

NORTH STREET ELDERLY HOUSING CORPORATION

40 Clinton Avenue
Stamford, Connecticut 06901

NOTICE OF BOARD MEETING

September 28, 2022

7:00 p.m.

To: Ronice Latta
Rich Ostuw
Bianca Shinn-Desras

AGENDA

- a. Call to Order
- b. Approve Meeting Minutes for December 8, 2021
- c. Resolution:
 - 22-01 Approval of transfer of Limited Partner Interest
- d. Adjourn

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

Rich Ostuw

Ronice Latta

Bianca Shinn-Desras

THE ABOVE BEING ALL OF THE DIRECTORS
OF NORTH STREET ELDERLY HOUSING CORPORATION

NORTH STREET ELDERLY HOUSING CORPORATION
40 Clinton Avenue, Suite 101
Stamford, Connecticut 06901

Board Meeting Date: September 28, 2022

Resolution Number: 22-01

RESOLUTION

Subject: Approval of transfer of Limited Partner Interest

Background: The existing Limited Partner, Capital Housing Partners-CXLIII, wishes to transfer its interest in the partnership that owns Rippowam Manor to Forward Housing. Staff has performed due diligence and determined that Forward Housing is acceptable as a limited partner. The amended Limited Partnership Agreement ensures that any legal and other costs incurred as a result of the transaction will be borne by Forward Housing.

Resolution: Be it resolved by the Directors of the North Street Elderly Housing Corporation that the transfer of Limited Partnership interest from Capital Housing Partners-CXLIII to Forward Housing is approved and that the President and Vice President are authorized to execute such documents as may be necessary to complete the transaction.

Jonathan Gottlieb
Staff Member Submitting Report

RESOLUTIONS OF NORTH STREET ELDERLY HOUSING CORPORATION

September 28, 2022

The undersigned, being the Secretary of NORTH STREET ELDERLY HOUSING CORPORATION (the “**Corporation**”), a Connecticut nonstock corporation, hereby certifies that the following is a true and correct copy of the resolutions duly adopted and ratified by the Board of Directors of the Corporation, at a meeting held in accordance with the laws of the State of Connecticut and the By-Laws of the Corporation, at which a quorum of said Board of Directors was present, and that such resolutions are and remain in full force and effect and have not been rescinded or modified.

WHEREAS, NORTH STREET ELDERLY LIMITED PARTNERSHIP (the “**Partnership**”) is a Connecticut limited partnership of which the Corporation is the general partner (the “**Corporation**” or “**General Partner**”), as set forth in that certain Second Amended Agreement and Second Amended Certificate of Limited Partnership dated as of October 12, 2017 (the “**LPA**”) by and between the General Partner and Capital Housing Partners-CXLIII, a District of Columbia limited partnership (the “**Former Limited Partner**”); and

WHEREAS, Former Limited Partner and Forward Housing Preservation LLC, a Delaware limited liability company (“**Forward Housing**”), entered into that certain Partnership Interest Purchase Agreement, dated as of August 11, 2022 (the “**PSA**”), pursuant to which Former Limited Partner agreed to sell, and Forward Housing agreed to purchase, Former Limited Partner’s Interest (the “**Interest**”) in the Partnership (collectively, the “**FH Transaction**”); and

WHEREAS, Forward Housing has assigned its interest in the PSA to the Replacement Limited Partner pursuant to that certain [Assignment of Partnership Interest Purchase Agreement], dated as of [October __], 2022; and

WHEREAS, the Former Limited Partner intends to sell, assign, and transfer its Interest to the Replacement Limited Partner pursuant to the terms of that certain Partnership Interest Transfer Power, dated as of [October __], 2022; and

WHEREAS, General Partner and Replacement Limited Partner intend to amend certain portions of the Partnership Agreement in accordance with that certain First Amendment to Second Amended Agreement and Second Amended Certificate of Limited Partnership (the “**Amendment**”); and

WHEREAS, the Board of Directors of the Corporation (the “**Board**”) has determined that such transactions are in the best interest of the Corporation, as the General Partner of the Partnership, and wishes to grant the Corporation’s officers the right, power and authority to cause the Corporation and the Partnership, acting by and through the Corporation, to enter into those undertakings relating to the FH Transaction as are set forth below.

NOW, THEREFORE, the undersigned, being all of the members of the Board of the Corporation, hereby approve, consent to and adopt the following resolutions, effective for all purposes as of the date set forth above:

(1) **RESOLVED**, that the Corporation, acting on behalf of itself and as the General Partner of the Partnership, hereby approves the FH Transaction.

(2) **RESOLVED**, that the Corporation, acting on behalf of itself and acting as General Partner of the Partnership, shall negotiate for itself and the Partnership to negotiate and enter into the Amendment, on such terms and conditions as the General Partner deems necessary, appropriate or advisable; and it is further

(3) **RESOLVED**, that Vincent J. Tufo, the duly elected and acting Vice President of the Corporation, and Jonathan Gottlieb, the duly elected and acting President and Secretary of the Corporation (collectively, the "**Authorized Persons**"), be, and each hereby is, authorized, empowered and directed, on behalf of the Corporation, and as General Partner of the Partnership, to negotiate, execute and deliver the Amendment and all other documents and other instruments evidencing the FH Transaction and all other transactions referred to in these resolutions that any such Authorized Person deems necessary, appropriate or advisable to carry out the intent and purposes of these resolutions, all on such terms and conditions as any such Authorized Person deems necessary, appropriate or advisable, and to take such other actions as each of such Authorized Persons deems necessary, appropriate or advisable in order to carry out the intent and purposes of these resolutions; and be it further

(4) **RESOLVED**, that the aforesaid Authorized Persons are hereby authorized to cause the Corporation and the Partnership to retain attorneys, accountants and such other consultants, advisors and experts that they may deem necessary, appropriate or advisable to advise the General Partner and the Partnership in connection with the FH Transaction and to carry out the intent and to accomplish the purposes of these resolutions; and it is further

(5) **RESOLVED**, that each of the Authorized Persons is hereby authorized, empowered and directed, on behalf of the Corporation and the Partnership, to adopt, execute and deliver any written resolution or consent on behalf of the Corporation and/or the Partnership as such Authorized Person deems necessary, appropriate or advisable in order to carry out the intent and purposes of these resolutions; and be it further

(6) **RESOLVED**, that the Secretary of the Corporation is hereby authorized and directed to affix any required attestation of the Corporation to any of the agreements, instruments or other documents referred to in these resolutions should the same be deemed necessary, appropriate or advisable; and it is further

(7) **RESOLVED**, that any action heretofore taken by any Authorized Person on behalf of the Corporation, including in its capacity as the General Partner of the Partnership, in connection with or in furtherance of the FH Transaction or any of the acts or transactions referred to in these resolutions is hereby ratified and approved in all respects; and be it further

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the undersigned members of the Board have executed this consent as of the date first written above.

DIRECTORS:

**FIRST AMENDMENT
TO
SECOND AMENDED AGREEMENT AND SECOND AMENDED CERTIFICATE OF LIMITED
PARTNERSHIP
OF
NORTH STREET ELDERLY LIMITED PARTNERSHIP**

This First Amendment to Second Amended Agreement and Second Amended Certificate of Limited Partnership (this “**Amendment**”) of North Street Elderly Limited Partnership, a Connecticut limited partnership (the “**Partnership**”) is entered into as of [October __], 2022 (the “**Effective Date**”), by and among North Street Elderly Housing Corporation, a Connecticut non-stock corporation (the “**General Partner**”), FH Rippowam Investor LLC, a Delaware limited liability company (the “**Replacement Limited Partner**”), and Rippowam Corporation, a Connecticut non-stock corporation (the “**Developer**”, and together with the General Partner, and the Replacement Limited Partner, the “**Parties**”). The Housing Authority of the City of Stamford (the “**Landlord**”) joins this Amendment for purposes of acknowledging and agreeing to Section 18 only.

RECITALS

WHEREAS, the Partnership was organized as a Connecticut limited partnership pursuant to that certain certificate of limited partnership filed with the Connecticut Secretary of State on August 18, 1982;

WHEREAS, the Partnership is currently governed by that certain Second Amended Agreement and Second Amended Certificate of Limited Partnership of the Partnership, dated as of October 12, 2017 (the “**Partnership Agreement**”) by and between the General Partner and Capital Housing Partners-CXLIII, a District of Columbia limited partnership (the “**Former Limited Partner**”);

WHEREAS, Former Limited Partner and Forward Housing Preservation LLC, a Delaware limited liability company (“**Forward Housing**”), entered into that certain Partnership Interest Purchase Agreement, dated as of August 11, 2022 (the “**PSA**”), pursuant to which Former Limited Partner agreed to sell, and Forward Housing agreed to purchase, Former Limited Partner’s Interest in the Partnership (collectively, the “**FH Transaction**”);

WHEREAS, Forward Housing has assigned its interest in the PSA to the Replacement Limited Partner pursuant to that certain [Assignment of Partnership Interest Purchase Agreement], dated as of [October __], 2022;

WHEREAS, the Former Limited Partner sold, assigned, and transferred its Interest to the Replacement Limited Partner pursuant to the terms of that certain Partnership Interest Transfer Power, dated as of [October __], 2022; and

WHEREAS, the Parties now desire to further amend certain portions of the Partnership Agreement as outlined below.

NOW THEREFORE, to effect the FH Transaction, the Parties hereby agree as follows:

AGREEMENT

1. Incorporation of Recitals/Defined Terms. The recitals set forth above are incorporated herein by this reference. All terms not otherwise defined herein shall have the meanings set forth in the Partnership Agreement (as amended by this Amendment).

2. Withdrawal of Former Limited Partner; Admission of Replacement Limited Partner; Amendment to the definition of Limited Partner.

- (a) The General Partner hereby consents to the withdrawal of the Former Limited Partner from, and the admission of the Replacement Limited Partner to, the Partnership as the substitute Limited Partner.
- (b) The definition of "Limited Partner" under the Partnership Agreement is hereby amended and restated in its entirety as follows:

“**Limited Partner**” means (a) for all obligations of the Limited Partner, if any, that arose prior to, and/or relate to any period prior to, the First Amendment Effective Date, the Former Limited Partner and (b) for all other obligations of the Limited Partner, if any, the Replacement Limited Partner, in such Person’s capacity as a Limited Partner of the Partnership. For the avoidance of doubt, the Replacement Limited Partner shall have the ability to exercise all rights of the Limited Partner set forth in this Agreement applicable to any period of time after the First Amendment Effective Date.”

3. Amendment to Section 3.1(c) of the Partnership Agreement. Section 3.1(c) of the Partnership Agreement is hereby amended to insert the following paragraph at the end of Section 3.1(c).

“Notwithstanding anything to the contrary contained in this Agreement, the General Partner may not issue a Protective Capital Call Notice for more than \$25,000 per occurrence or \$50,000 in the aggregate for costs, expenses, or liabilities first accruing prior to the First Amendment Effective Date regardless of when such costs, expenses, or liabilities manifest. In the event the Limited Partner reasonably determines that Protective Capital in an amount that exceeds \$50,000 in the aggregate would be required for any costs, expenses, or liabilities first accruing prior to the First Amendment Effective Date and such costs, expenses, or liabilities are not fully covered by insurance and/or otherwise paid for from the personal funds of the General Partner (*i.e.*, not the Partnership’s funds), the Limited Partner shall have the right, but not the obligation, to exercise its rights under Article XII of this Agreement. Furthermore, the General Partner agrees that it shall use commercially reasonable efforts to first collect any costs or expenses incurred by the Partnership arising from any act or omission first accruing prior to the First Amendment Effective Date from the Former Limited Partner.”

4. Amendment to Section 4.2(f) of the Partnership Agreement. Section 4.2(f) of the Partnership Agreement is hereby deleted.

5. Amendment to Section 4.3(a)(4) of the Partnership Agreement. Section 4.3(a)(4) of the Partnership Agreement is hereby amended and restated in its entirety as follows:

“(4) expend (or incur obligations to expend) or approve the expenditure of funds (except utilities and any amount escrowed by a lender in connection with a financing secured by the Property) for

any Partnership purpose which would cause the Partnership to exceed the applicable line item in the Approved Budget by more than 10% or would otherwise cause the Partnership to exceed the Approved Budget in the aggregate by more than 5%.”

6. Amendment to Section 4.3(a)(13) of the Partnership Agreement. Section 4.3(a)(13) of the Partnership Agreement is hereby amended and restated in its entirety as follows:

“(13) enter into or materially amend any commitment or contract not provided for in any of the Approved Budget where the payments to be made thereunder exceed \$10,000 per year if such contracts are not terminable upon thirty (30) days’ prior notice with penalty or fee; provided however, no such commitment or contract may exceed \$20,000 in the aggregate without the Consent of the Limited Partner.”

7. Incorporation of New Section 4.3(a)(34) into Partnership Agreement. Section 4.3(a) of the Partnership Agreement is hereby amended to incorporate the following provision as a new Section 4.3(a)(34).

“(34) materially amend, modify, or renew the property management agreement in effect on the First Amendment Effective Date (including, but not limited to, increasing the fee payable to the property manager thereunder, or extending the term of the management agreement.”

8. Amendment to Section 4.9 of the Partnership Agreement. Section 4.9 of the Partnership Agreement is hereby amended to incorporate the following provision as a new Section 4.9(c).

“(c) Notwithstanding anything to the contrary contained in this Agreement, but subject to the remainder of this Section 4.9(c), the General Partner shall not submit any rent comparability studies to HUD in connection with the HAP Contract (or any renewal thereof) without the Consent of the Limited Partner. Furthermore, the General Partner shall not make any submissions to HUD that could reasonably impact the applicable rents payable under the HAP Contract without the Consent of the Limited Partner. Notwithstanding anything to the contrary contained herein, in the event the Limited Partner has not provided its written consent or objections within five (5) business days of the receipt from the General Partner of any proposed submissions contemplated in this Section 4.9(c), the Limited Partner shall be deemed to have consented to submitting such documents to HUD.”

9. Amendment to Section 5.4 of the Partnership Agreement. Section 5.4 of the Partnership Agreement is hereby amended to incorporate the following provision as a new Section 5.4(f).

“(f) Notwithstanding anything to the contrary contained herein, unless otherwise directed by the Limited Partner in writing, the General Partner shall cause the Partnership to make an election

under Code Section 163(j)(10)(A)(iii) to not have the limitation set forth in Code Section 163(j)(1) apply.”

10. Amendment to Article XI of the Partnership Agreement. Article XI of the Partnership Agreement is hereby amended to incorporate the following provision as a new Section 11.14.

“11.14. Defaults by Former Limited Partner. Notwithstanding anything to the contrary contained in this Agreement, no default by the Former Limited Partner under any documents related to the Property (including, but not limited to, this Agreement), nor any breach by Former Limited Partner of any representation or warranty set forth in such documents shall (a) constitute a default by Replacement Limited Partner under this Agreement, (b) constitute a breach of any representation or warranty under this Agreement, or (c) be the basis for any action against the Replacement Limited Partner.”

11. Amendment to Article XII of the Partnership Agreement. The first paragraph of Article XII of the Partnership Agreement is hereby amended and restated in its entirety as follows:

“At any time after April 1, 2031, at any time Limited Partner determines that Protective Capital in excess of \$50,000 in the aggregate is required in accordance with Section 3.1(c), or at any time the Partners are unable to reach mutual agreement concerning those specific matters set forth in Section 4.3(a) (1), (3), (6), (16), and (25) (as applicable, the "Buy-Sell Trigger Date") with respect to only the Partnership's leasehold interest in the Property, any Partner (the "Initiating Partner") may serve upon the other Partner (the "Recipient Partner") a written notice (the "Buy-Sell Notice"); provided that no Partner has previously invoked the provisions of this Section. Furthermore, a Converted Partner shall have no rights under this Article. No Buy-Sell Notice may be rescinded without the consent of all Partners.”

12. Amendment to Appendix A to the Partnership Agreement. Appendix A to the Partnership Agreement is hereby amended to incorporate the following definitions in the appropriate alphabetical order:

“First Amendment Effective Date means [October __], 2022.

Former Limited Partner means Capital Housing Partners-CXLIII, a District of Columbia limited partnership.

Replacement Limited Partner means FH Rippowam Investor LLC, a Delaware limited liability company.”

13. Amendment to Schedule A to the Partnership Agreement. Schedule A to the Partnership Agreement is hereby deleted and replaced with the Schedule A attached to this Amendment as Exhibit A.

14. Agreement Regarding Scope of Work & Developer Fee. The General Partner and Developer acknowledge and agree that, to the best of their respective knowledge, the Scope of Work (as defined in the Partnership Agreement) was completed on or about [_____] and no further work is required in connection therewith. Furthermore, the General Partner and Developer acknowledge and

agree that, as of the Effective Date, the unpaid balance of the Developer Fee (as defined in the Partnership Agreement) is \$0.

15. Agreement Regarding Outstanding Balanced Owed. The General Partner and Developer acknowledge and agree that, to the best of their respective knowledge, as of the Effective Date, neither the General Partner nor the Developer are owed any unpaid fees, reimbursements or other amounts in connection with the Partnership or the Property.

16. Agreement Regarding Indemnification Obligations Associated with Existing Threatened Litigation. The General Partner and the [Developer] agree that they shall promptly indemnify and hold harmless the Partnership and the Replacement Limited Partner from any loss, cost, expense, or fee (including reasonably attorneys' fees) arising from, or in connection with, that certain personal injury claim made by the Administratrix of the Estate of Fima Peker related to the alleged wrongful death of Fima Peker at the Property (the "Peker Matter") to the extent such items are not paid by an insurance company on behalf of the Partnership or the General Partner. For the avoidance of doubt, it is the intention of the Parties that any loss, cost, expense, or fee (including reasonably attorneys' fees) incurred by the Partnership or the Replacement Limited Partner that is not fully covered by insurance shall be paid by the General Partner and/or the [Developer] from their own funds and not the funds of the Partnership. The obligations of the General Partner and the [Developer] under this Section 16 are joint and several.

17. Representations and Warranties as of the Effective Date. The General Partner hereby represents, warrants and agrees, to the best of its knowledge, that the following representations and warranties are true and correct as of the Effective Date.

- (a) No defaults under the Partnership Agreement, Lease, Mortgage Loan Documents, or other documents affecting the Property, currently exist and no facts or circumstances exist that would give rise to a default but for the passage of time and/or the giving of notice to the appropriate parties.
- (b) There are currently no facts or circumstances that give rise (or would give rise but for the passage of time and/or the giving of notice to the appropriate parties) to any obligations that require action or payment by the General Partner under the Partnership Agreement.
- (c) All consents, approvals, and notices required under the Partnership Agreement, Lease, Mortgage Loan Documents, or other documents affecting the Property or by any lender, governmental authority, or HUD have been obtained or provided (as applicable) on or before the Effective Date.
- (d) There are no currently outstanding Capital Call Notices or Protective Capital Call Notices, and there are currently no facts or circumstances that give rise (or would give rise but for the passage of time and/or the giving of notice to the appropriate parties) to cause General Partner to issue a Capital Call Notice or Protective Capital Call Notice.
- (e) The execution of this Amendment has been duly and validly authorized, executed and delivered by the General Partner and shall constitute the valid, binding and enforceable agreement of the General Partner. The General Partner has the requisite authority to perform its obligations under the Partnership Agreement.

- (f) The Partnership remains in full force and effect, (b) the current term of the Partnership expires on [_____] and (c) none of the events requiring dissolution of the Partnership set forth in the Partnership Agreement have occurred.
- (g) The current balance contained in the [Operating Reserve] is \$[_____], and all payments required to be funded into the [Operating Reserve] have been made.
- (h) The current balance contained in the [Replacement Reserve] is \$[_____], and all payments required to be funded into the [Replacement Reserve] have been made.
- (i) The current balance contained in the [_____] Reserve] is \$[_____], and all payments required to be funded into the [_____] Reserve] have been made. *[GP/FORMER LP – Please confirm what additional reserves, if any, there are currently.]*
- (j) All terms and conditions required for the withdrawal by Former Limited Partner and the admission of Replacement Limited Partner have been satisfied as of the Effective Date.
- (k) Other than the Pekar Matter, there is no litigation or proceeding pending or threatened before any court, municipality, commission, agency or other administrative authority affecting the Partnership, the General Partner, or the Property.

As used in this Amendment, the words “to the best of its knowledge” or words of similar import shall be deemed to mean, and shall include, the knowledge of the applicable entity’s members, partners, managers, officers, board of directors, affiliated entities and/or direct or indirect interest holders.

18. Standstill Agreement. Notwithstanding anything to the contrary contained in the Lease, the Landlord, General Partner, and Replacement Limited Partner agree that for so long as General Partner (or any affiliate thereof) owns an interest in the Partnership, the Landlord may not commence any legal proceeding or action to enforce its rights under the Lease. Furthermore, and notwithstanding anything to the contrary contained in the Lease, in the event neither General Partner nor an affiliate owns an interest in the Partnership, Replacement Limited Partner shall have right, but not the obligation, to cure any defaults on behalf of the Partnership under the Lease within sixty (60) days of receiving written notice from Landlord of such default.

19. Payment of General Partner Expenses. The Replacement Limited Partner agrees that it shall cause the General Partner to be reimbursed for legal expenses up to \$10,000 in connection with the negotiation and execution of this Amendment on the Effective Date.

20. Limited Amendment. This Amendment is executed for the purpose of effecting the above-referenced amendment only and alters the Partnership Agreement only to the extent set forth above. The remainder of the Partnership Agreement remains in full force and effect.

21. Severability. If any provision in this Amendment shall, for any reason, be held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision of this Amendment, and this Amendment shall be construed as if it had never contained the invalid, illegal, or unenforceable provision.

22. Counterparts. This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Furthermore, this Agreement may be executed

and delivered by the exchange of electronic facsimile copies or other electronic delivery of an image file or counterparts of the signature page, which facsimile copies or image file or counterparts shall be binding upon the parties.

[Remainder of Page Left Blank; Signature Pages to Follow]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Amendment as of the Effective Date.

GENERAL PARTNER:

NORTH STREET ELDERLY HOUSING CORPORATION,
a Connecticut non-stock corporation

By: _____
Name: _____
Title: _____

REPLACEMENT LIMITED PARTNER:

FH RIPPOWAM INVESTOR LLC,
a Delaware limited liability company

By: _____
Name: Alex Magliozzi
Title: Authorized Signatory

DEVELOPER

RIPPOWAM CORPORATION,
a Connecticut nonstock corporation

By: _____
Name: _____
Title: _____

[Signatures Continue on Next Page]

WITH RESPECT TO SECTION 18 ONLY:

LANDLORD:

**HOUSING AUTHORITY OF THE CITY OF STAMFORD
d/b/a CHARTER OAK COMMUNITIES**

By: _____

Name: _____

Title: _____

EXHIBIT A

New Schedule A to Partnership Agreement

Schedule of Partners
As of [October __], 2022

<u>Partners</u>	<u>Contribution Percentage/Percentage Interest</u>
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General Partner

North Street Elderly Housing Corporation c/o Rippowam Corporation 40 Clinton Avenue, Suite 101, Stamford, Connecticut 06901 Attn: Jonathan Gottlieb e-mail: JGottlieb@CharterOakCommunities.org	20%
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with a copy to:

Hoopes Morganthaler Rausch & Scaramozza
CityPlace II
185 Asylum Street
Hartford, CT 06103-3426.
Attn: Melanie Rausch, Esq.
e-mail: mrausch@hrruslaw.com

Limited Partner

FH Rippowam Investor LLC c/o Forward Housing Preservation LLC 780 Third Avenue, 16 th Floor New York, New York 10017 Attn: Alex Magliozzi Email: amagliozzi@forwardhousing.com	80%
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with a copy to:

Frost Brown Todd LLC
400 West Market Street, Suite 3200
Louisville, Kentucky 40202
Attn: Amy Curry, Esq.
Email: acurry@fbtlaw.com