

BETHEL HOUSING AUTHORITY

MINUTES

October 5, 2011
6:00 p.m.

Present: T. Beeble
E. Budd
H. Dalcher
G. Slifkin
Excused: E. Dube

Prior to opening the meeting, Mark Nolan introduced his staff to the Board and had general conversation concerning Phineas Park.

Chairman Timothy Beeble called the meeting to order at 7:04 p.m.

ROLL CALL

Present: T. Beeble, E. Budd, H. Dalcher, G. Slifkin. Excused: E. Dube.

Attorney Peter Olson was also present.

ELECTION OF OFFICERS

Hal Dalcher made motion to nominate Timothy Beeble as Chairman; seconded by Elaine Budd.

Timothy Beeble made motion to nominate Hal Dalcher as Vice Chairman; seconded by Elaine Budd.

Harold Dalcher made motion to nominate Gail Slifkin as Treasurer; seconded by Elaine Budd.

Harold Dalcher made motion to nominate Elaine Budd as Secretary; seconded by Gail Slifkin.

Timothy Beeble made motion to nominate Elaine Dube as Assistant Treasurer; seconded by Harold Dalcher.

Harold Dalcher made motion that nominations be closed; seconded by Elaine Budd. All in favor.

Secretary Elaine Budd cast one vote for the slate of officers duly elected.

RECEIVED

2011 OCT -6 P 2: 06

TOWN OF BETHEL
TOWN CLERK

-2-

Harold Dalcher made motion to pass the Resolution concerning authorization To borrow the sum of \$1,324,600.00 from Union Savings Bank of Danbury, Connecticut for the purpose of acquiring property and improvements thereon Located at 5-7 Main Street, Bethel, Connecticut from Phineas Park Limited Partnership of Danbury, Connecticut; seconded by Gail Slifkin. All in favor. Motion carried. Copy of Resolution is attached to minutes.

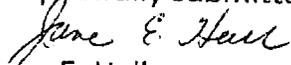
Harold Dalcher made motion to pass the Resolution concerning the purchase the real property and the improvements thereon located at 5-7 Main Street, Bethel, Connecticut from Phineas Park Limited Partnership of Danbury, Connecticut; seconded by Gail Slifkin. All in favor. Motion carried. Copy of Resolution is attached to minutes.

Harold Dalcher made motion to pass the Resolution concerning the borrowing Of \$1,100,170.46 from USDA, Rural Development for purchase of property at 5-7 Main Street, Bethel, Connecticut; seconded by Gail Slifkin. All in favor. Motion carried. Copy of Resolution is attached to minutes.

Harold Dalcher made motion to pass the Resolution for Union Savings Bank as financial institution ; seconded by Gail Slifkin. All in favor. Motion carried. Copy of Resolution is attached to minutes.

Harold Dalcher made motion to adjourn; seconded by Gail Slifkin. All in favor. Motion carried.

Respectfully submitted,


Jane E. Hall

Recording Secretary

**THE HOUSING AUTHORITY OF THE TOWN OF BETHEL
25 Reynolds Ridge, Bethel, CT 06801**

RESOLUTION

At a Special Meeting of The Housing Authority of the Town of Bethel (the "Authority", held on October 5, 2011, which meeting was duly noticed and open to the public, and at which meeting ^{at a town of} ~~at~~ Commissioners were present, the following Resolution was duly adopted by a unanimous vote of the Commissioners:

RESOLVED,

1. The Authority is hereby authorized to purchase the real property and the improvements thereon located at 5-7 Main Street, Bethel, Connecticut (the "Property") from Phineas Park Limited Partnership of Danbury, Connecticut (the "Seller").
2. Timothy R. Beeble, Chair of the Authority ("Mr. Beeble") is hereby authorized to, on behalf of the Authority, execute and deliver any documents which may be required to facilitate the acquisition of the Property.
4. Mr. Beeble is hereby authorized to provide such documents and information to the Seller as may be required by the Seller in connection with the acquisition of the Property.
5. The Authority is hereby authorized to expend such sums of money as may be necessary or incidental to the closing costs for the acquisition of the Property, including *inter alia*, recording fees, attorneys fees, inspection fees, survey fees, title search fees and title insurance fees.

Elaine Budd
Secretary

Form RD 3560-35
(02-05)

Position 5

FORM APPROVED
OMB NO. 0575-0189

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

LOAN RESOLUTION

- RRH Loan to a Broadly Based Nonprofit Corporation**
- RRH Loan to a Profit Type Corporation**
- RRH Loan to a Profit Type Limited Liability Corporation on a Limited Profit Basis**
- RCH Loan to a Nonprofit Cooperative**
- RCH Loan to a Limited Liability Company**

LOAN RESOLUTION OF October 6, 20 11. RESOLUTION OF THE BOARD
OF DIRECTORS OR MEMBERS OF BETHEL HOUSING AUTHORITY

PROVIDING FOR BORROWING \$ 1,100,170.46 TO FINANCE HOUSING AND
RELATED FACILITIES IN A RURAL AREA FOR Family Housing, AND
THE COLLECTION, HANDLING, AND DISPOSITION OF INCOME, THE ISSUANCE OF INSTALLMENT PROMISSORY
NOTE AND REAL ESTATE SECURITY INSTRUMENT, AND RELATED MATTERS.

Whereas Bethel Housing Authority ("Entity") is organized
and operating under the laws of the State of Connecticut,
the Board of Directors or members ("Governing Body") has decided to provide certain housing and related facilities for eligible
occupants in rural areas. The Governing Body has determined that the Entity is unable to provide such housing and facilities with its
own resources or to obtain from other sources for such purpose sufficient credit upon terms and conditions which the Entity could
reasonably be expected to fulfill.

BE IT RESOLVED:

1. Application for Loan. The Entity shall apply for and obtain a loan ("Loan") of \$1,100,170.46
from the United States of America acting through the Rural Housing Service, or a successor agency, United States Department of
Agriculture, ("Government") pursuant to section 515 of the Housing Act of 1949. The loan may be sold and insured by the
Government. The Loan shall be used solely for the specific purposes for which it is approved by the Government, in order to
provide housing and related facilities for occupants, as defined by the government in rural areas. Such housing, facilities, and
the land constituting the site are called "Housing".

2. Execution of Loan Instruments. To evidence the loan the Entity shall issue a promissory note ("Note"), signed by its
authorized representative, with any requisite seal affixed, for the amount of the Loan, payable in installments over a
period of thirty (30) years, bearing interest at a
rate, and containing other terms and conditions, prescribed by the Government. To secure the note or any indemnity or other agreement
required by the Government, the authorized representative is hereby authorized to execute a real estate security instrument giving a lien
upon the Housing and upon such other real property of the Entity as the Government shall require, including an assignment of the rents,
subsidies, revenues and profits as collateral security to be enforced in the event of any default by the Entity, and containing other terms
and conditions prescribed by the Government. The authorized representative is further authorized to execute any other security
instruments and other instruments and documents required by the Government in connection with the making or insuring of the loan.
The indebtedness and other obligations of the Entity under the Note, the related security instruments, and any related agreements are
herein called the "Loan Obligation".

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

3. Equal Opportunity and Nondiscrimination Provisions. The authorized representative is hereby authorized and directed to execute on behalf of the Entity: (a) any undertakings and agreements required by the Government pursuant to Title VII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988 related to Fair Housing regarding nondiscrimination in the use and occupancy of housing; (b) Form RD 400-1 entitled "Equal Opportunity Agreement", including an "Equal Opportunity Clause" to be incorporated in or attached as a rider to each construction contract the amount of which exceeds \$10,000 and any part of which is paid for with funds from the loan, and (c) Form RD 400-4, entitled "Assurance Agreement (under Title VI, Civil Rights Act of 1964)", and any other undertakings and agreements required by the Government pursuant to lawful authority.

4. Borrower Equity Contribution. The amount of \$ 0.00 to be contributed by the Entity from its own funds for the land purchase or development will be placed or deposited with the lender and dispersed prior to any disbursement of interim loan funds or any loan funds of the Government.

5. Accounts for Housing Operations and Loan Servicing. The Corporation shall establish on its books the following accounts, which shall be maintained so long as the Loan Obligations remain unsatisfied: a General Operating Account, a Tenant Security Deposit Account and a Reserve Account.

a. General Operating Account. ~~By the time the Government loan is closed or interim construction funds are obtained, whichever occurs first, the Entity shall deposit cash from its own funds in an amount totaling~~

\$ _____, Use of deposited cash will be in accordance with 7 CFR part 3560 or any successor regulation.

b. Reserve Account. Transfers at a rate not less than \$ 11,934.00+2%/inflation annually shall be made to See Attached Sheet Mark "Exhibit A"

the Reserve Account until the amount in the Reserve Account reaches the minimum sum of \$ _____ or such higher amount later agreed to by the Government and shall be resumed at any time when necessary, because of disbursements authorized by the Government from the Reserve Account to restore it to said sum. Withdrawal and use of funds deposited to this account will be in accordance with 7 CFR part 3560 or any successor regulation. With prior consent of the Government, funds in the Reserve Account may be used by the Entity:

To pay a return to the Borrower of up to 8 percent per annum of the borrower's initial investment of

\$ _____; ~~Provided, that after such disbursement (a) the amount in the Reserve Account will be not less than that required by this section 5b to be accumulated by that time (less any disbursements authorized by the Government), and (b) the amount in the Reserve Account will likely not fall below that required to be accumulated during the next 12 months.~~

~~To pay dividends to the stockholder or for any other purpose desired by the Entity, provided that after such disbursement (a) the amount in the Reserve Account will not be less than that required by this section 5b to be accumulated by that time (less any disbursements authorized by the Government), and (b) the amount in the Reserve Account will likely not fall below that required to be accumulated during the next 12 months.~~

6. Regulatory Covenants. So long as the Loan Obligations remain unsatisfied, the Entity shall comply with all appropriate regulations of the Government and shall:

a. Impose and collect such fees, assessments, rents, occupancy charges, and charges that the income of the Housing will be sufficient at all times for operation and maintenance of the Housing, payments on the Loan Obligations, and maintenance of any required accounts.

b. Establish and maintain complete books and records relating to the Housing's financial affairs, cause such books and records to be audited at the end of each fiscal year, promptly furnish the Government without request a copy of each audit report, and permit the Government or its representative to inspect such books and records at all reasonable times.

c. If required or permitted by the Government, revise the accounts herein provided for, or establish new accounts, to cover handling and disposition of income from and payment of expenses attributable to the Housing or to any other property securing the Loan Obligations and submit regular and special reports concerning the Housing or financial affairs.

d. Unless the Government gives prior consent:

(1) Not use the Housing for any purpose other than as rental Housing and related facilities for eligible occupants.

(2) Not enter into any contract or agreement for improvements or extensions to the Housing or other property securing the Loan Obligations.

(3) Not cause or permit voluntary dissolution of the Entity nor merge or consolidate with any other organization, nor cause or permit any transfer or encumbrance of title to the Housing or any part thereof or interest therein, by sale, mortgage, lease, or otherwise.

(4) Not cause or permit the issue or transfer of an interest in the Entity, borrow any money, nor incur any liability that would have a detrimental effect on the Housing.

e. Submit Housing reports as per 7 CFR part 3560 or any successor regulation for prior Government review.

f. Comply with all its agreements and Obligations in or under the Note, security instrument, and any related agreement executed by the Entity in connection with the Loan.

g. Not alter, amend, or repeal without the Government's consent this agreement or the Entity Agreement, which shall constitute parts of the total contract between the Entity and the Government relating to the Loan Obligations.

h. Take other action as may be required by the Government in connection with the operation of the Housing, or with any of the Entity's operations or affairs which may affect the Housing, the Loan Obligations, or the security.

i. ~~If return on investment for any year exceeds 8 percent per annum of Borrower's initial investment of~~

~~\$ _____, the Government may require that the borrower reduce rents the following year, refund the excess return on the investment to the tenants, or use said excess in a manner that will best benefit the tenants.~~

7. General Provisions.

a. It is understood and agreed by the Entity that any Loan made or insured will be administered subject to the limitations of the acts of Congress and related regulations, and that any rights granted to the Government herein or elsewhere may be exercised by the Government in its sole discretion.

b. The provisions of this agreement are representations to the Government, to induce the Government, to make or insure a Loan to the Entity. If the Entity should fail to comply with or perform any provision of this agreement or any requirement made by the Government pursuant to this agreement, such failure shall constitute default as fully as default in payment of amounts due on the Loan Obligations. In the event of such failure, the Government at its option may require specific performance, declare the entire amount of the Loan Obligations immediately due and payable and, if such entire amount is not immediately paid, may take possession of and operate the Housing and proceed to foreclose its security and enforce all other available remedies, or take such other action as it may deem reasonable.

c. Any provisions of this agreement may be waived by the Government in its sole discretion to any extent such provisions could have been foregone to in amended form initially.

d. Any notice, consent, approval, waiver or agreement must be in writing.

e. This Loan Agreement shall be subject to the present regulations of the Government and to its future regulations and provisions.

f. The Corporation agrees that no person with a disability will be subjected to discrimination in employment or denied the benefits of the Housing because of such disability. It will comply with the requirements of the Fair Housing Act, 42 U.S.C. 3601 et seq., the Fair Housing Amendments Act of 1988, the Rehabilitation Act of 1973, 29 U.S.C. 794, the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et seq., and the implementing regulations of the Department of Agriculture, 7 CFR part 15b.

g. This resolution may be cited in the security instrument and any other instruments as the "Loan Resolution of October 6 _____, 20 11 ."

Bethel Housing Authority

By:

CERTIFICATE

The undersigned, _____, hereby certifies that the foregoing is a true copy of a resolution duly adopted by the Governing Body on _____, 20 _____, which has not been altered, amended, or repealed and that the undersigned is the authorized person to make this representation on behalf of the Entity.

(Date)

(Signature)

(SEAL)

RESOLUTION OF AUTHORITY FOR UNINCORPORATED ASSOCIATIONS OR ORGANIZATIONS

Union Savings Bank
UNION SAVINGS BANK
226 MAIN STREET
DANBURY, CT 06810-0000

By: Housing Authority of the
Town of Bethel

Referred to in this document as "Financial Institution"

Referred to in this document as "Association"

I, Elaine Budd, certify that I am Secretary (clerk) of the above named association organized under the laws of Connecticut, Federal Taxpayer Identification Number 06-0956933, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Association duly and properly called and held on 10/5/2011 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS: Any Agent listed below, subject to the limitations indicated in this document, is authorized to exercise all Powers Granted:

	Name:	Title or Position:	Signature:
A.	<u>Timothy R Baebler</u>	<u>Chairman</u>	x. • <u>[Signature]</u>
B.	<u>Harold T Dalcher</u>	<u>Vice Chairman</u>	x. • <u>[Signature]</u>
C.	<u>GAIL SLIFKIN</u>	<u>TREASURER</u>	x. • <u>[Signature]</u>
D.	<u>Elaine Budd</u>	<u>Secretary</u>	x. • <u>[Signature]</u>
E.			x. •
F.			x. •

POWERS GRANTED: Unless indicated below as an exception, any Agent of the Association or Organization shall exercise the following Powers:

Agent Exceptions A, B, C, D, E, or F	Description of Powers:
	(1) Exercise all of the powers listed in this resolution.
	(2) Open any deposit or share account(s) in the name of the Association or Organization.
	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.
	(4) Borrow money on behalf of and in the name of the Association or Organization, as well as sign, execute, and deliver promissory notes or other evidences of indebtedness
	(5) Endorse, assign, transfer, mortgage, or pledge bills receivable, warehouse receipts, bills of lading, promissory notes or other evidences of indebtedness, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Association or Organization as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.
	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box with this Financial Institution.
	(7) Other:

LIMITATION ON POWERS: The following are the Association or Organization's express limitations on the powers granted under this resolution: _____

EFFECT ON PREVIOUS RESOLUTIONS: This resolution supersedes the resolution dated _____ (if not completed, all resolutions remain in effect).

CERTIFICATION OF AUTHORITY: I further certify that the Association or Organization has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)
 If checked, the Association is a non-profit lodge, association or similar organization.

x Elaine R. Budd
(Secretary)

x [Signature]
(Attest by Other Officer)

x [Signature]
(Attest by Other Officer)

RESOLUTIONS

The Association or Organization resolves, warrants, and agrees as follows:

(1) The Financial Institution is designated as a depository for the funds of the Association and as a provider of other financial accommodations indicated in this resolution.

(2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Association and certified to the Financial Institution as governing the operation of this association's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of their revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.

(3) The signature of an Agent on this resolution is conclusive evidence of his or her authority to act on behalf of the Association. Any Agent, so long as he or she acts in a representative capacity as an Agent of the Association, is authorized to make any and all other contracts, agreements, stipulations and orders which he or she may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.

(4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Association with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.

(5) The Association agrees to the terms and conditions of any agreement governing any account properly opened by any Agent of the Association. The Association authorizes the Financial Institution, at anytime, to charge the Association for all checks, drafts, or other orders, for the payment of money that are drawn on the Financial Institution.

(6) The Association acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Association to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.

(7) The Association acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, personal identification numbers (PIN), and digital signatures. The Association authorizes each Agent to have custody of the Association's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

FOR FINANCIAL INSTITUTION USE ONLY:

Acknowledged and received on _____ by _____(initials). This resolution is superseded by a new resolution dated _____.

COMMENTS:

THE HOUSING AUTHORITY OF THE TOWN OF BETHEL
25 Reynolds Ridge, Bethel, CT 06801

RESOLUTION

At a Special Meeting of The Housing Authority of the Town of Bethel (the "Authority", held on October 5, 2011, which meeting was duly noticed and open to the public, and at which meeting ~~a~~ ^{a quorum of} Commissioners were present, the following Resolution was duly adopted by a unanimous vote of the Commissioners:

RESOLVED,

1. The Authority is hereby authorized to borrow the principal sum of \$1,324,600.00 from Union Savings Bank, of Danbury, Connecticut (the "Bank") for the purpose of acquiring the real property and the improvements thereon located at 5-7 Main Street, Bethel, Connecticut (the "Property") from Phineas Park Limited Partnership of Danbury, Connecticut (the "Loan").
2. The Authority is hereby authorized to encumber the Property with an open end, first priority mortgage in favor of the Bank to secure the Loan.
3. Timothy R. Beeble, Chair of the Authority ("Mr. Beeble") is hereby authorized to, on behalf of the Authority, execute and deliver any notes, mortgages, acceptances, assignments, security agreements and other documents required by the Bank in connection with the Loan, in a form satisfactory to the Bank.
4. Mr. Beeble is hereby authorized to provide such documents and information to the Bank as may be required by the Bank in connection with the Loan.
5. The Authority is hereby authorized to expend such sums of money as may be necessary or incidental to the closing costs for the Loan, including *inter alia*, fees for origination of the Loan, title searches, title insurance, Bank's counsel, appraisal reports, inspection reports, environmental reports, flood certifications.
6. The 1975 Resolution of the Board of Selectmen of the Town of Bethel which established the Authority pursuant to Conn. Gen. Stat. § 8-40 has not been amended or revoked.

Elaine Budd
Secretary