's Immediate Family or an organization or entity with which such individual is associated is a party to a transaction with the Corporation or any funds flow between such person and the Corporation. An individual is "associated" with an organization or entity when the individual or a member of the individual's Immediate Family is an officer, director, or trustee, or owns at least ten percent of the organization or entity. An individual is not associated with an organization merely because the individual is a member or employee of an organization or business. For the avoidance of doubt, any interpretation of "directly or indirectly" shall be answered by reference to the State Code of Ethics as set out in Section 19.59, Wisconsin Statutes, and any court interpretations thereof.

4. Any Article IV Interested Person with a potential RAP Conflict of Interest may continue to participate in such contract, subcontract or arrangement or receive benefits from the Program if such person obtains a waiver from the U.S. Department of Housing and Urban Development. Such Article IV Interested Person shall be responsible for requesting a waiver of

such potential RAP Conflict of Interest through the Corporation within 30 days after such potential RAP Conflict of Interest has been identified. Any such waiver must include a complete statement of the facts in the case and justification for the waiver, i.e., good cause, financial hardship on the income eligible family, etc. Until such waiver has been received, such Article IV Interested Person and his or her Immediate Family shall be precluded from receiving any payments or benefits from the Program.

5. Failure to comply with this Article IV shall be cause for termination of such Article IV Interested Person and his or her Immediate Family from participation in the Program and such other remedies as the appropriate governing board or committee shall determine pursuant to the procedures set forth in Article III.

ARTICLE V RECORDS OF PROCEEDINGS

The minutes of the governing board and all committees with board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE VI COMPENSATION

(a) A voting member of the governing board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(c) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VII
ANNUAL STATEMENTS

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- (a) Has received a copy of the conflicts of interest policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (d) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VIII
PERIODIC REVIEWS

To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE IX
USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article VIII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.