

**HRI Communities, LLC**

Response to the

New Braunfels Housing Authority's

RFQ #2023 – 0001: Development Partner

December 15, 2023

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## 2. LETTER OF INTEREST







December 13, 2023

New Braunfels Housing Authority  
Attn: Ms. Irene Cantu  
300 Laurel Ln.  
New Braunfels, Texas 78130

Subject: NBHA RFQ 2023-0001 – HRI Communities, LLC Letter of Interest

Dear Ms. Cantu,

On behalf of HRI Communities, LLC ("HRIC"), it is my pleasure to present you with this response to the New Braunfels Housing Authority's ("NBHA") RFQ 2023-0001. For NBHA's consideration in selecting a development partner, this submittal demonstrates the unique capabilities and qualifications of HRIC and the rest of our proposed team, which includes architecture firm HCI Architecture, Inc. ("HCIA"), property management firm HRI Management, LLC ("HRIM"), and legal counsels Elkins, PLC and Klein Hornig, LLP, to redevelop the Laurel Plaza and Villa Serena communities. Headquartered in New Orleans, HRIC is proud of our 41-year track record of revitalizing neighborhoods throughout the country. We do not simply develop mixed-use, mixed-income real estate; we commit to the long-term sustainability of the communities we create and own. As the successor entity of Historic Restoration, Incorporated ("HRI"), since 1982, we have completed 109 high-quality projects nationwide, totaling \$3.6 billion in capital, spanning 7,900+ hotel rooms, 7,000+ apartments (3,480 of which are affordable), 490 for-sale condominiums, and 1.4 million+ square feet of office and retail space.

Assisting NBHA in reaching its affordable housing objectives will not be HRIC's first – or second – successful public/private partnership focused on reimagining outdated public housing projects. HRIC has completed two large-scale CNI and HOPE VI public housing redevelopment projects in New Orleans; is currently the lead developer on a third CNI public housing redevelopment in Lake Charles that was awarded a 2023 CNI grant; has been selected by the Richmond Redevelopment and Housing Authority as the lead developer on the Gilpin Court CNI redevelopment in Richmond, VA; and was recently shortlisted as a top 4 co-developer finalist with the Houston Housing Authority to redevelop the Cuney Homes public housing community in Houston, TX.

Distinctly representative of our track record and expertise in public housing redevelopment is the Iberville/Tremé Choice Neighborhoods Initiative comprehensive community transformation (completed in 2019). Under a \$30.5 million CNI Implementation Grant, awarded by HUD in 2011, HRIC served as the Iberville/Tremé CNI housing co-developer selected through an RFP process. Occupying 23 long-neglected acres adjacent to New Orleans' French Quarter and Central Business District, the former Iberville public housing project included 821 residential units across 75 buildings. Indicative of its chronic blight, at the time of its redevelopment, only half of the 821 Iberville units were occupiable. Although long associated with the disinvestment and isolation of failed public housing policy, the Iberville/Tremé community was poised for a rebirth representative of its historical significance as the birthplace of Jazz and its rich African American

cultural influence. In close collaboration with CNI co-grantees, the Housing Authority of New Orleans (“HANO”) and the City of New Orleans, HRIC led an intensive planning, design, and construction implementation process that heavily engaged residents and fostered effective partnerships with the state of Louisiana, the U.S. Department of Housing and Development (“HUD”), numerous private financing partners and many other stakeholders. By 2019, and through efforts totaling \$219.4M in development costs, completion of the seven onsite mixed-income housing development phases had created 682 residential units and reconstructed the once-discarded public infrastructure. For each CNI dollar dedicated to housing, HRI successfully sourced more than \$10 in other public and private funding. More specifically, leveraging about \$20 million of the CNI grant, HRIC secured approximately \$200 million in additional funding that spanned Low Income Housing Tax Credit equity, federal and state Historic Tax Credit equity, Community Development Block Grant, HOME funds, and private debt/equity.

Together with numerous offsite developments, the Iberville/Tremé CNI redevelopment is considered by HUD to be a leader amongst CNI projects nationwide in the creation of replacement units and the achievement of the people, neighborhood, and housing goals of the CNI program. A few notable successes include: \$52 million awarded in contracts to DBE/MBE/WBE/Section 3 businesses, 312 Section 3 new hires (37% of total), and 200 Section 3 career training placements; and \$4.4 billion of continued community reinvestment generated to date in housing, healthcare, education and community advancement.

As a predecessor to HRIC’s CNI experience, the St. Thomas (now River Garden) HOPE VI redevelopment prepared our team for its industry-leading execution on the Iberville/Tremé CNI development. Under a HOPE VI grant to revitalize the former St. Thomas public housing project in New Orleans’ Lower Garden District, HRIC, as the HOPE VI master developer, implemented an infrastructure, housing and commercial revitalization scope that established River Garden as the City’s first successful mixed-use, mixed-income transformation of a former public housing site. Through four phases, totaling \$156.6M in development costs, HRIC developed 773 mixed-income units, including 73 affordable and market-rate for-sale homes, and created over 225,000 sq. ft. of retail, including a Walmart Super Center. The Lower Garden District has since flourished as a community strengthened by its local business ecosystem. Indicative of our dedication to our communities, HRIC recently completed interior and exterior renovations through a \$12M+ reinvestment in River Garden’s first completed housing phase.

Additionally, we are no stranger to the state of Texas, as HRIC and its affiliates have completed several prominent developments in Houston, Dallas, and Austin, and currently operate two mixed-use properties in Dallas, along with hotel properties in Houston and San Antonio. A notable Texas development includes the historic 552,000-square-foot LTV Tower in downtown Dallas. From 2014 to 2015, HRIC and its affiliates successfully completed the \$78 million rehabilitation, ultimately transforming the antiquated office building into a mixed-use development including 171 hotel rooms and 186 apartments.

If selected, HRIC is prepared to work expeditiously with NBHA, the City of New Braunfels, Comal County, residents, and other key stakeholders to identify a viable and desirable path toward a transformation of the currently underserved Laurel Plaza and Villa Serena public housing projects into attractive and thriving mixed-use, mixed-income communities. The achievement of this goal, however, will only be possible with alignment of the right financing sources, which is an increasingly challenging feat for housing production. It is in this difficult environment though, where HRIC excels through our unique effectiveness in creative fund sourcing



and collaborative public/private partnerships. We are prepared to use our extensive success and deep industry relationships to ensure timely execution of a financing strategy that is feasible for a phased, large-scale, mixed-finance project of this nature. HRIC's exceptional track record and vertical integration uniquely qualify our team to serve as a true developer partner to the NBHA. We offer that the HRIC team is unmatched in its ability to provide the development services identified in NBHA's RFQ including managing the financial and business deals; inclusive planning and designing with residents and the community engaged in trust-based relationships; creatively sourcing scarce funds; and providing meaningful Section 3 DBE/MBE/WBE training and employment opportunities.

If you have any questions, please do not hesitate to contact Chris Clement, Senior Vice President, at [cclement@hriproperties.com](mailto:cclement@hriproperties.com) or 504-566-3055. Chris will serve as the primary contact person with NBHA.

Sincerely,

A handwritten signature in blue ink that reads 'Josh Collen'.

Josh Collen,  
President, HRI Communities, LLC





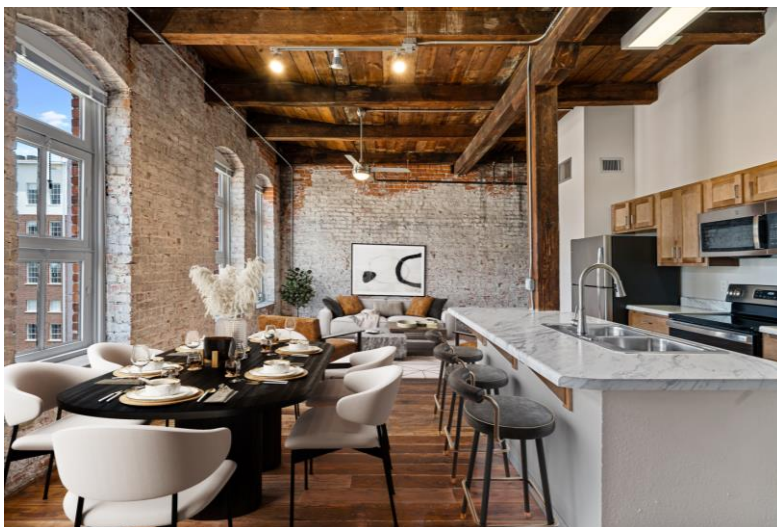
### **3. COMPANY RESUME**

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#### 3.i. HRI Communities, LLC

**HRI Communities, LLC (“HRIC”)** is a national real estate company with a 41-year track record of creating high quality, mixed-income and affordable housing communities and revitalizing neighborhoods throughout the country with an expertise in the adaptive re-use of historic properties and sustainable, disaster resilient new construction. HRIC does not simply develop and own mixed-use, mixed-income real estate; it commits to the long-term sustainability of the communities it creates. HRIC is based in New Orleans, Louisiana and is the successor entity to Historic Restoration, Incorporated (“HRI”), which was formed in 1982. HRI has completed 109 high-quality projects nationwide, totaling \$3.6 billion in capital, spanning 7,900+ hotel rooms, 7,000+ apartments (3,480 of which are affordable), 490 for-sale condominiums, and 1.4 million+ square feet of office and retail space. HRIC is majority owned and controlled by HRI and shares the affordable and mixed-income housing track record of HRI.

Through a vertically integrated approach yielding continual successes for 41 years, HRIC has established itself as the developer standard for both revitalizing dilapidated, historic buildings and creating quality, new construction housing; from artist lofts that infuse energy and creativity promoting economic development to mixed-income and/or market rate projects that improve neighborhoods and address critical needs for reinvestment. HRIC is a one-stop shop for the development of significant real estate projects comprising a larger community revitalization. From conceptualizing to designing, structuring, and sourcing capital; managing regulatory and program requirements; implementing construction and operating the completed project, HRIC possesses, in-house, all the expertise needed to manage complex development projects and ensure a successful outcome.





### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

Included in its development services scope, HRI provides construction management and oversight services through its project management staff. The construction management team helps to create and maintain a detailed project budget and cohesive construction schedule in conjunction with the design-builder and aids with coordinating administrative reporting for any Davis Bacon, Section 3, Employment/Training/Contracting policies, as well as DBE/WBE contracting and local resident hiring requirements. The expertise of in-house design and construction management enables HRI to build smarter, sustainable, efficient and more disaster resilient housing communities with certifications on completed projects from trusted programs including LEED, Enterprise Green Communities, and IBHS FORTIFIED.

Using sustainable building practices, HRI has completed 69 high-quality, housing projects including 7,061 total apartment units (3,478 of which are affordable), 490 for-sale condominiums, and 1,407 hotel rooms (within the mixed-use developments), representing \$1.9 billion of total development costs.

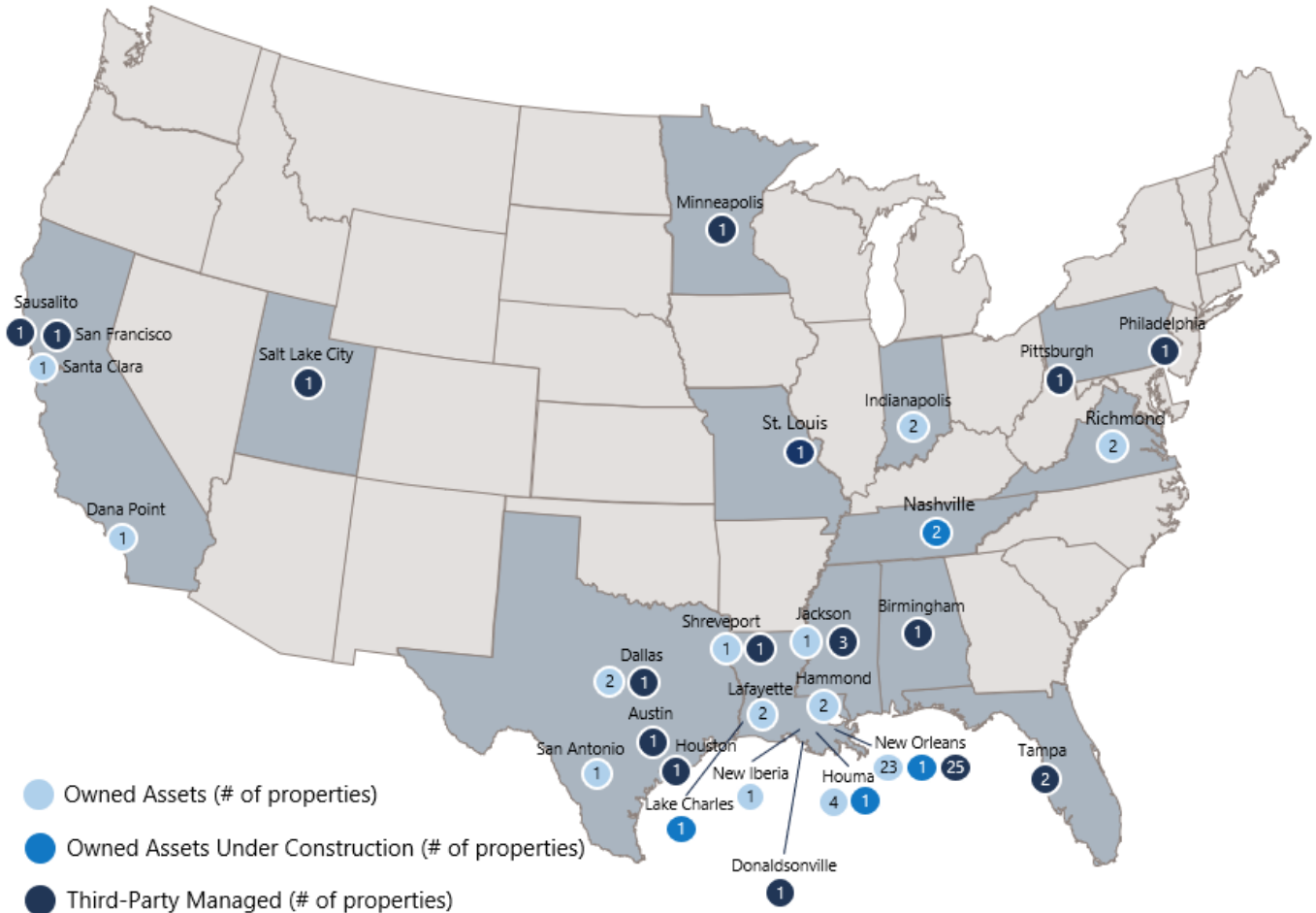


### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRI National Portfolio Overview

HRI and its affiliated companies currently own and manage 48 assets nationwide (including 5 under construction) and provide third party management for 43 properties.



#### HRI National Portfolio Highlights

| Property Mix               | # of Properties | Property Type    | # of Properties | Unit Mix    | # of Units |
|----------------------------|-----------------|------------------|-----------------|-------------|------------|
| Owned                      | 43              | Affordable       | 30              | Affordable  | 3,183      |
| Owned – Under Construction | 5               | Mixed Income     | 24              | Market Rate | 2,303      |
| Third-Party Managed        | 43              | 100% Market Rate | 9               | Hotel Rooms | 5,244      |
| Total                      | 91              | Hospitality      | 28              | Total       | 10,730     |
|                            |                 | Total            | 91              |             |            |

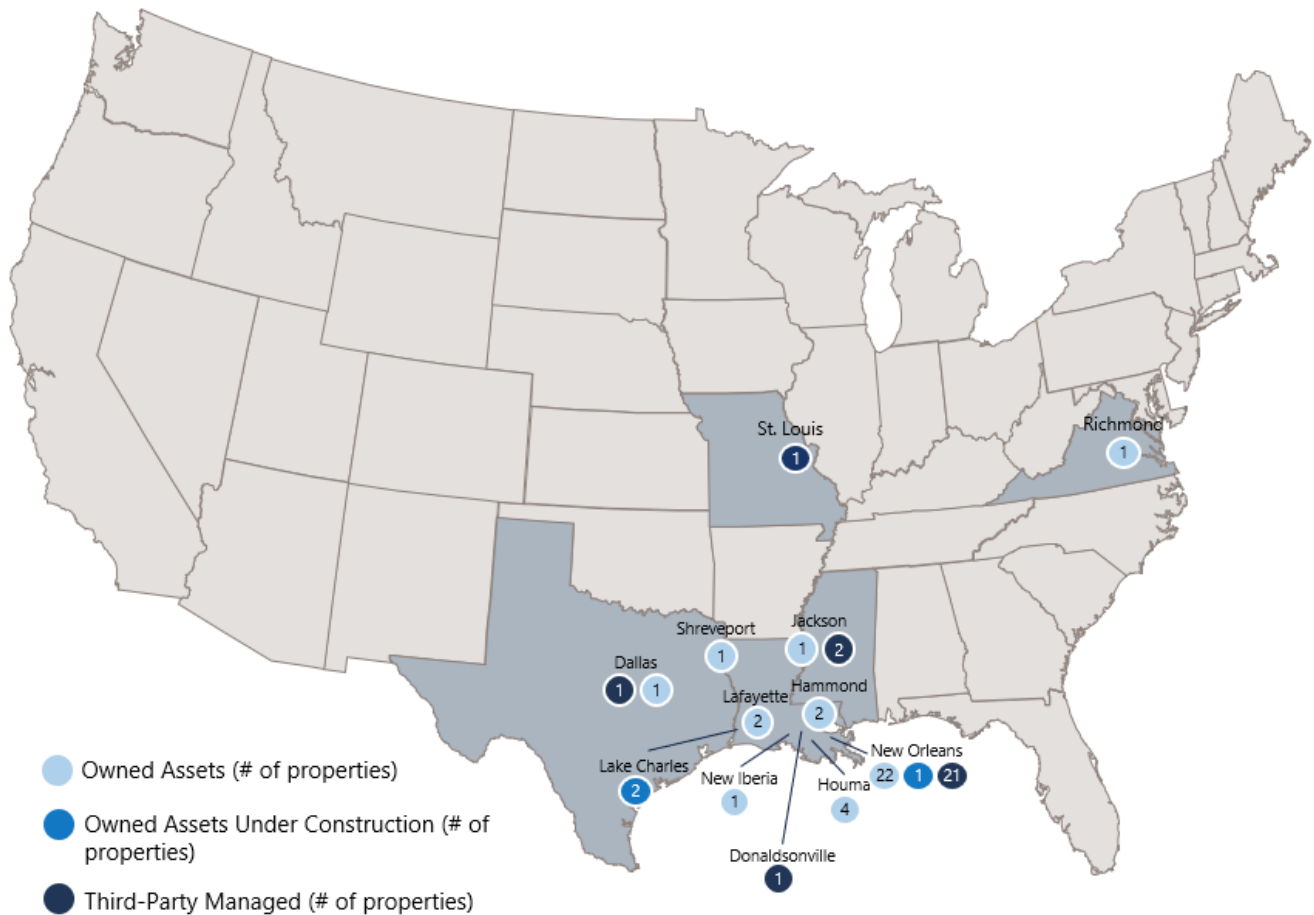


### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC National Multifamily Portfolio Overview

HRIC and its affiliate management company, HRI Management, LLC (HRIM) currently own and manage 37 multifamily assets nationwide (including 3 under construction) and provide third party management for 26 properties.



##### HRIC National Multifamily Portfolio Highlights

| Property Mix               | # of Properties | Property Type    | # of Properties | Unit Mix    | # of Units |
|----------------------------|-----------------|------------------|-----------------|-------------|------------|
| Owned                      | 34              | Affordable       | 30              | Affordable  | 3,183      |
| Owned – Under Construction | 3               | Mixed Income     | 24              | Market Rate | 2,303      |
| Third-Party Managed        | 26              | 100% Market Rate | 9               | Total       | 5,486      |
| Total                      | 63              | Total            | 63              |             |            |

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC Mission

HRIC's mission is as follows:

- **Mixed-Income and Affordable Housing:** Utilize HRI's comprehensive development platform and the overall organization's strengths to create high-quality, community-minded mixed-income and affordable housing.
- **Job Creation and Training:** Provide low barrier, high advancement employment opportunities, with HRIM targeting hiring to low-income individuals and providing best in class training opportunities to residents.
- **Sustainable Building Practices:** Utilize the expertise of in-house design and construction management services to build smarter, sustainable, efficient and more disaster resilient housing communities, be they historic rehabilitation or new construction. Seek to receive certifications on completed projects from trusted programs (e.g. LEED, Enterprise Green Communities, etc.).
- **Target Investments in Underserved Communities:** Seek catalytic development opportunities in areas that have experienced decades of disinvestment, preferably in Highly Distressed NMTC Census Tracts and/or Qualified Opportunity Zones, with an intent to reverse this trend, spur additional investment and spark transformation.
- **National Cities Fund ("NCF"):** Build on HRI's affiliate CDE, NCF's, track record as a successful CDE that has received and deployed \$208 million of New Markets Tax Credit allocation from the CDFI Fund.

#### Former Iberville housing complex reimagined as new community: 'It changed for the better'

BY JESSICA WILLIAMS | STAFF WRITER PUBLISHED NOV 12, 2019 AT 6:00 PM | UPDATED NOV 13, 2019 AT 11:29 PM 7 min to read



In New Orleans, La., Tuesday, Nov. 12, 2019.  
STAFF PHOTO BY DAVID GRUNFELD

f t i



Jessica Williams

Cody Marshall remembers when the bulldozers first showed up to tear down the sprawling barracks-style housing development he'd lived in his whole life. It was 2013, and the Iberville development, which stretched for blocks on the lake side of the French Quarter, was the last of the city's original public housing complexes still standing.

Now, six years later, Marshall is back living in a redeveloped neighborhood that he helped design. Gone are the Iberville's rundown red brick buildings, barren courtyards and concrete stoops. In their place are colorful townhomes, coffee shops and freshly paved streets.



Eight years after the grant award, HANO and its partners say the redevelopment has largely achieved HUD's aims. The crime rate in the immediate vicinity of Bienville Basin has been cut by nearly a third, and 80% of low-income residents have seen "positive outcomes" after being assigned a case manager.

Marshall is among them. He's working with his case manager to transition from a restaurant job to starting his own business, he said.

He sees his neighborhood, now dotted with new businesses and activity, as a bright spot downtown.

"It pretty much changed the whole area, because it's not just focused on the development itself," Marshall said. "It's focused on the whole footprint."

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### **HRIC Financing Partners**

Long-term relationships developed over its 41-year history with investors and financial institutions have enabled HRIC to creatively structure the capital stack for complex development projects. Established strategic financial alliances with investment partners including Capital One, JPMorgan Chase, Bank of America, U.S. Bank Corp., Iberia Bank, Aegon, Stonehenge Capital, Berkadia, HOPE Federal Credit Union, Hudson Housing, Jones Lang LaSalle Inc. (JLL), Enhanced Capital, Boston Financial, Boston Capital, Barings, and other major corporations provide HRIC with the leverage and flexibility to minimize required gap financing and maximize the financial and programming return to public and private investors alike.





### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC LIHTC Financing Experience

HRIC has extensive experience utilizing both 9% and 4% Federal Low Income Housing Tax Credits (“LIHTCs”) to create quality, affordable and mixed-income housing. HRIC has utilized 9% or 4% LIHTCs as a development financing source on 52 projects totaling \$961.7 million of development costs and creating 4,489 apartments (3,342 of which are affordable). HRIC’s approach to developing LIHTC affordable housing involves an active engagement of interests from the relevant state’s Housing Finance Agency. Far from being just a source of LIHTC funding resources, Housing Finance Agencies are invited stakeholders in each of HRIC’s LIHTC projects. This collaboration creates reciprocal appreciation for the roles of Housing Finance Agency or developer. Establishing both mutual trust and respect in states across the country, HRIC’s approach and relationships continue to facilitate funding opportunities for development applications that are both respectful of a state’s housing needs and responsive to its Qualified Allocation Plan.

| Project Name                        | Location         | TDC     | 9% or 4% Credits | # of Units | # of Affordable Units | Start Date | Complete Date |
|-------------------------------------|------------------|---------|------------------|------------|-----------------------|------------|---------------|
| Mid-City Lofts*                     | Lake Charles, LA | \$19.0M | 9%               | 46         | 36                    | Q3 2024    | Q4 2025       |
| West Tunnel Lofts*                  | Houma, LA        | \$15.0M | 9%               | 40         | 32                    | Q3 2024    | Q4 2025       |
| Woodring Apartments Phase II**      | Lake Charles, LA | \$16.0M | 4%               | 40         | 40                    | Nov-23     | Q4 2024       |
| St. Bernard Circle**                | New Orleans, LA  | \$23.0M | 9%               | 56         | 44                    | Oct-23     | Q1 2025       |
| Woodring Apartments Phase I**       | Lake Charles, LA | \$26.3M | 9%               | 70         | 49                    | May-23     | Q3 2024       |
| Bonne Terre Village I               | Houma, LA        | \$11.0M | 9%               | 51         | 51                    | Dec-22     | Aug-23        |
| River Garden Apartments 1           | New Orleans, LA  | \$55.8M | 9%               | 296        | 148                   | Sep-22     | Sep-23        |
| School Days Apartments              | New Iberia, LA   | \$14.0M | 9%               | 65         | 65                    | Dec-21     | Nov-22        |
| Lee Hardware/United Jewelers        | Shreveport, LA   | \$19.4M | 4%               | 109        | 88                    | Jun-21     | Jul-22        |
| Hammond Station Apartments          | Hammond, LA      | \$16.2M | 4%               | 67         | 67                    | Mar-21     | Jul-22        |
| Lafayette Bottle Art Lofts Phase II | Lafayette, LA    | \$16.2M | 4%               | 65         | 65                    | Jan-21     | Apr-22        |
| Lafayette Bottle Art Lofts          | Lafayette, LA    | \$16.0M | 4%               | 40         | 40                    | May-20     | Jun-21        |
| Hammond Eastside Apartments         | Hammond, LA      | \$5.1M  | 4%               | 28         | 28                    | Mar-19     | Mar-20        |
| Bienville Basin - Phase VII         | New Orleans, LA  | \$18.9M | 4%               | 56         | 50                    | Dec-17     | Mar-19        |
| 1508 Orleans Ave.                   | New Orleans, LA  | \$10.6M | 9%               | 35         | 35                    | Nov-16     | Jan-18        |
| 1601 Orleans Ave.                   | New Orleans, LA  | \$9.3M  | 9%               | 33         | 33                    | Nov-16     | Feb-18        |
| Bienville Basin - Phase V           | New Orleans, LA  | \$23.8M | 9%               | 80         | 38                    | Dec-16     | Mar-18        |
| Bienville Basin - Phase VI          | New Orleans, LA  | \$16.3M | 9%               | 50         | 50                    | Dec-16     | Apr-18        |
| Capitol Art Lofts                   | Jackson, MS      | \$10.7M | 9%               | 31         | 31                    | Sep-16     | Dec-17        |
| Bienville Basin - Phase IV          | New Orleans, LA  | \$45.0M | 4%               | 164        | 147                   | Nov-15     | Jun-17        |

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

| Project Name                          | Location        | TDC             | 9% or 4% Credits | # of Units   | # of Affordable Units | Start Date | Complete Date |
|---------------------------------------|-----------------|-----------------|------------------|--------------|-----------------------|------------|---------------|
| Bienville Basin - Phase III           | New Orleans, LA | \$31.7M         | 9%               | 105          | 42                    | Dec-14     | Jun-16        |
| Bienville Basin - Phase II            | New Orleans, LA | \$22.2M         | 9%               | 75           | 30                    | Dec-13     | Jul-15        |
| Bienville Basin - Phase I             | New Orleans, LA | \$43.6M         | 9%               | 152          | 100                   | Dec-13     | Jul-15        |
| Marais Apartments                     | New Orleans, LA | \$34.8M         | 4%               | 112          | 112                   | Nov-12     | May-14        |
| Dr. Everett & Melva Williams Building | New Orleans, LA | \$10.8M         | 9%               | 42           | 42                    | Jun-12     | Oct-13        |
| Barataria Station Apartments II       | Houma, LA       | \$9.7M          | 9%               | 43           | 33                    | Jun-11     | Apr-12        |
| Bywater Art Lofts II                  | New Orleans, LA | \$11.5M         | 9%               | 30           | 30                    | Apr-11     | Jan-12        |
| Blue Plate Artist Lofts               | New Orleans, LA | \$25.6M         | 4%               | 72           | 50                    | Mar-11     | Mar-12        |
| Rosa F. Keller Building               | New Orleans, LA | \$16.8M         | 9%               | 60           | 60                    | Dec-10     | Apr-12        |
| Barataria Station Apartments I        | Houma, LA       | \$11.5M         | 9%               | 57           | 36                    | Oct-10     | Nov-11        |
| Aloysius Apartments                   | New Orleans, LA | \$16.7M         | 9%               | 49           | 23                    | Nov-09     | Dec-10        |
| Bonne Terre II                        | Houma, LA       | \$10.4M         | 9%               | 64           | 38                    | Jun-09     | May-10        |
| Bywater Art Lofts                     | New Orleans, LA | \$10.5M         | 9%               | 37           | 37                    | Dec-07     | Dec-08        |
| The Redemptorist Elderly Apartments   | New Orleans, LA | \$15.6M         | 9%               | 107          | 107                   | Dec-07     | May-09        |
| Nine27 Apartments                     | New Orleans, LA | \$25.0M         | 9%               | 76           | 16                    | Dec-07     | Jun-09        |
| River Garden CS-II                    | New Orleans, LA | \$68.7M         | 9%               | 310          | 124                   | Dec-07     | Oct-09        |
| River Garden Historic Apartments      | New Orleans, LA | \$9.7M          | 9%               | 37           | 37                    | Dec-06     | Nov-07        |
| Flint Goodridge Elderly Apartments    | New Orleans, LA | \$13.5M         | 9%               | 89           | 89                    | Dec-06     | Nov-07        |
| River Garden Elderly Apartments       | New Orleans, LA | \$9.7M          | 9%               | 57           | 57                    | Dec-06     | Dec-07        |
| Cupples Station Apartments            | St. Louis, MO   | \$30.9M         | 4%               | 131          | 127                   | Dec-04     | Mar-06        |
| River Garden CS-I                     | New Orleans, LA | \$48.5M         | 4%               | 296          | 122                   | Jun-03     | Jun-05        |
| Merchandise Mart Apartments           | St. Louis, MO   | \$48.5M         | 4%               | 213          | 94                    | Oct-01     | Dec-02        |
| Lee Hardware / United Jewelers        | Shreveport, LA  | \$9.8M          | 9%               | 109          | 55                    | Sep-98     | Oct-99        |
| Hammond Eastside Apartments           | Hammond, LA     | \$2.1M          | 4%               | 28           | 28                    | Dec-97     | Nov-98        |
| Congress Square Apartments            | New Orleans, LA | \$1.8M          | 4%               | 32           | 32                    | Jan-97     | Mar-98        |
| Bonne Terre Apartments                | Houma, LA       | \$3.3M          | 9%               | 51           | 51                    | Apr-95     | Jun-96        |
| Evangeline Apartments                 | Lafayette, LA   | \$5.3M          | 9%               | 86           | 86                    | Sep-94     | Dec-95        |
| School Days Apartments                | New Iberia, LA  | \$3.9M          | 9%               | 65           | 65                    | Aug-94     | Dec-95        |
| Catholic Presbyterian Apartments      | Baton Rouge, LA | \$7.4M          | 4%               | 195          | 195                   | Dec-91     | Mar-92        |
| The Redemptorist Apartments           | New Orleans, LA | \$6.7M          | 9%               | 126          | 126                   | Mar-90     | Dec-90        |
| Flint Goodridge Apartments            | New Orleans, LA | \$5.3M          | 9%               | 93           | 93                    | Jul-89     | Dec-89        |
| Mater Dolorosa Apartments             | New Orleans, LA | \$3.3M          | 4%               | 68           | 68                    | Aug-88     | Dec-88        |
| <b>Total</b>                          |                 | <b>\$961.7M</b> |                  | <b>4,489</b> | <b>3,342</b>          |            |               |

\* Received an award of LIHTCs; in predevelopment

\*\* Under construction

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC CDBG-DR Financing Experience

HRIC has extensive experience securing and deploying CDBG funds. Leading the recovery of affordable housing since Hurricane Katrina, HRIC has been awarded \$180.6 million of CDBG – DR funds from the Louisiana Office of Community Development (or through the Louisiana Housing Corporation as a conduit), funding 26 projects totaling \$640 million of costs and creating 2,249 apartments (1,454 of which are affordable).

| Project Name                      | Location         | TDC             | CDBG-DR Award        | # of Units   | # of Aff. Units | Start Date | Complete Date |
|-----------------------------------|------------------|-----------------|----------------------|--------------|-----------------|------------|---------------|
| Covington Trace Ridge Apartments* | Covington, LA    | \$34.0M         | \$18,300,000         | 100          | 51              | Q2 2024    | Q3 2025       |
| Woodring Apartments Phase II**    | Lake Charles, LA | \$15.6M         | \$8,000,000          | 40           | 40              | Nov-23     | Q4 2024       |
| Woodring Apartments Phase I**     | Lake Charles, LA | \$26.3M         | \$10,000,000         | 70           | 49              | May-23     | Q3 2024       |
| Lee Hardware & United Jewelers    | Shreveport, LA   | \$19.4M         | \$6,000,000          | 109          | 88              | Jun-21     | Jul-22        |
| Hammond Station Apartments        | Hammond, LA      | \$16.2M         | \$7,310,000          | 67           | 67              | Mar-21     | Jul-22        |
| Bottle Art Lofts Phase II         | Lafayette, LA    | \$16.2M         | \$6,090,000          | 65           | 65              | Jan-21     | Apr-22        |
| Bottle Art Lofts                  | Lafayette, LA    | \$16.0M         | \$5,000,000          | 40           | 40              | May-20     | Jun-21        |
| Hammond Eastside                  | Hammond, LA      | \$5.1M          | \$2,420,311          | 28           | 28              | Mar-19     | Dec-19        |
| Iberville Onsite Phase VII        | New Orleans, LA  | \$19.0M         | \$2,670,000          | 56           | 50              | Dec-17     | Mar-19        |
| Iberville Onsite Phase VI         | New Orleans, LA  | \$16.3M         | \$1,000,000          | 80           | 52              | Dec-16     | Apr-18        |
| Iberville Onsite Phase V          | New Orleans, LA  | \$13.1M         | \$1,000,000          | 50           | 50              | Dec-16     | Apr-18        |
| Iberville Onsite Phase IV         | New Orleans, LA  | \$44.9M         | \$1,500,000          | 164          | 147             | Nov-15     | Jun-17        |
| Iberville Onsite Phase III        | New Orleans, LA  | \$31.7M         | \$1,000,000          | 105          | 42              | Dec-14     | Mar-16        |
| Iberville Onsite Phase II         | New Orleans, LA  | \$24.4M         | \$1,000,000          | 75           | 30              | Dec-13     | Jun-15        |
| Iberville Onsite Phase I          | New Orleans, LA  | \$47.0M         | \$12,500,000         | 152          | 100             | Dec-13     | Jun-15        |
| Marais Apartments                 | New Orleans, LA  | \$35.5M         | \$9,500,000          | 112          | 112             | Nov-12     | Dec-13        |
| Hibernia Mixed-Use                | New Orleans, LA  | \$63.3M         | \$4,000,000          | 175          | 36              | Aug-11     | Dec-12        |
| Barataria Station Apartments II   | Houma, LA        | \$9.7M          | \$3,999,420          | 43           | 33              | Oct-11     | Oct-12        |
| Rosa F. Keller Building           | New Orleans, LA  | \$16.8M         | \$7,590,000          | 60           | 60              | Dec-10     | Apr-12        |
| Bywater Art Lofts II              | New Orleans, LA  | \$11.5M         | \$4,000,000          | 30           | 27              | Apr-11     | Dec-11        |
| Blue Plate Artist Lofts           | New Orleans, LA  | \$25.6M         | \$9,000,000          | 72           | 50              | Apr-11     | Dec-11        |
| Barataria Station Apartments I    | Houma, LA        | \$11.5M         | \$5,700,000          | 57           | 36              | Oct-10     | Nov-11        |
| Aloysius Apartments               | New Orleans, LA  | \$16.8M         | \$9,277,059          | 49           | 23              | Dec-09     | Dec-10        |
| Bonne Terre II                    | Houma, LA        | \$10.4M         | \$4,998,148          | 64           | 38              | Jun-09     | May-10        |
| River Garden CS-II                | New Orleans, LA  | \$68.7M         | \$26,054,822         | 310          | 124             | Dec-07     | Oct-09        |
| Nine27 Apartments                 | New Orleans, LA  | \$25.0M         | \$12,727,185         | 76           | 16              | Dec-07     | Jun-09        |
| <b>Total</b>                      |                  | <b>\$640.0M</b> | <b>\$180,636,945</b> | <b>2,249</b> | <b>1,454</b>    |            |               |

\* Received an award of CDBG; in predevelopment

\*\* Received an award of CDBG; under construction



### 3. COMPANY RESUME

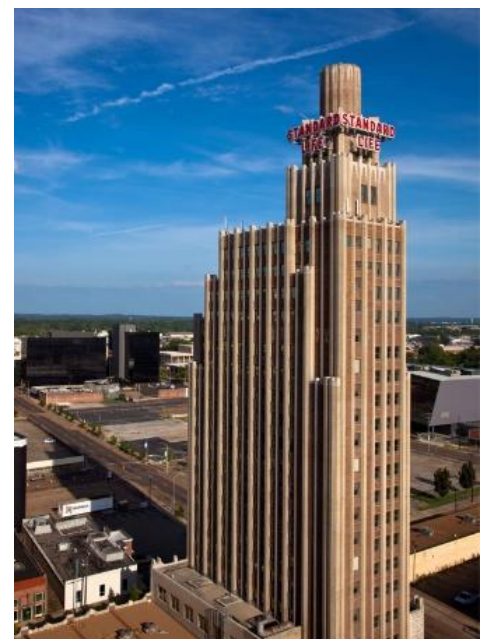
#### 3.i. HRI Communities, LLC

##### **HRIC Adaptive Reuse Experience**

HRIC is proud of its distinguished and decorated record for adaptively reusing vacant and blighted facilities to spark neighborhood redevelopment and has enjoyed extensive engagement of key community stakeholders in public-private partnership with State and local leadership. To date, HRIC and its affiliated development entities (collectively, “HRI”) have successfully completed 71 adaptive reuse projects, which includes 54 of HRIC’s housing projects.

In New Orleans alone, HRI has transformed numerous properties that would serve as a catalyst for additional community confidence and investment. Notable adaptive reuse developments include: the Woodward Wight Apartments and the Cotton Mill in the Warehouse District; River Garden Historic Apartments in the Lower Garden District; the American Can Apartments in Mid-City; the former D.H. Holmes department store which is now a Hyatt Centric Hotel and apartments, the Hibernia Tower mixed-use project, and 225 Baronne mixed-use project in the CBD/Downtown; and the City’s Choice Neighborhoods Initiative community in the Iberville/Tremé neighborhood. HRI has achieved similar results in comparable markets nationwide including Jackson, MS with the King Edward/Standard Life mixed-use project, Richmond, VA with the Miller & Rhoads mixed-use project, and similar revitalization efforts in Minneapolis, MN, Nashville, TN, and Philadelphia, PA.

These successful historic rehabilitation projects demonstrate HRI’s ability to forge relationships with key community stakeholders and assemble complex capital stacks comprised of various forms of tax credit subsidy including NMTCs, State and Federal HTCs and LIHTCs, among other State, Federal and local forms of debt, equity and financial assistance. HRI works closely with the National Park Service and the State Historic Preservation Offices to complete award-winning rehabilitations that preserve the historic fabric of the original buildings while adapting to the appropriate course to advance development in the projects’ respective communities.





### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

Indicative of HRI's expertise of transforming neighborhoods and communities through the reduction of blight and redevelopment of vacant and deteriorating buildings, the following images illustrate the before and after transformations of the Choice Neighborhoods Community projects in New Orleans' Iberville/Tremé Neighborhood.



Bienville Basin (Iberville Onsite)



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

BEFORE

AFTER



The Marais  
Apartments



Rosa F. Keller Building



Residences at Tremé Market (1601 Orleans)



Residences at Tremé Market (1508 Orleans)



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### **Historic Preservation Awards**

HRI has received multiple awards for its historic preservation work throughout the country. A list of these awards follows:

- 2018- Marriott Hotels, Best Design Award, Aloft Philadelphia Adaptive Reuse
- 2017- Preservation Dallas, Preservation Achievement Award, Mayflower Apartments
- 2016- Hilton Hotels, "New Build/Adaptive Reuse of the Year", Embassy Suites Minneapolis
- 2016- Preservation Dallas, Preservation Achievement Award, LTV Tower
- 2016- Louisiana Landmarks Society, Award for Excellence in Historic Preservation, 225 Baronne Mixed-Use
- 2014- Louisiana Landmarks Society, Award for Excellence in Historic Preservation, Bywater Art Lofts
- 2013- Downtown Development District of New Orleans, Best Downtown Development Project, Hibernia Tower
- 2013- Hyatt Hotels Corporation, Best Conversion Award, Hyatt French Quarter and Hyatt Place Convention Center
- 2012- National Housing & Rehabilitation Association, J. Timothy Anderson Awards for Excellence in Historic Rehabilitation – Best Historic Rehab Utilizing LIHTCs
- 2010– National Preservation Honor Award
- 2010– Best of Jackson Community, Best Change to the City and Best Project Under Construction, King Edward/Standard Life
- 2009- Louisiana Trust for Historic Preservation, Corporate Award, HRI Properties
- 2009- National Apartment Association, Paragon Award, Flint Goodridge Apartments
- 2009- South Central Construction, Award of Merit, Bywater Art Lofts
- 2008- Finalist- National Housing & Rehabilitation Association, J. Timothy Anderson Award for Excellence in Historic Rehabilitation, River Garden Historic Apartments
- 2007- The Hilton Family, Best Conversion, Hilton Garden Inn Convention Center
- 2007- National Apartment Association, Paragon Award, Cupples Station Apartments
- 2006- Cityscape Award, Cupples Station Apartments
- 2006- Department of the Treasury, 4th Round of New Markets Tax Credit allocations, (awarded to National Cities Fund, LLC)
- 2005- Mississippi Association Builders & Contractors, Excellence in Construction Award, Hilton Garden Inn Commerce
- 2003- The New Orleans Historic District Landmarks Commission, Honor Award Commercial Restoration, American Can Company Apartments
- 2003- National Apartment Association, Paragon Award, American Can Company Apartments



### **3. COMPANY RESUME**

#### **3.i. HRI Communities, LLC**

- 2003- The New Orleans Historic District Landmarks Commission, Honor Award Commercial Restoration (Gary Meadows), American Can Company Apartments
- 2003- The New Orleans Historic District Landmarks Commission, Honor Award Restoration, American Can Company Apartments
- 2003- Kimberly-Clark Corporation, Historic Preservation Award, The Renaissance Grand Hotel St. Louis, MO
- 2002- Brownfields Development, Phoenix Awards, American Can Renewal Project
- 2002- EPA Region 6, Phoenix Award, American Can Company Apartments
- 2001- Mayor Marc H. Morial's, Golden Hammer Award, HRI Properties
- 2001- Greater New Orleans Business, Cice Award, St. Thomas Demolition Phase I, II, III
- 2001- The Central Business District Historic District Landmarks Commission, Merit Award Renovation, 1050 Constance Street
- 2001- The Central Business District Historic District Landmarks Commission, Merit Award New Construction, 345 St. Joseph Street
- 2001- The Central Business District Historic District Landmarks Commission, Merit Award Renovation, 819 Canal / 132 Dauphine / 834-40 Iberville Street
- 1999- Historic Fort Worth, Preservation Honor Award, Renovation 1929 Blackstone Hotel
- 1999- National Trust for Historic Preservation, National Preservation Award, HRI Properties
- 1999- Preservation Texas, Clara Driscoll Award of Merit, Blackstone Hotel
- 1998- IREM (Institute of Real Estate Management), Communication and Marketing Award, 1st Place Non-print Advertising/ small properties
- 1998- Louisiana Preservation Alliance, Preservationist of the Year, Maginnis Cotton Mill
- 1997-1998- The Vieux Carre Commission, The Good Neighbor Award for Design, The Chateau Sonesta Hotel
- 1996- Louisiana Preservation Alliance, Corporate Award, Restoration of Old New Iberia High, New Iberia, for Senior Citizen Housing

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### Development Project History

The development list below includes HRI's track record of affordable, mixed-income and market-rate housing developments. Inclusive of the projects listed below, HRI, its predecessor, and affiliated development entities have completed 109 development projects since its inception in 1982, totaling \$3.6 billion in total development costs and including 7,063 apartments, 490 condominiums, 7,962 hotel units and 1.46 million square feet of office and retail space.

| Project Name                   | Location         | Type | Total Development Cost (TDC) | Federal Funding Source             | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                                      |
|--------------------------------|------------------|------|------------------------------|------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|------------------------------------------------------------------------------------------------|
| Woodring Apartments Phase II*  | Lake Charles, LA | MF   | \$15,570,455                 | CDBG - \$8,000,000                 | 40                 | 40                            | -                | Developer | 11/30/2023 | Q4 2024       | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov                  |
| St. Bernard Circle Apartments* | New Orleans, LA  | MF   | \$22,668,540                 | City HOME & GO Bonds - \$6,000,000 | 51                 | 40                            | -                | Developer | 10/19/2023 | Q1 2025       | Tyra Johnson Brown<br>Director of Housing Policy,<br>City of New Orleans<br>ttjohnson@nola.gov |
| Woodring Apartments Phase I*   | Lake Charles, LA | MF   | \$26,345,355                 | CDBG - \$10,000,000                | 70                 | 49                            | -                | Developer | 5/9/2023   | Q3 2024       | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov                  |
| Bonne Terre Village I          | Houma, LA        | MF   | \$11,000,170                 | Parish HOME - \$1,701,000          | 51                 | 51                            | -                | Developer | 12/20/2022 | Q3 2023       | Kelli Varnado<br>Director, Dept. of Housing,<br>Terrebonne Parish<br>kvarnado@tpcg.org         |
| River Garden Apartments 1      | New Orleans, LA  | MF   | \$55,789,030                 | HANO - \$27,840,000                | 296                | 148                           | -                | Developer | 9/20/2022  | Q3 2023       | Evette Hester<br>Executive Director, HANO<br>ehester@hano.org                                  |

\* Under construction

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#### 3.i. HRI Communities, LLC

| Project Name                   | Location        | Type | Total Development Cost (TDC) | Federal Funding Source                | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                                      |
|--------------------------------|-----------------|------|------------------------------|---------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|------------------------------------------------------------------------------------------------|
| School Days Apartments         | New Iberia, LA  | MF   | \$13,975,546                 |                                       | 65                 | 65                            | -                | Developer | 12/10/2021 | 11/16/2022    | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov                  |
| Lee Hardware & United Jewelers | Shreveport LA   | MF   | \$19,434,886                 | CDBG-\$6,000,000                      | 109                | 88                            | -                | Developer | 6/15/2021  | 7/20/2022     | Bonnie Moore<br>Director – Dept. of Community Dev.<br>bonnie.moore@shreveportla.gov            |
| Hammond Station Apartments     | Hammond, LA     | MF   | \$16,150,964                 | CDBG-\$7,310,000                      | 67                 | 67                            | -                | Developer | 3/30/2021  | 7/21/2022     | Lacy Landrum<br>Director of Admin - City of Hammond<br>985-277-5653 /<br>landrum_l@hammond.org |
| Bottle Art Lofts Phase II      | Lafayette, LA   | MF   | \$16,231,315                 | CDBG-\$6,090,000                      | 65                 | 65                            | -                | Developer | 1/15/2021  | 4/14/2022     | Monique Boulet<br>Acadiana Planning Commission<br>mboulet@planacadiana.org                     |
| Bottle Art Lofts               | Lafayette, LA   | MF   | \$15,924,246                 | CDBG-\$5,000,000                      | 40                 | 40                            | -                | Developer | 5/1/2020   | 6/1/2021      | Monique Boulet<br>Acadiana Planning Commission<br>mboulet@planacadiana.org                     |
| Hammond Eastside Apartments    | Hammond, LA     | MF   | \$5,077,826                  | CDBG-\$2,420,311                      | 28                 | 28                            | -                | Developer | 3/21/2019  | 3/30/2020     | Lacy Landrum<br>Director of Admin - City of Hammond<br>landrum_l@hammond.org                   |
| Bienville Basin – Phase VII    | New Orleans, LA | MF   | \$18,972,161                 | CDBG-\$2,670,000<br>HANO-\$12,750,000 | 56                 | 50                            | -                | Developer | 12/13/2017 | 2/1/2019      | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov                              |



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

| Project Name                              | Location        | Type | Total Development Cost (TDC) | Federal Funding Source                                         | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                      |
|-------------------------------------------|-----------------|------|------------------------------|----------------------------------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|--------------------------------------------------------------------------------|
| Residences at Tremé Market (1601 Orleans) | New Orleans, LA | MF   | \$9,250,000                  | TCAP-\$1,200,000                                               | 36                 | 36                            | -                | Developer | 11/30/2016 | 2/6/2018      | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov              |
| Residences at Tremé Market (1508 Orleans) | New Orleans, LA | MF   | \$10,583,706                 | TCAP-\$1,200,000                                               | 34                 | 34                            | -                | Developer | 11/30/2016 | 1/23/2018     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov              |
| Capitol Art Lofts                         | Jackson, MS     | MF   | \$10,716,768                 |                                                                | 31                 | 31                            | -                | Developer | 9/14/2016  | 12/20/2017    | Dr. Safiya R. Omari<br>Chief of Staff, City of Jackson<br>somari@jacksonms.gov |
| Bienville Basin – Phase VI                | New Orleans, LA | MF   | \$15,302,540                 | CDBG-\$1,000,000<br>City HOME-\$1,500,000<br>HANO-\$3,302,158  | 50                 | 50                            | -                | Developer | 10/30/2016 | 12/1/2017     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov              |
| Bienville Basin – Phase V                 | New Orleans, LA | MF   | \$22,878,682                 | CDBG-\$1,000,000<br>City HOME-\$500,000<br>HANO-\$7,073,433    | 80                 | 38                            | -                | Developer | 10/30/2016 | 12/1/2017     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov              |
| Bienville Basin – Phase IV                | New Orleans, LA | MF   | \$45,024,785                 | CDBG-\$1,500,000<br>City HOME-\$1,400,000<br>HANO-\$15,815,083 | 164                | 147                           | -                | Developer | 11/15/2015 | 6/13/2017     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov              |
| The Mayflower Apartments                  | Dallas, TX      | MF   | \$54,232,074                 | TIF-\$1,000,000                                                | 215                | 43                            | -                | Developer | 8/1/2015   | 12/1/2016     | Matthew Brodnax<br>SVP – Capital One Bank<br>Matthew.brodnax@capitalone.com    |

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#### 3.i. HRI Communities, LLC

| Project Name                                  | Location        | Type     | Total Development Cost (TDC) | Federal Funding Source                                        | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                           |
|-----------------------------------------------|-----------------|----------|------------------------------|---------------------------------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|-------------------------------------------------------------------------------------|
| Bienville Basin – Phase III                   | New Orleans, LA | MF       | \$31,704,413                 | CDBG-\$1,000,000<br>HANO-\$13,066,073                         | 105                | 42                            | -                | Developer | 12/1/2014  | 4/1/2016      | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov                   |
| DH Holmes Repositioning                       | New Orleans, LA | MF       | \$23,541,594                 |                                                               | 97                 | -                             | -                | Developer | 10/1/2014  | 11/1/2015     | Cynthia (“Cindy”) M. Connick<br>CEO-New Orleans Building Corp<br>cmconnick@nola.gov |
| Miller Rhoads Mixed-Use Repositioning         | Richmond, VA    | MF+Hotel | \$60,366,080                 |                                                               | 133                | -                             | 250              | Developer | 6/1/2014   | 11/1/2015     | Sharon Ebert<br>Deputy CAO – City of Richmond<br>sharon.ebert@richmondgov.com       |
| LTV Tower Mixed-Use                           | Dallas, TX      | MF+Hotel | \$78,087,525                 |                                                               | 186                | 19                            | 171              | Developer | 4/1/2014   | 9/1/2015      | Matthew Brodnax<br>SVP – Capital One Bank<br>Matthew.brodnax@capitalone.com         |
| Bienville Basin – Phase II                    | New Orleans, LA | MF       | \$24,402,368                 | CDBG-\$1,000,000<br>City HOME-\$1,273,795<br>HANO-\$7,538,578 | 75                 | 30                            | -                | Developer | 12/1/2013  | 8/30/2015     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov                   |
| Bienville Basin – Phase I                     | New Orleans, LA | MF       | \$46,954,621                 | CDBG-\$12,500,000<br>HANO-\$11,026,377                        | 152                | 100                           | -                | Developer | 12/1/2013  | 8/28/2015     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov                   |
| Bienville Basin – Infrastructure & Demolition | New Orleans, LA | MF       | \$17,960,000                 | CDBG-\$4,510,045<br>HANO-\$13,391,933                         | -                  | -                             | -                | Developer | 12/1/2013  | 8/28/2015     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov                   |

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#### 3.i. HRI Communities, LLC

| Project Name                          | Location        | Type      | Total Development Cost (TDC) | Federal Funding Source                       | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                                    |
|---------------------------------------|-----------------|-----------|------------------------------|----------------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|----------------------------------------------------------------------------------------------|
| 225 Baronne Mixed-Use                 | New Orleans, LA | MF+ Hotel | \$96,109,000                 |                                              | 192                | 39                            | 188              | Developer | 11/8/2013  | 8/24/2015     | Timothy R. Smith<br>VP CRE - Capital One<br>timothy.r.smith@capitalone.com                   |
| Marais Apartments                     | New Orleans, LA | MF        | \$35,516,199                 | CDBG-<br>\$9,500,000                         | 112                | 112                           | -                | Developer | 11/1/2012  | 5/21/2014     | Luci Blackburn – HUD<br>202-402-4190<br>Luciann.blackburn@hud.gov                            |
| Hibernia Tower                        | New Orleans, LA | MF        | \$63,304,190                 | CDBG-<br>\$4,000,000                         | 175                | 36                            | -                | Developer | 8/26/2011  | 3/18/2014     | Timothy R. Smith<br>VP CRE - Capital One<br>timothy.r.smith@capitalone.com                   |
| Dr. Everett & Melva Williams Building | New Orleans, LA | MF        | \$10,824,444                 | AHP-<br>\$1,000,000<br>NSP2-<br>\$2,030,000  | 42                 | 42                            | -                | Developer | 6/24/2012  | 10/24/2013    | Martha Kegel<br>Unity of Greater New Orleans<br>mkegel@unitygno.org                          |
| Barataria Station II                  | Houma, LA       | MF        | \$9,703,221                  | CDBG-<br>\$3,999,420                         | 43                 | 33                            | -                | Developer | 6/16/2011  | 4/23/2012     | Kelli Cunningham<br>Director, Dept. of Housing,<br>Terrebonne Parish<br>kcunningham@tpcg.org |
| Rosa F. Keller                        | New Orleans, LA | MF        | \$16,802,600                 | CDBG-<br>\$7,590,000<br>HOME-<br>\$1,950,000 | 60                 | 60                            | -                | Developer | 12/10/2010 | 4/12/2012     | Martha Kegel<br>Unity of Greater New Orleans<br>mkegel@unitygno.org                          |
| Blue Plate Artist Lofts               | New Orleans, LA | MF        | \$25,637,699                 | CDBG-<br>\$9,000,000                         | 72                 | 50                            | -                | Developer | 3/24/2011  | 3/7/2012      | Pat Forbes<br>LA Office of Community<br>Development<br>patrick.forbes@la.gov                 |

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#### 3.i. HRI Communities, LLC

| Project Name                          | Location        | Type     | Total Development Cost (TDC) | Federal Funding Source                | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                                    |
|---------------------------------------|-----------------|----------|------------------------------|---------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|----------------------------------------------------------------------------------------------|
| Bywater Art Lofts II                  | New Orleans, LA | MF       | \$11,508,608                 | CDBG-\$4,000,000                      | 30                 | 30                            | -                | Developer | 4/19/2011  | 1/24/2012     | Evette Hester<br>Executive Director, HANO<br>ehester@hano.org                                |
| Barataria Station I                   | Houma, LA       | MF       | \$11,484,000                 | CDBG-\$5,700,000                      | 57                 | 36                            | -                | Developer | 10/22/2010 | 11/18/2011    | Kelli Cunningham<br>Director, Dept. of Housing,<br>Terrebonne Parish<br>kcunningham@tpcg.org |
| Aloysius Apartments                   | New Orleans, LA | MF       | \$16,705,190                 | CDBG-\$9,277,059                      | 49                 | 23                            | -                | Developer | 11/20/2009 | 12/3/2010     | Pat Forbes<br>LA Office of Community<br>Development<br>patrick.forbes@la.gov                 |
| King Edward & Standard Life Mixed-Use | Jackson, MS     | MF+Hotel | \$114,440,886                |                                       | 140                | -                             | 186              | Developer | 3/1/2007   | 8/1/2010      | Laura Hipp<br>Interim Executive Director, MDA<br>lhipp@mississippi.org                       |
| Bonne Terre Village II                | Houma, LA       | MF       | \$10,420,000                 | CDBG-\$4,998,148                      | 64                 | 38                            | -                | Developer | 6/1/2009   | 5/1/2010      | Kelli Cunningham<br>Director, Dept. of Housing,<br>Terrebonne Parish<br>kcunningham@tpcg.org |
| River Garden Phase II                 | New Orleans, LA | MF       | \$68,682,000                 | CDBG-\$26,054,822<br>HANO-\$1,881,000 | 310                | 124                           | -                | Developer | 12/1/2007  | 10/1/2009     | Paul Rainwater<br>Fmr. Commissioner of Admin. State<br>of LA<br>Rainwater97@gmail.com        |
| Nine27                                | New Orleans, LA | MF       | \$24,993,000                 | CDBG-\$12,727,185                     | 76                 | 16                            | -                | Developer | 12/1/2007  | 6/1/2009      | Timothy Leonhard<br>Senior Managing Director -<br>Berkadia<br>tim.leonhard@berkadia.com      |



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#### 3.i. HRI Communities, LLC

| Project Name              | Location        | Type      | Total Development Cost (TDC) | Federal Funding Source | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                                                                          |
|---------------------------|-----------------|-----------|------------------------------|------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|------------------------------------------------------------------------------------------------------------------------------------|
| The Redemptorist Elderly  | New Orleans, LA | MF        | \$15,551,000                 |                        | 107                | 107                           | -                | Developer | 12/1/2007  | 5/1/2009      | Father Byron Miller<br>Order of Redemptorists<br>byron.miller@netzero.net                                                          |
| Miller & Rhoads Mixed-Use | Richmond, VA    | MF+ Hotel | \$109,706,893                |                        | 133                | -                             | 250              | Developer | 12/1/2006  | 2/1/2009      | Sharon Ebert<br>Deputy CAO – City of Richmond<br>sharon.ebert@richmondgov.com                                                      |
| Bywater Art Lofts         | New Orleans, LA | MF        | \$10,472,000                 |                        | 37                 | 37                            | -                | Developer | 12/1/2007  | 12/1/2008     | John Guarnieri<br>Bywater Neighborhood Assoc,<br>john@studiowta.com                                                                |
| River Garden Elderly      | New Orleans, LA | MF        | \$9,736,000                  |                        | 57                 | 37                            | -                | Developer | 12/1/2006  | 12/1/2007     | Paul Rainwater<br>Fmr. Commissioner of Admin. State of LA<br>Rainwater97@gmail.com                                                 |
| Flint Goodridge Elderly   | New Orleans, LA | MF        | \$13,488,223                 |                        | 89                 | 89                            | -                | Developer | 12/1/2006  | 11/1/2007     | Sidney Barthelemy<br>Fmr. Mayor of New Orleans<br><a href="mailto:sbarthelemy@hriproperties.com">sbarthelemy@hriproperties.com</a> |
| Mills Row Condos          | New Orleans     | MF        | \$7,302,000                  |                        | 31                 | -                             | -                | Developer | 8/1/2004   | 8/1/2007      | Gary Grim<br>Investor<br>garygrim@thejeepstores.com                                                                                |
| Cotton Mill Condos        | New Orleans, LA | MF        | \$54,000,000                 |                        | 270                | -                             | -                | Developer | 7/1/2004   | 5/1/2007      | Jim Mehalso<br>Investor<br>pjames.mehalso@prudential.com                                                                           |
| River Garden Historic     | New Orleans, LA | MF        | \$9,728,000                  |                        | 37                 | 37                            | -                | Developer | 12/1/2006  | 11/1/2007     | Paul Rainwater<br>Fmr. Commissioner of Admin. State of LA<br>Rainwater97@gmail.com                                                 |

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

| Project Name                             | Location          | Type     | Total Development Cost (TDC) | Federal Funding Source                                                                                                       | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                             |
|------------------------------------------|-------------------|----------|------------------------------|------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|---------------------------------------------------------------------------------------|
| Cupples Station Apartments               | St. Louis, MO     | MF       | \$30,910,000                 |                                                                                                                              | 131                | 127                           | -                | Developer | 12/1/2004  | 3/1/2006      | Chris Wise - Director<br>Aegon Real Assets US<br>cawise@aegonam.com                   |
| Papillon Apartments                      | New Orleans, LA   | MF       | \$13,190,000                 |                                                                                                                              | 116                | -                             | -                | Developer | 11/1/2005  | 11/1/2005     | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com          |
| Nissen Apartments                        | Winston-Salem, NC | MF       | \$28,720,000                 |                                                                                                                              | 145                | -                             | -                | Developer | 9/1/2004   | 8/1/2005      | Allen Joines<br>Mayor of Winston-Salem<br>mayoroffice@cityofws.org                    |
| River Garden Phase I                     | New Orleans, LA   | MF       | \$48,470,000                 | HOPE VI-<br>\$13,360,800<br>TIF-\$10,804,151                                                                                 | 296                | 122                           | -                | Developer | 6/1/2003   | 6/1/2005      | Paul Rainwater<br>Fmr. Commissioner of Admin. State<br>of LA<br>Rainwater97@gmail.com |
| River Garden Infrastructure & Demolition | New Orleans, LA   | MF       | \$19,000,000                 | HOPE VI-<br>\$3,621,255<br>HANO-\$1,651,345<br>TIF-\$772,863<br>City of N.O.<br>Bonds-\$6,000,000<br>State Funds-\$8,000,000 | -                  | -                             | -                | Developer | 6/1/2003   | 6/1/2005      | Paul Rainwater<br>Fmr. Commissioner of Admin. State<br>of LA<br>Rainwater97@gmail.com |
| The Bakery Condo Conversion              | New Orleans, LA   | MF       | \$8,140,000                  |                                                                                                                              | 66                 | -                             | -                | Developer | 5/1/2003   | 2/1/2005      | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com          |
| Humble Mixed-Use                         | Houston, TX       | MF+Hotel | \$98,710,000                 |                                                                                                                              | 82                 | -                             | 362              | Developer | 1/1/1998   | 7/2/2003      | Yancey Bewley<br>Lender<br>ybewley@whitneybank.com                                    |

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

| Project Name                   | Location        | Type | Total Development Cost (TDC) | Federal Funding Source                        | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                     |
|--------------------------------|-----------------|------|------------------------------|-----------------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|-------------------------------------------------------------------------------|
| Merchandise Mart               | St. Louis, MO   | MF   | \$48,450,000                 |                                               | 213                | 94                            | -                | Developer | 10/1/2000  | 12/30/2002    | Dale Ruthsatz<br>St. Louis Development Corp.<br>314-622-3400                  |
| American Can                   | New Orleans, LA | MF   | \$44,500,000                 | City Loan-\$6,500,000<br>City Grant-\$500,000 | 268                | 54                            | -                | Developer | 3/1/2000   | 9/1/2001      | Darrel Saizan<br>Chairman of the N.O. IDB<br>dsaizan1@cox.net                 |
| Lee Hardware / United Jewelers | Shreveport, LA  | MF   | \$9,800,000                  | City Loan-\$2,200,000                         | 109                | 55                            | -                | Developer | 9/1/1998   | 10/31/1999    | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov |
| Hammond Eastside               | Hammond, LA     | MF   | \$2,136,000                  | City Loan-\$180,000                           | 28                 | 28                            | -                | Developer | 12/1/1997  | 11/1/1998     | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov |
| Cotton Mill Apartments         | New Orleans, LA | MF   | \$35,810,000                 |                                               | 287                | -                             | -                | Developer | 9/1/1996   | 3/1/1998      | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com  |
| Congress Square                | New Orleans, LA | MF   | \$1,835,000                  |                                               | 32                 | 32                            | -                | Developer | 1/1/1997   | 3/1/1998      | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov |
| Gravier Place Apartments       | New Orleans, LA | MF   | \$12,862,000                 |                                               | 132                | -                             | -                | Developer | 11/1/1994  | 12/1/1996     | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com  |

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

| Project Name          | Location        | Type | Total Development Cost (TDC) | Federal Funding Source                                | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                           |
|-----------------------|-----------------|------|------------------------------|-------------------------------------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|-------------------------------------------------------------------------------------|
| Bonne Terre           | Houma, LA       | MF   | \$3,250,000                  | Parish HOME-\$1,350,000                               | 51                 | 51                            | -                | Developer | 4/1/1995   | 6/1/1996      | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov       |
| DH Holmes Apartments  | New Orleans, LA | MF   | \$6,300,000                  |                                                       | 87                 | -                             | -                | Developer | 3/1/1994   | 1/1/1996      | Cynthia ("Cindy") M. Connick<br>CEO-New Orleans Building Corp<br>cmconnick@nola.gov |
| Federal Fiber Mills   | New Orleans, LA | MF   | \$15,270,000                 |                                                       | 132                | -                             | -                | Developer | 6/1/1995   | 12/1/1995     | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com        |
| The Henderson Condos  | New Orleans, LA | MF   | \$4,700,000                  |                                                       | 61                 | -                             | -                | Developer | 8/1/1995   | 12/1/1995     | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com        |
| School Days           | New Iberia, LA  | MF   | \$3,915,000                  | HOME-\$1,780,000<br>Iberia School Board Loan-\$85,000 | 65                 | 65                            | -                | Developer | 8/1/1994   | 12/1/1995     | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov       |
| Evangeline            | Lafayette, LA   | MF   | \$5,300,000                  |                                                       | 86                 | 86                            | -                | Developer | 9/1/1994   | 12/1/1995     | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov       |
| Catholic Presbyterian | Baton Rouge, LA | MF   | \$7,400,000                  |                                                       | 195                | 195                           | -                | Developer | 12/1/1991  | 3/1/1992      | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov       |
| Bakery Apartments     | New Orleans, LA | MF   | \$4,500,000                  |                                                       | 68                 | -                             | -                | Developer | 4/1/1991   | 12/31/1991    | Sidney Barthelemy<br>Former Mayor of New Orleans<br>sbarthelemy317@gmail.com        |



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

| Project Name       | Location         | Type | Total Development Cost (TDC) | Federal Funding Source | # of Housing Units | # of Affordable Housing Units | # of Hotel Rooms | Role      | Start Date | Complete Date | Reference                                                                     |
|--------------------|------------------|------|------------------------------|------------------------|--------------------|-------------------------------|------------------|-----------|------------|---------------|-------------------------------------------------------------------------------|
| St. Mary           | New, Orleans, LA | MF   | \$5,000,000                  |                        | 106                | 106                           | -                | Developer | 3/1/1989   | 12/31/1990    | Susan Hall<br>Highland Commercial Mortgage<br>susan@hcmed4.com                |
| The Redemptorist   | New Orleans, LA  | MF   | \$6,681,000                  |                        | 126                | 126                           | -                | Developer | 3/1/1990   | 12/31/1990    | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov |
| Flint Goodridge    | New Orleans, LA  | MF   | \$5,325,000                  |                        | 93                 | 93                            | -                | Developer | 7/31/1989  | 12/31/1989    | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov |
| Mater Dolorosa     | New Orleans, LA  | MF   | \$3,259,000                  |                        | 68                 | 68                            | -                | Developer | 8/1/1988   | 12/1/1988     | Marjorianna Willman<br>Interim Executive Director, LHC<br>mwillman@lhc.la.gov |
| The Woodward Lofts | New Orleans, LA  | MF   | \$16,168,000                 |                        | 192                | 40                            | -                | Developer | 12/1/1985  | 4/1/1987      | Susan Hall<br>Highland Commercial Mortgage<br>susan@hcmed4.com                |
| <b>Total</b>       |                  |      | <b>\$1,923,861,803</b>       | <b>\$358,091,834</b>   | <b>7,714</b>       | <b>3,589</b>                  | <b>1,407</b>     |           |            |               |                                                                               |

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### **HRIC Case Study #1 - Iberville/Tremé Choice Neighborhood Community**

- Under a \$30.5 million Choice Neighborhoods Initiative (“CNI”) grant awarded by the U.S. Department of Housing and Urban Development to the City of New Orleans and the Housing Authority of New Orleans in 2011, HRIC was selected through an RFP process as a co-developer of New Orleans’ Iberville/Tremé Choice Neighborhood Initiative community redevelopment. The overall community transformation has spanned 10 years and includes to date the completion of the mixed-income Iberville Public Housing Projects Onsite redevelopment along with several offsite developments. This progress not only boasts tremendous achievements in blight elimination and community revitalization, but notably leads CNI programs nation-wide across all program goals and is near achieving CNI’s goal of deconcentrating public housing and replacing the 821 former onsite Iberville public housing units 1-for-1 with units developed both back on onsite and offsite throughout the Iberville/Tremé neighborhood.
- In 2019, HRIC completed the seven-phased \$219 million, Iberville/Tremé Onsite redevelopment, transforming the long-blighted, 23-acre former Iberville Public Housing Development, built in 1942 and located adjacent to New Orleans’ famous French Quarter, into a vibrant, mixed-use, mixed-income, 682-unit community, now referred to as Bienville Basin. The redevelopment of the Iberville site included: preservation and rehabilitation of 15 historic 3-story brick buildings; new construction of 3-story townhouses over flats, 4-story multifamily buildings, ground floor retail and community space; reintroduction of the street grid lost long ago to right of way demolition in 1940, and construction of new utilities and public rights of way throughout the site; incorporation of community green-space and parks; protection and preservation of historic live oak trees; as well as design and construction per sustainability standards of Energy Star, Enterprise Green Communities, and LEED ND.
- As part of the 1-for-1 replacement unit mandate under the CNI program, the community also includes several mixed-income housing developments located offsite and throughout the Iberville/Tremé neighborhood. HRIC’s offsite developments to date include the Rosa F. Keller Apartments, Marais Apartments, the Residences at Tremé Market, and St. Bernard Circle which



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

have created an additional 291 units. In total, CNI housing developments completed by HRIC have provided 973 mixed-income housing units, of which 515 are CNI replacement units.

##### Achievements

- **Planning and Design:** Reimagining the former Iberville Public Housing site involved a participatory process spanning nearly two years and involving dozens of design meetings. Aided by the Iberville Residents Working Team (IRWT), and a sincere openness to community involvement, the Iberville Redevelopment achieved a neighborhood transformation addressing stakeholder needs, from the emotional to the tangible, while acknowledging the very real concerns of cost containment, required unit density and schedule sensitivity.
- **Leverage of Funding:** HRIC's CNI housing production was achieved through extensive efforts to maximize financial efficiencies and leverage through the determined pursuit and careful assemblage of a multitude of public and private funding sources. HRIC's CNI housing developments attracted over \$292 million in total private funding.
- **Community and Supportive Services (CSS):** Throughout the CNI Iberville Onsite Redevelopment, Urban Strategies, Inc. ("USI") implemented Case Management, Service Coordination, Resident Engagement, Relocation and developed Employment and Training partnerships to support over 400 families. USI accomplished this by leveraging available funds to secure over \$21 million in public and private funds for implementation of the People Strategy. Throughout the life of the CNI People Component, nearly 85% of households from the target public housing site participated in active case management with USI.
- **Contracting, Hiring, & Training Successes:** HRIC's CNI development efforts to date have yielded impressive results including the hiring of 325 Section 3 individuals, certified career training provided for 198 Section 3 individuals, and approximately \$52 million in contract value awarded to DBE/WBE/Section 3 business and partnerships.
- **Continued Neighborhood Reinvestment:** With tremendous, focused efforts following Hurricane Katrina and in part spurred by the Iberville Onsite redevelopment, an estimated \$4.4 billion has been invested in the revitalization of the Iberville/Tremé neighborhood (\$913 million in housing, \$2.95 billion in healthcare, \$441.3 million in community amenities and \$104 million in education).



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC Case Study #2 - Lafayette Bottle Art Lofts



- The "Four Corners" intersection and neighborhood in Lafayette, LA once stood as a hub of community, culture and commerce. Yet as time passed the once vibrant gateway became neglected and disinvested, however, always remained the route used to arrive in the City of Lafayette. Anchoring one of these four corners is the historic Coca-Cola bottling facility which, built in 1948, was among Coca-Cola's first bottling plants located in the State of Louisiana.
- In 2020, HRIC made a \$16 million investment and transformed the vacant and blighted Coca-Cola bottling building and adjacent warehouse into a 40-unit affordable artist housing property, known as the Bottle Art Lofts. All units in the development are affordable, offering much needed housing for households earning 20%, 50%, and 60% of the AMI. Construction on Bottle Art Lofts Phase I began in May 2020 and was completed in August 2021. The project utilized Federal LIHTCs, Federal and State HTC's, State CDBG-DR funding, and a City loan.
- Bottle Art Lofts Phase II is an adjacent, \$16.2 million new construction, 65-unit property that has the same affordability components and leasing preference for artists. Funded through



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

OCD's Piggyback Resilient Mixed-Income ("PRIME") program, Phase II includes one and two-bedroom units, various resilient design features as well as a multi-purpose community room and fitness center. Construction on Bottle Art Lofts Phase II began in January 2021 with completion in April 2022. The project utilized Federal LIHTCs, State CDBG-DR funding, and a City loan.



#### Achievements:

- **Investment in Commercial Corridor Revitalization:** In partnership with the Acadiana Planning Commission, the Bottle Art Lofts Community has breathed new life into one of the underutilized "Four Corners" and is serving as a catalyst for other public and private reinvestment initiatives in the area.
- **Employ Disaster Recovery Resources to Leverage Private Resources:** HRIC successfully leveraged all available resources to finance the Bottle Art Lofts, as evidenced by the various financing sources and partners of the project. The project was funded with private equity generated through syndication of LIHTC and Federal Historic Tax Credits, as well as with proceeds from the sale of State Historic Tax Credits. Additional sources include private debt, and gap financing loans from the Louisiana Office of Community Development and Lafayette Consolidated Government, exhibiting support for the project at the City and State level.

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC Case Study #3 - Hammond Station Apartments

- In 2020, HRI Communities was awarded \$7.3M in Community Development Block Grant-Disaster Recovery funding through Louisiana's Office of Community Development ("OCD") for the construction of 67 units in Hammond, LA.
- The CDBG-DR funding was competitively awarded to the project through OCD's PRIME program which emphasizes resiliency in building practices while providing mixed-income housing in disaster-prone areas.
- Hammond Station, following its completion in July 2022, totaling \$16.2 million, provides affordable, quality apartments to an area lacking both options. The unit mix benefits from income averaging and includes units available to households earning 20%, 30%, 50%, 60%, and 80% AMI. Project amenities include a fitness center, community meeting room, grill area with picnic tables, community garden, off street parking, and in-unit washers, dryers and dishwashers.



##### Achievements:

- **Resiliency Initiatives:** As part of the Disaster Resilience initiatives in the PRIME program, Hammond Station has been designed and built as a superior multifamily product in a disaster-prone region. Some of the resilient features include: Institute for Business and Home Safety ("IBHS") FORTIFIED Commercial Roof Standard, Enterprise Green Communities Certification, Backflow Preventers, Mechanical Elevations, IBHS FORTIFIED Commercial Gold Standard, and Flood-hardy Materials and Assemblies.

The Enterprise Green Community Certification includes features designed for resilience such as risks assessments, stormwater management, access to potable water during emergencies, floodproofing, and islandable power. The backflow preventers are necessary features that prevent sewage backflow during a flood event. The mechanical elevation is also a design feature that allow any systems to avoid being in contact with water during a flood event.

### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### HRIC Case Study #4 - Aloysius Apartments

- Located on the outer edge of the French Quarter, Aloysius Apartments is a 65,000-square-foot, 4-story, new construction, mixed-income project on a 29,061-square-foot site.
- Completed in 2010, the \$16.7 million project consists of 49 residential units (45 1-bedroom and 4 2-bedroom); 1,500 square feet of neighborhood retail space; 49 ground floor parking spaces; bicycle storage; an open-air community courtyard located in the center of the building that is furnished with outdoor seating and dining, a kitchenette and bar-b-que facilities; and a secured ground floor garden area.
- Of the 49 units, 5 units are Permanent Supportive Housing Units with tenant rents between 20%-30% AMI, 18 units are affordable with rents between 40% and 60% AMI and 26 units are market rate.



##### Achievements:

- **Planning and Design:** Representing several of the earliest New Orleans neighborhoods, the site is as rich in history as any place in the City and sits at the intersection of three historic districts. This dynamic mix of neighborhoods resulted in a robust planning and participatory design process in which HRIC and HCID worked cooperatively with numerous community stakeholders, historic districts, and neighborhood associations, successfully involving all interests in the planning process. The new construction project utilized modern materials and practices to create an efficient building while remaining sensitive to the historic nature of the surrounding neighborhoods.
- **Sustainable Features:** A key amenity of the Aloysius project is energy efficiency with building designs reflecting the best practices and high-efficiency equipment available at the time of its construction. All units were designed to maximize insulation, HVAC systems and kitchen appliances are Energy Star rated. Windows include double-paned low-E glass. Windows and glazed patio doors have a U-value of 0.4 or less with R-value at 2.5 min. and a Solar Heat Gain Coefficient of 0.4 or less. All exterior doors are insulated as well.
- **Operating Success:** Since the initial stabilization in 2011, Aloysius has demonstrated how a mixed-income property in the 7<sup>th</sup> Ward can successfully operate. Aloysius has maintained an average occupancy of 96%.



### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### **HRIC Case Study #5 - Blue Plate Artist Lofts**

- HRIC and JCH Development ("JCH") rehabilitated the historic Blue Plate building totaling 98,022 square feet and located on South Jefferson Davis Parkway in New Orleans into 72 mixed-income apartments and approximately 106 surface parking spaces. Of the 72 total units, 50 units (69%) are affordable with rents between 20% and 60% AMI and 22 units are market rate (31%). The \$25.6 million development targets the local artist community and offers exhibit and gallery space, as well as a rooftop deck for a unique community space featuring stunning views of the downtown New Orleans skyline.
- Construction began in March 2011 and was completed in March 2012. The project utilized a mixture of Federal and State HTC's, Federal LIHTC's, tax-exempt bond financing, State CDBG funding through its Piggyback financing program, HOME funding from the City of New Orleans and a property tax abatement through the State's Restoration Tax Abatement Program.





### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### Achievements:

- **Meet Secretary of the Interior’s Standards for Historic Preservation:**
  - **Windows** – A survey of the existing industrial steel windows was completed to confirm that the windows could not be rehabilitated to meet current wind load requirements. HCID worked with Graham window manufacturers to design new windows that matched the existing in profile and design, are compliant with all current hurricane standards, and are energy efficient.
  - **Structural Columns with Inverted Pyramid Capitals** – The original layout of the building included broad expanses of open space punctuated by a grid of structural columns. The layout of the apartments was designed to highlight these columns within living spaces. The interior finishes emphasize the factory nature of the building with exposed concrete ceilings and polished concrete floors.
- **Continued Neighborhood Reinvestment:** The project's market appeal was evidenced in its extensive 1,300+ person waitlist and its achievement of 99% occupancy within a three-and-a-half-month period. Direct outreach and coordination with the City also led to: (i) the extension of the public bike path up to and beyond the development; (ii) soft dollar investments for single family redevelopment in the immediate neighborhood; and (iii) the completion of extensive street repairs by the city.

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#### 3.i. HRI Communities, LLC

##### **HRIC Case Study #6 - River Garden Hope VI Community**

- In 1996, HANO received a HOPE VI grant to revitalize the former St. Thomas Public Housing Development in the Lower Garden District of New Orleans. HRIC was selected as the Master Developer for this Hope VI grant in 1998. Once selected, HRIC aggressively implemented the infrastructure, housing and commercial revitalization creating River Garden, which was the first mixed-use/mixed-finance community in New Orleans.
- In total, the completed \$156.6 million River Garden Hope VI Community includes 773 housing units (700 of which are mixed-income rental units and 73 of which are mixed-income homeownership units), 225,094 square feet of neighborhood retail and a 2.5-acre neighborhood park offering ample green space, trees and pedestrian walkways.





### 3. COMPANY RESUME

#### 3.i. HRI Communities, LLC

##### Achievements:

- **Innovative and Collaborative Master Plan:** HRIC and HCID were tasked with seamlessly integrating different elements of a long-isolated neighborhood into the surrounding historic Lower Garden District through a cohesive new design that would establish a vibrant mixed-use community while maintaining an architectural style compatible with the neighborhood. Community participants included numerous neighborhood groups, residents' councils, neighborhood social organizations, churches, schools, and activists.
- **Community and Supportive Services:** River Garden was the first HOPE VI development performed for HANO and served as a learning experience for all partners involved in the HANO managed Community Self-Sufficiency ("CSS") programing and implementation.
- **Creative Financing and Successful Public/Private Partnership:** Securing Wal-Mart to construct a retail location adjacent to the site allowed for the IDB to issue an additional \$28.0 million in tax-free bonds, which HRIC used to help fund the site's infrastructure and residential construction.
- **Continued Neighborhood Reinvestment:** Prior to redevelopment, the crime-plagued St. Thomas Public Housing project was a deterrent for investment in the surrounding historic Lower Garden District. As soon as the River Garden development activity commenced, the Lower Garden District quickly became an economically thriving and close-knit community that the residents are proud to call home.



### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

**HCI Architecture, Inc. (APC) (“HCIA”)**, an HRIC service company, provides a variety of architectural and interior design services for both HRIC and third-party developers. HCIA was formed in 1995 to work directly with developers, design-builders, as well as community stakeholders, municipalities and other private entities. HCIA provides professional design services; performs property needs assessments; assists in developing project programming; works closely with local, State and Federal agencies; coordinates with consultants and professional services; produces graphic presentation materials for community engagement and marketing purposes; and provides construction administration services.

HCIA employs a design staff of 8 design professionals, including Architects, Interior Designers, Quality Control Managers, and Project Administration. The team enjoys positive working relationships with all major local general/subcontractors and is licensed in Louisiana, Florida, and Pennsylvania. HCIA has completed more than 65 large scale projects consisting of more than 4,300 apartment units, 4,900 hotel rooms, 560 condo units, over a million square feet of office/retail space, and numerous parking structures. Having served as Architect of Record on the vast majority of HRIC’s mixed-income/affordable, mixed-finance developments, HCIA possesses vast experience designing and programming complex projects in accordance with HUD along with state and local housing program requirements. HCIA has extensive experience designing projects to adopt high-quality, energy efficient, sustainable building standards while also ensuring projects enhance the neighborhood and respect the needs and desires of the community.



Hibernia Tower, New Orleans



### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

##### **Comprehensive Design and Construction Planning Overview**

- With HRI being a vertically integrated firm, HRIC and HCIA can offer a hands-on, comprehensive spectrum of design and construction management/oversight services, all equipped with extensive knowledge of mixed-finance and affordable housing program requirements. Coordinated by HRIC and HCIA, thorough on-site investigations and analyses are conducted throughout this pre-development process. Beginning with site and/or structure analysis, the predevelopment team of architects, planners, engineers and other design professionals collaborate with the development team to seamlessly integrate information and identify feasible scenarios for development within the program parameters. Once a direction has been qualified for development, preliminary documents, including a functional program, design drawings and cost estimates for financial modelling are developed. For adaptive reuse projects, this process also involves researching public and private resources for existing building information including as-built drawings, site, structural and environmental surveys, all of which provide critical insight on property conditions guiding future design/construction efforts.



Bienville Basin, New Orleans

### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

- Firmly embracing the value inherent to a participatory collaboration, HRIC and HCIA engage community and project stakeholders in the design and programming process at an early stage to ensure that the finished development reflects meaningful participation and direction from all project team members or interests. Stakeholders include city agencies, community participants, neighborhood/property residents, and can also frequently include local housing authorities, HUD, state agencies, among others.
- HRIC's construction team develops and maintains a project budget and construction schedule in conjunction with the architectural team's design process to allow HRIC ongoing, in-depth knowledge and control of the project's progress. The entire project team, represented by a development project manager, an architectural project manager, and a construction project manager, has a voice and role in bringing the project to fruition. HCIA and the HRIC construction team are integrally involved in the project throughout the predevelopment and construction process, maintaining strong oversight of construction administration. This on-site team of architects and construction managers is dedicated to managing the budget, scope, risk exposure and schedule, as well as general compliance with the intent of the contract documents. This ever-present and best-in-class level of service for quality control assurance and contract/program compliance provided by HRIC/HCIA is not typically offered by traditional development owners or third-party architecture firms but creates immeasurable benefits to ensuring the project's success.
- HCIA offers design and cost evaluation for all possible alternatives and approaches throughout the design and construction processes, further enhancing HRIC's goal of developing on time and within budget.
- HCIA's experience has been highly concentrated on residential projects with historic rehabilitation and blight elimination that have contributed to the revitalization of neighborhoods throughout New Orleans and other cities across the country. In Louisiana alone, these include partnerships with the City such as the CNI developments in the Iberville/Tremé neighborhood, the River Garden HOPE VI Community developments in the Lower Garden District, and the American Can Apartments historic restoration in Mid-City as well as, the Cotton Mill Apartments and Mills Row adaptive reuse projects in the Warehouse District, the Hammond Eastside Apartments, Shreveport's Lee Hardware and United Jewelers Apartments, and the Coca-Cola Bottling Plant (Bottle Art Lofts) in Lafayette.
- HCIA is extremely familiar with affordable and mixed-income housing regulatory processes, housing authorities, and HUD (including environmental requirements and Section 106 of the National Historic Preservation Act). HCIA has worked effectively to satisfy the often-broad range of requirements associated with reviews by City Planning, Stormwater Management,

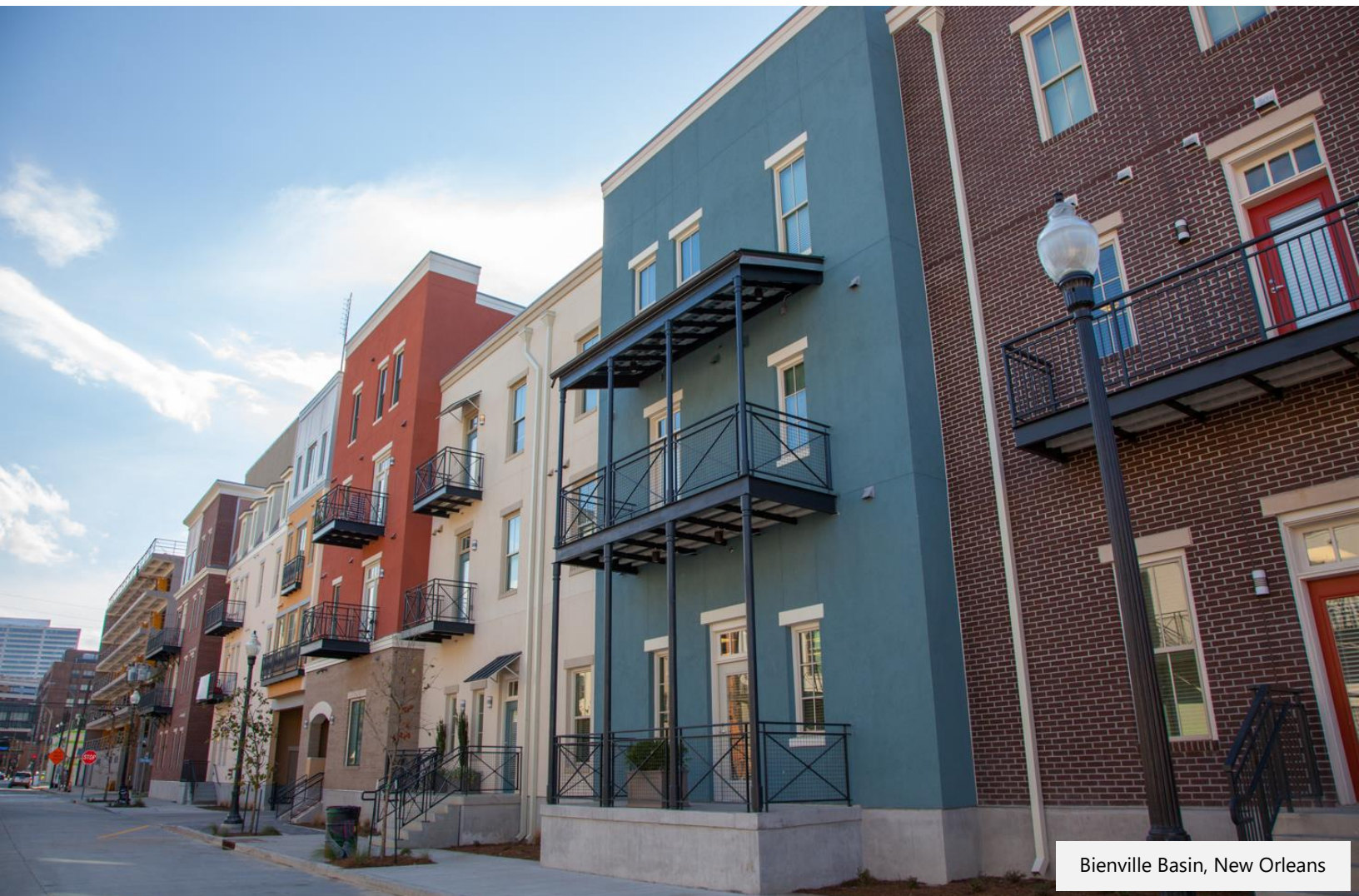


### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

Public Works (Traffic & Infrastructure), Building Permit, and Inspection Departments along with the Louisiana State Historic Preservation Office and local historic agencies. HCIA has also worked cooperatively with the various neighborhood associations throughout the state, involving all interests in the planning process.

- HCIA follows Enterprise's Green Communities Certification Program as the green certification best geared towards multifamily housing. With consideration for the disaster risk profile of multifamily housing in coastal communities and natural disaster-prone areas, HCIA also incorporates environmentally sustainable features and resiliency by employing best practices, such as those comprising the Institute for Business and Home Safety ("IBHS's") FORTIFIED program.



Bienville Basin, New Orleans

### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

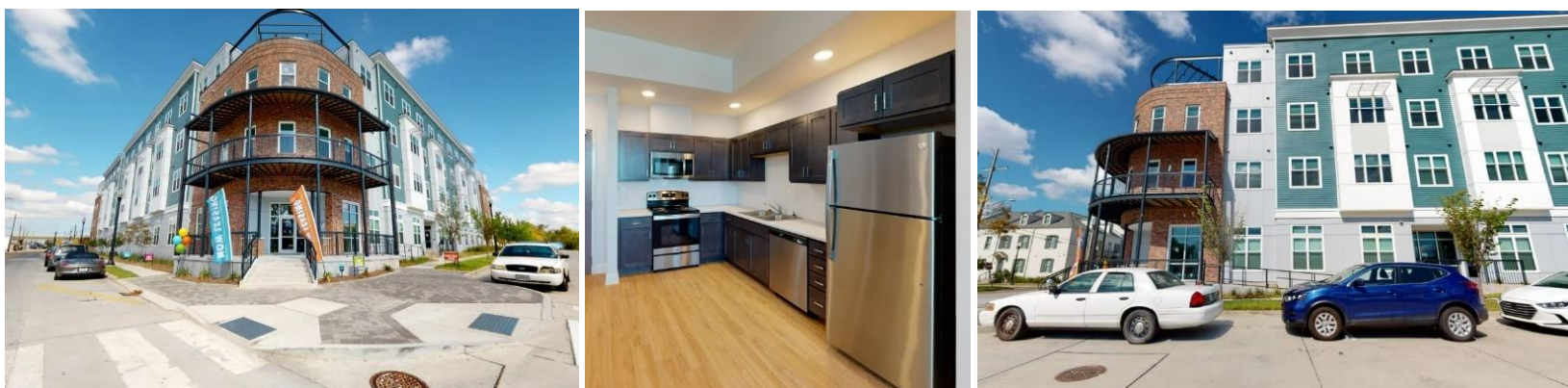
##### **HCIA Case Study #1 – Lemann Store Building - Donaldsonville, LA**

- The \$14.7 million Lemann Art Lofts was completed in July 2022 and includes 42 mixed-income units and totals 55,500 square feet.
- The project includes two buildings on the former site of the Lemann Department Store Buildings:
  - One existing historic building on-site (the 3-story masonry Lemann Building) was rehabilitated and adapted into 30 apartment units.
  - On the site of the existing parking lot, a new 2-story wood framed building was constructed to provide an additional 12 apartment units.



##### **HCIA Case Study #2 – City Square 162 – New Orleans, LA**

- Completed in August 2021, the \$23.2 million City Square 162 consists of 46 market-rate units and 30 affordable units.
- This project is a key component of the Iberville/Tremé Choice Neighborhoods Initiative.
- Prior to its development, the block was a former site of a Winn Dixie grocery store, located at 1501 St. Louis Street in Tremé and shuttered since Hurricane Katrina; The store was demolished and has been redeveloped into 76 units of mixed-income, multi-family housing including new adjacent right-of-way and Lafitte Greenway improvements.



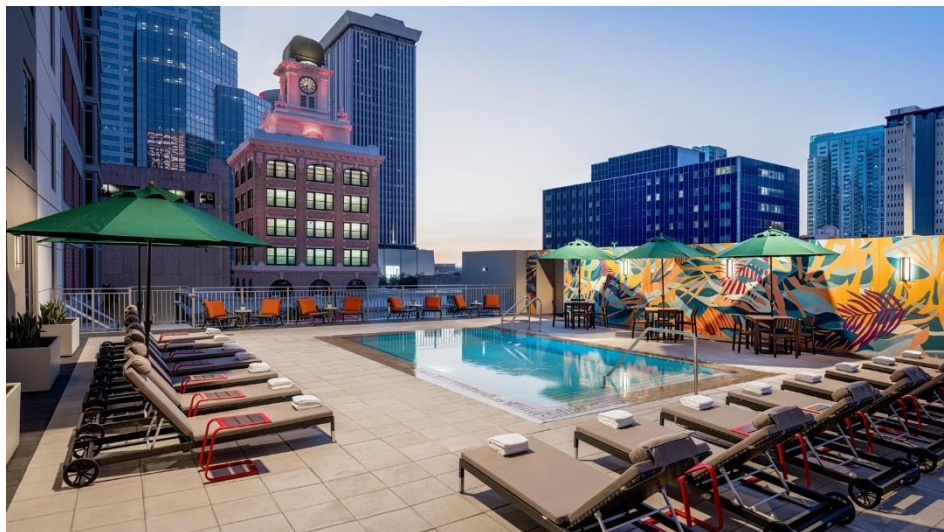


### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

##### **HCIA Case Study #3 – Hyatt House/Hyatt Place – Tampa, FL**

- Completed in February 2020, the \$106 million project includes 336,000 square feet and 345 hotel rooms, a 220-space parking garage and 3,250 square feet of neighborhood retail.
- New construction development on City-owned land in the heart of downtown Tampa; project awarded through an RFP.



### 3. COMPANY RESUME

#### 3.ii. HCI Architecture, Inc.

##### **HCIA Case Study #4 – The Residences at Tremé Market – New Orleans, LA**

- Completed in March 2018, the \$17.9 million project includes 70,000 square feet and 70 affordable senior housing units in the Tremé adjacent to the French Quarter.
- The project includes two offsite Iberville/Tremé housing phases that combine to create 70 total units.
- Redevelopment plans called for renovation of two historic structures and contextual new construction infill on both parcels.





### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

**HRI Management, LLC (“HRIM”)**, an HRI service company, provides residential property management services for both HRI’s residential properties and third-party owned properties. HRIM currently manages 63 properties, which comprise 5,486 units across 5 states and 10 cities. HRIM has a staff of 175 employees including specialists in leasing, operations, tax credit compliance, maintenance and resident services. Unique among property management firms, HRIM brings over 30 years of experience in the successful operation of market-rate, affordable and mixed-income multi-family buildings. With 86% of HRIM’s managed properties offering an affordable or moderate-income mix, HRIM is a market leader in public housing, senior housing, mixed-income, and mixed-finance property management.

Based on decades of impeccable performance and earned confidence, HRIM has long-standing positive relationships with local, State and Federal housing agencies, as well as with many of the world’s leading lending and investing financial institutions. HRIM has a track record of bottom-line property performance masterfully married to a reputation of transparency and fairness with its residents. A substantial portion of HRIM’s New Orleans portfolio opened post-Katrina which has provided its compliance team with experience and mastery in a variety of complicated local, State and the standard Federal affordable or subsidized housing programs. The HRIM team prepares and processes all certifications on site but relies on remote or third-party final approval of all Tenant Income Certifications to ensure the property compliance requirements are achieved.

No stranger to Texas, HRIM has successfully operated 186 apartments in the LTV mixed-use project in downtown Dallas since its opening in 2015 and 215 apartments in the Mayflower Apartments in downtown Dallas since its opening in 2016. HRIM has the pulse of the Texas apartment rental market. If selected to manage and operate the Laurel Plaza and Villa Serena neighborhoods redevelopment, HRIM will be able to leverage its existing infrastructure of programs and professionals in Dallas and will be immediately responsive to market and/or property conditions.



### **3. COMPANY RESUME**

#### **3.iii. HRI Management, LLC**

##### **HRIM's Expertise**

HRIM operates projects in accordance with the highest standards achievable, including staffing, financial management, reporting and administrative duties. With extensive experience managing mixed-income, mixed-use housing projects, HRIM is confident in its ability to provide the following management services:

- Ensure that the property provides a quality and affordable place to live for an economically, racially and ethnically integrated resident population, without regard to race, religion, sex, color, family status, disability status or national origin;
- House responsible residents and maximize occupancy and rent collection efforts;
- Provide effective and timely services to the residents while responsibly maintaining the property, ensuring resident and ownership satisfaction; and
- Maintain effective working relationships with residents, resident associations, local government including the police department, other property owners in the surrounding area, lenders and investors. If needed on occasion, HRIM will provide all residents a voice and respectful audience with the management team through fair grievance procedures and use best efforts to resolve those complaints swiftly and in strict accordance with any applicable fair housing regulations.

##### **Relationships and Reputation**

HRIM has established long-standing, positive relationships with local, State and Federal housing agencies, housing advocates, vendors, lenders, investors and asset managers. While it is imperative that a management firm has strong relationships with various organizations, more importantly, it must have a reputation for generating results. HRIM has a successful track record of bottom-line property performance and a reputation of transparency and fairness with its residents.

##### **Tax Credit Compliance Expertise**

As the in-house management company for a development firm that specializes in mixed-income and mixed-finance properties and with a substantial portion of HRIM's New Orleans portfolio opening post-Katrina, HRIM's compliance team has encountered and mastered a variety of complicated local, State and the standard Federal affordable and subsidized housing programs. HRIM prepares and processes all certifications on-site and through in-house compliance officers but relies on third-party final approval of all Tenant Income Certifications to ensure the property compliance requirements are achieved.



### **3. COMPANY RESUME**

#### **3.iii. HRI Management, LLC**

##### **Diverse Location and Property Types**

HRIM manages a significant and diverse portfolio of properties. This inventory of properties allows HRIM property managers and leasing staff to refer prospective families to other HRIM sites if their property lacks unit availability or if the family does not meet regulatory/compliance qualifications. This “critical mass” of diverse unit types has resulted in positive outcomes for many vulnerable families that otherwise may not have secured housing. Property owners are also able to “share” marketing costs by offering rental opportunities in various locations to prospective residents.

##### **Team/Staff**

HRIM is fortunate to have an outstanding roster of 175 team members. HRIM is able to attract and retain the best talent in all of its markets by offering competitive salaries, an excellent benefits package, and diverse training. HRIM offers internal growth opportunities within HRI and encourages and supports staff to participate in both the Institute of Real Estate Management (I.R.E.M.) and National Apartment Association (N.A.A.) training. HRIM employees feel they are part of a company that makes a difference in the community and that impacts their performance and their decision to stay and grow with HRIM.

### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

##### HRIM Senior Housing Management Portfolio

HRIM is a leading property management company that has been operating and managing very low-income senior housing properties for over 30 years. HRIM understands not only the obvious but also the hidden complexities of managing independent living facilities and has extensive experience stewarding units with operating subsidy. HRIM currently manages 10 senior housing properties summarized below:

| Property                                  | Manage Start Year | City/State      | Property Type               | # of Senior Units | PBV Units             |
|-------------------------------------------|-------------------|-----------------|-----------------------------|-------------------|-----------------------|
| Residences at Tremé Market (1601 Orleans) | 2016              | New Orleans, LA | Historic + New Construction | 33                | 31 HANO PBV<br>2 PSH  |
| Residences at Tremé Market (1508 Orleans) | 2016              | New Orleans, LA | Historic + New Construction | 35                | 33 HANO PBV<br>2 PSH  |
| Bienville Basin Elderly Apartments        | 2015              | New Orleans, LA | New Construction            | 51                | 51 HANO PBV           |
| Marais Apartments                         | 2014              | New Orleans, LA | Historic                    | 112               | 106 HANO PBV<br>6 PSH |
| Bonne Terre Village II                    | 2010              | Houma, LA       | New Construction            | 64                | 10 PSH                |
| River Garden Elderly Apartments           | 2006              | New Orleans, LA | New Construction            | 57                | 57 HANO PBV           |
| Bonne Terre Apartments                    | 1995              | Houma, LA       | New Construction            | 51                | 4 PSH                 |
| School Days Apartments                    | 1995              | New Iberia, LA  | Historic                    | 65                | 16 PSH                |
| Redemptorist Elderly Apartments           | 1990              | New Orleans, LA | Historic                    | 107               | 101 HANO PBV<br>6 PSH |
| Flint Goodridge Elderly Apartments        | 1990              | New Orleans, LA | Historic                    | 89                | 89 HANO PBV           |
| <b>Total</b>                              |                   |                 |                             | <b>664</b>        | <b>514</b>            |

### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

#### HRIM Special Needs Housing Management Portfolio

HRIM's portfolio includes 35 properties with 211 Permanent Supportive Housing units and 3 properties with 106 Shelter Plus Care units, all of which require sensitive and effective coordination of property management activities with the project based rental assistance and supportive services on which most of these households are dependent.

| Property                                  | Manage Start Year | City/State         | # of Units   | PSH Units  | Shelter+ Care Units |
|-------------------------------------------|-------------------|--------------------|--------------|------------|---------------------|
| Woodring Apartments Phase II              | 2023              | Lake Charles, LA   | 40           | 2          | -                   |
| St. Bernard Circle Apartments             | 2023              | New Orleans, LA    | 51           | 3          | -                   |
| Woodring Apartments Phase I               | 2023              | Lake Charles, LA   | 70           | 4          | -                   |
| Grove Place Apartments                    | 2022              | New Orleans, LA    | 32           | 11         | -                   |
| Lemann Art Lofts                          | 2022              | Donaldsonville, LA | 42           | 3          | -                   |
| Hammond Station Apartments                | 2022              | Hammond, LA        | 67           | 6          | -                   |
| Bottle Art Lofts Phase II                 | 2022              | Lafayette, LA      | 65           | 6          | -                   |
| Roman-Bienville                           | 2022              | New Orleans, LA    | 31           | 2          | -                   |
| GO Mondy                                  | 2022              | New Orleans, LA    | 35           | 3          | -                   |
| Lafitte-Treme Cottages                    | 2021              | New Orleans, LA    | 31           | 2          | -                   |
| Bottle Art Lofts Phase I                  | 2020              | Lafayette, LA      | 40           | 2          | -                   |
| New Hammond Eastside Apartments           | 2019              | Hammond, LA        | 28           | 4          | -                   |
| Blueberry Hill Homes                      | 2019              | New Orleans, LA    | 45           | 3          | -                   |
| Residences at Tremé Market (1601 Orleans) | 2016              | New Orleans, LA    | 33           | 2          | -                   |
| Bienville Basin Phases I-VI               | 2015              | New Orleans, LA    | 626          | 42         | -                   |
| Marais Apartments                         | 2014              | New Orleans, LA    | 112          | 7          | -                   |
| Sacred Heart Apartments                   | 2014              | New Orleans, LA    | 109          | -          | 55                  |
| Dr. Everett and Melva Williams Apartments | 2013              | New Orleans, LA    | 42           | -          | 21                  |
| Blue Plate Artist Lofts                   | 2012              | New Orleans, LA    | 72           | 4          | -                   |
| Bywater Phase 2 Artist Lofts              | 2012              | New Orleans, LA    | 30           | 3          | -                   |
| Hibernia Tower Apartments                 | 2012              | New Orleans, LA    | 175          | 2          | -                   |
| Rosa F. Keller Apartments                 | 2012              | New Orleans, LA    | 60           | -          | 30                  |
| Barataria Station II                      | 2012              | Houma, LA          | 43           | 5          | -                   |
| Barataria Station I                       | 2011              | Houma, LA          | 57           | 3          | -                   |
| Bonne Terre Village II                    | 2010              | Houma, LA          | 64           | 9          | -                   |
| Aloysius Apartments                       | 2010              | New Orleans, LA    | 49           | 5          | -                   |
| Cypress Apartments II                     | 2009              | New Orleans, LA    | 48           | 3          | -                   |
| Nine 27 Apartments                        | 2009              | New Orleans, LA    | 76           | 4          | -                   |
| River Garden Phase II                     | 2009              | New Orleans, LA    | 310          | 16         | -                   |
| Cypress Apartments I                      | 2008              | New Orleans, LA    | 51           | 9          | -                   |
| River Garden Phase I                      | 2005              | New Orleans, LA    | 296          | 12         | -                   |
| Lee Hardware & United Jewelers            | 2002              | Shreveport, LA     | 109          | 8          | -                   |
| Bonne Terre Village I                     | 1996              | Houma, LA          | 51           | 10         | -                   |
| School Days Apartments                    | 1995              | New Iberia, LA     | 65           | 16         | -                   |
| Redemptorist Apartments                   | 1990              | New Orleans, LA    | 107          | 3          | -                   |
| <b>Total</b>                              |                   |                    | <b>3,197</b> | <b>211</b> | <b>106</b>          |



### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

#### HRIC/HRIM Owned and Managed Portfolio



River Garden Phase I  
New Orleans, LA  
296 Apartments



River Garden Phase II  
New Orleans, LA  
310 Apartments



River Garden Elderly Apartments  
New Orleans, LA  
57 Apartments



River Garden Historic Apartments  
New Orleans, LA  
37 Apartments



Bywater Art Lofts  
New Orleans, LA  
37 Apartments



Bywater Art Lofts Phase II  
New Orleans, LA  
30 Apartments



Blue Plate Artist Lofts  
New Orleans, LA  
72 Apartments



Marais Apartments  
New Orleans, LA  
112 Apartments



Tremé Market Residences  
New Orleans, LA  
68 Apartments



Flint-Goodridge Apartments  
New Orleans, LA  
89 Apartments



Redemptorist Apartments  
New Orleans, LA  
107 Apartments



### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

#### HRIC/HRIM Owned and Managed Portfolio



Bienville Basin Phase I – VII Apartments  
New Orleans, LA  
682 Apartments



Aloysius Apartments  
New Orleans, LA  
49 Apartments



Nine27 Apartments  
New Orleans, LA  
76 Apartments



St. Bernard Circle  
New Orleans, LA  
51 Apartments



Bonne Terre Village I  
Houma, LA  
55 Apartments



Bonne Terre II  
Houma, LA  
64 Apartments



Barataria Station I  
Houma, LA  
57 Apartments



Barataria Station II  
Houma, LA  
43 Apartments



### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

#### HRIC/HRIM Owned and Managed Portfolio



Bottle Art Lofts Phase I  
Lafayette, LA  
40 Apartments



Bottle Art Lofts Phase II  
Lafayette, LA  
65 Apartments



Hammond Station Apartments  
Hammond, LA  
67 Apartments



Hammond Eastside Apartments  
Hammond, LA  
28 Apartments



School Days Apartments  
New Iberia, LA  
55 Apartments



Lee Hardware / United Jewelers  
Shreveport, LA  
109 Apartments



Woodring Apartments Phase I  
Lake Charles, LA  
70 Apartments



Woodring Apartments Phase II  
Lake Charles, LA  
40 Apartments



Capitol Art Lofts  
Jackson, MS  
31 Apartments



LTV Tower  
Dallas, TX  
186 Apartments



Miller & Rhoads Residences  
Richmond, VA  
111 Apartments



### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

#### HRIM Managed Portfolio



Hibernia Tower Apartments  
New Orleans, LA  
175 Apartments



Gravier Place Apartments  
New Orleans, LA  
132 Apartments



DH Holmes Apartments  
New Orleans, LA  
97 Apartments



The Strand Apartments  
New Orleans, LA  
192 Apartments



Cypress Manor I  
New Orleans, LA  
51 Apartments



Cypress Manor II  
New Orleans, LA  
48 Apartments



Palmetto Apartments  
New Orleans, LA  
124 Apartments



Woodward Lofts  
New Orleans, LA  
192 Apartments



Sacred Heart Apartments  
New Orleans, LA  
109 Apartments



The Dr. Everett & Melva Williams Building  
New Orleans, LA  
42 Apartments



Rosa F Keller Apartments  
New Orleans, LA  
60 Apartments



### 3. COMPANY RESUME

#### 3.iii. HRI Management, LLC

#### HRIM Managed Portfolio



Liberty Place Apartments  
New Orleans, LA  
35 Apartments



Go Mondy School Apartments  
New Orleans, LA  
35 Apartments



Blueberry Hill Homes  
New Orleans, LA  
42 Apartments



Roman Bienville Apartments  
New Orleans, LA  
31 Apartments



Grove Place Apartments  
New Orleans, LA  
32 Apartments



Faubourg Lafitte Apartments  
New Orleans, LA  
437 Apartments



Lemann Art Lofts  
Donaldsonville, LA  
42 Apartments



The Mayflower  
Dallas, TX  
215 Apartments



Cupples Apartments  
St. Louis, MO  
131 Apartments



Kind Edward Apartments  
Jackson, MS  
64 Apartments



Standard Life Flats  
Jackson, MS  
76 Apartments

### 3. COMPANY RESUME

#### 3.iv. Elkins, PLC

**Elkins, PLC – Housing Development/Tax Counsel** (“Elkins”) sits at the forefront of legal representation in real estate projects at the local, state and national levels. Elkins’ real estate practice spans the development of residential, mixed-use, commercial and resort properties as well as the acquisition, disposition, financing and leasing of real estate projects. Elkins represents developers, investors and lenders in secured and unsecured financing transactions, including construction, permanent and mezzanine financing. Their understanding of the legal, tax and financing considerations unique to real estate development allows them to advise clients from initial inception to exit, including structuring of financing, treatment of tax considerations, compliance with local, state and federal laws, land use and zoning compliance and variations, construction law and leasing matters. Elkins has extensive expertise in public/private partnership developments, having served as real estate, tax, financing and development counsel for some of the largest projects in New Orleans, including the World Trade Center Redevelopment, the Saenger Theatre, the Maison Blanche/Ritz-Carlton Development, D.H. Holmes Building with its Annex as well as the St. Thomas and Iberville Housing Redevelopments.

Elkins has significant expertise in the acquisition, development, financing and syndication of both market rate and affordable housing for low and moderate-income families, as well as the elderly and handicapped. Including a specialization in public/private long-term property leases, many of Elkins’ projects involve utilization of tax-exempt financing, federal and state historic and low-income housing tax credits, and often utilize financing through HUD and Rural Housing Service programs, including the redevelopment of public housing under the HOPE VI and CNI programs. In addition to a heavy concentration of projects in the New Orleans area, the firm represents both a national and state-wide real estate client base.

Elkins provides legal counsel to clients developing projects utilizing bonds, including project structuring, IDB lease-back transactions, project financing, negotiations with banking institutions and governmental entities, real estate and tax issues involved in the acquisition, tax increment financing, construction and operation of the project. Elkins routinely negotiates with both domestic and foreign financial institutions; federal, state and local governmental and administrative agencies; commercial finance companies; institutional lenders and privately held equity investors.

Elkins is widely recognized for its work with Historic Rehabilitation Tax Credits with more than 30 years of experience in representing owners, developers, investors and lenders on projects throughout the U.S. that rely upon Federal and State Historic Rehabilitation Tax Credits as an integral part of their financing structure, equating to billions of dollars of development. Elkins provides comprehensive services to clients involved with the development and restoration of



### 3. COMPANY RESUME

#### 3.iv. Elkins, PLC

historic properties, including structuring of financing, negotiations with tax credit investors, real estate and tax issues involved in the acquisition, construction, placement in service, operation and exit strategies for historic projects.

**St. Charles Title Corporation** is an affiliate of Elkins and serves as an agent for First American Title Insurance Company, Lawyers Title Insurance Corporation and Fidelity National Title Insurance Company of New York. St. Charles Title Corporation provides lenders, owners and leasehold title insurance coverage for commercial real estate projects throughout Louisiana, assists in the placement of title insurance in other states and provides escrow services for real estate and other commercial transactions throughout the United States. St. Charles Title Corporation has completed title examination for several housing developments owned by HANO with City interests in rights of way including Florida, Fischer, Guste and Iberville.

#### Elkins Sample Projects



Sinclair Building



Plaza Hotel



1401 Elm



Liberty Title



Iberville Revitalization



LTV Building



New Orleans Jazz Market



225 Baronne



World Trade Center



Capitol Art Lofts



411 N. Akard



Statler Hilton and Residences



McDonogh 16 Redevelopment



Saenger Theater



Second Line Stages



Hibernia Towers



Tableau



Carver Theater



Mid City Market



Civic Lofts & Theater



Blue Plate Lofts



The Preserve



Columbia Parc



Aloysius Apartments



Roosevelt Hotel



Habitat for Humanity



Texaco Building



National WWII Museum



Union Lofts



Saratoga



Healing Center



The Saint Hotel



### 3. COMPANY RESUME

#### 3.v. Klein Hornig, LLP

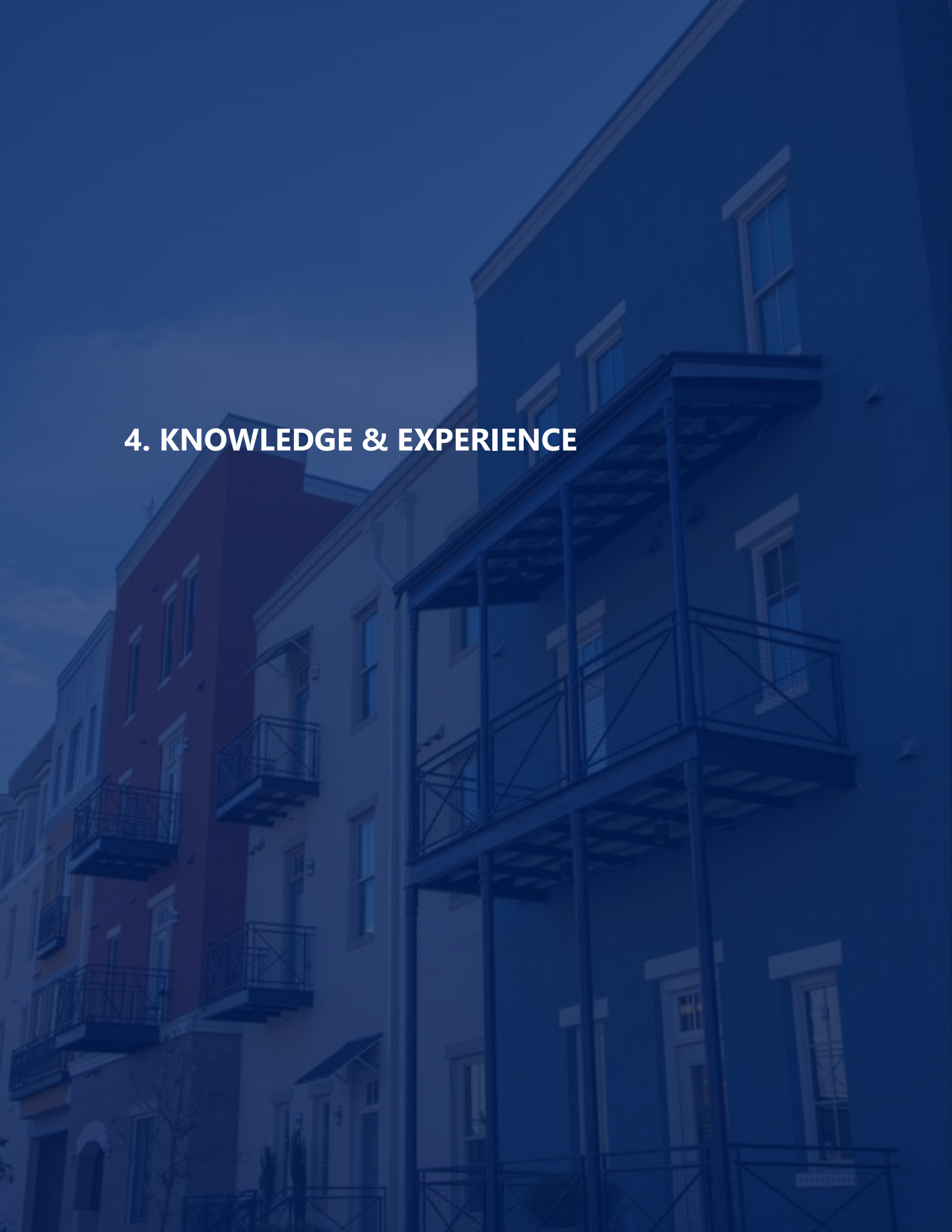
Klein Hornig, LLP (“Klein Hornig”) is one of the nation’s premier firms concentrating exclusively on affordable housing and community development. They focus on structuring, managing and closing all types of multilayered affordable housing and community development transactions for both new construction and preservation. Klein Hornig is dedicated to developing and preserving affordable housing and to revitalizing communities with legal solutions that are smart, efficient and durable.

Klein Hornig serve clients ranging from local CDCs and housing authorities to national developers and syndicators. Their clients’ projects pose multiple challenges, from combining novel financing sources, to navigating regulatory pitfalls, to solving difficult "dirt law" issues. At Klein Hornig, attorneys approach legal challenges with a broad perspective and are able to access nationally respected expertise within the firm for particular issues.

Klein Hornig understands that technical expertise alone is of little use unless effectively delivered and usefully integrated into a client’s decision-making process. They know that their services are of value only when they translate to better housing and community institutions built more efficiently, and Klein Hornig attorneys have the skills to help clients accomplish this. The firm’s lawyers know when to create and apply a cutting-edge solution, but they also know when a tried-and-true answer would be just as effective and more efficient. Klein Hornig knows when to assert their client’s interests aggressively and when to seek common ground.

Klein Hornig lawyers never lose sight of what they and their clients are working to create – not paper, but affordable housing and community institutions for real people.





## **4. KNOWLEDGE & EXPERIENCE**



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects



HRIC is extremely familiar with redeveloping public housing projects and the requirements applicable to mixed-finance projects utilizing public housing capital funds and operating subsidy. HRIC has completed nine mixed-finance development projects that have utilized public housing funding including capital funds, CNI grant funds, and HOPE VI grant funds. These nine projects are included in the Iberville/Tremé Choice Neighborhoods Community and the River Garden HOPE VI Community in New Orleans. Not only is HRIC extremely familiar with public housing requirements but having just recently participated as the lead Housing Implementation Entity for a 2023-awarded CNI Application in Lake Charles, LA, HRIC is well versed in the most recent requirements and scoring preferences set forth in the latest CNI Notice of Funding Opportunity (NOFO). HRI Management, LLC, HRIC's affiliated management company, is a market leader in mixed-finance and public-housing property management with 11 properties containing 550 public housing units in its portfolio. The following sections provide a comprehensive overview of HRIC's development experience with the Iberville/Tremé Choice Neighborhoods Community and the River Garden HOPE VI Community.



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### Iberville/Tremé Choice Neighborhoods Community

Under a \$30.5 million Choice Neighborhoods Initiative (“CNI”) grant awarded by the U.S. Department of Housing and Urban Development to the City of New Orleans and the Housing Authority of New Orleans (“HANO”) in 2011, HRIC was selected through an RFP process as a co-developer of New Orleans’ Iberville/Tremé Choice Neighborhoods Initiative community redevelopment. Having spanned over 10 years, HRIC’s overall community transformation includes to date the completion of the mixed-income onsite redevelopment along with several offsite developments. **This progress not only boasts tremendous achievements in blight elimination and community revitalization, but notably leads CNI projects nationwide across all program goals** and is near achieving CNI’s goal of deconcentrating poverty through replacing the 821 original Iberville public housing units 1-for-1 with units developed both on the former public housing site and offsite throughout the Iberville/Tremé neighborhood.

**\$30.5M**

CNI Implementation  
Grant secured

**\$431.9M**

Development  
financing secured

**\$292M**

Private financing  
secured

**973**

Mixed-income units  
created

**515**

CNI replacement units  
created by HRIC\*

**\$4.4B**

Of continued neighborhood  
investment achieved



\*A total of 763 CNI replacement units have been created by HRIC and third-party developers

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### **History of Iberville**

The Iberville Public Housing site was originally home to New Orleans's redlight district, Storyville, in the early 1900s. Storyville is argued to be the birthplace of jazz but was also infamous for prostitution and violence. Prostitution was made illegal in 1917 and by 1940, most of Storyville's buildings had been leveled. In 1942, 821 public housing units were built on the 23-acre site within 75 buildings. When HANO and the City of New Orleans applied for the CNI grant in 2011, Iberville's 821 public housing units were approximately 50% occupied and 100% "substandard." The project was adjacent to but completely isolated from the vitality of the Central Business District, French Quarter, and Biomedical District and was in desperate need of redevelopment and revitalization.



In March 2019, HRIC completed the seven-phased Iberville/Tremé Onsite redevelopment, comprehensively transforming the long-blighted, 23-acre former Iberville Public Housing Development into a vibrant, mixed-use, mixed-income community, now referred to as Bienville Basin. The redevelopment of the Iberville site included: preservation and rehabilitation of 15 historic 3-story brick buildings; new construction of 3-story townhouses over flats, 4-story multifamily buildings, ground floor retail and community space; reintroduction of the street grid lost long ago to right of way demolition in 1940, and construction of new utilities and public rights of way throughout the site; incorporation of community green-space and parks; protection and preservation of historic live oak trees; as well as design and construction per sustainability standards of Energy Star, Enterprise Green Communities, and LEED ND. The Onsite redevelopment created 682 total units, which includes 304 CNI public housing replacement units.

As part of the 1-for-1 replacement unit requirement under the CNI program, the Choice Neighborhoods community also includes several mixed-income housing developments located offsite and throughout the Iberville/Tremé neighborhood, which have created an additional 291 units, including 211 CNI replacement units.

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### Iberville/Tremé CNI Community HRIC Onsite and Offsite Development Summary

|        | Onsite Phase                                                                     | Unit Count | Income Mixing                                                                     | Development Sources                                                                                                                                                                                                       | Equity Investor                                                                           | TDC     | Closing | Complete |
|--------|----------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------|---------|----------|
| Onsite | Master Planning / Demolition / Infrastructure / Public Right of Way Improvements | -          | -                                                                                 | City CDBG: \$4.5M;<br>HANO RHF: \$13.4M<br><b>Total: \$17.9M</b>                                                                                                                                                          | -                                                                                         | \$17.9M | 2013    | 2018     |
|        | Housing Phase I                                                                  | 152        | Public housing (CNI replacement units): 56;<br>LIHTC only: 44;<br>Market rate: 52 | First mortgage: \$4.8M;<br>LIHTC equity: \$14M;<br>HTC equity: \$3.4M;<br>State CDBG: \$12.5M;<br>HANO Seller's Note: \$1.2M;<br>HANO CNI: \$2.2M;<br>HANO RHF: \$5.5M<br><b>Total: \$43.6M</b>                           | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$43.6M | Dec-13  | Jul-15   |
|        | Housing Phase II                                                                 | 75         | Public housing (CNI replacement units): 29;<br>LIHTC only: 5;<br>Market rate: 41  | First mortgage: \$3.6M;<br>LIHTC equity: \$6.7M;<br>HTC equity: \$3.4M;<br>City HOME Funds: \$1.3M;<br>State CDBG: \$1M;<br>HANO Seller's Note: \$0.8M;<br>HANO CNI: \$1.0M;<br>HANO RHF: \$4.4M<br><b>Total: \$22.2M</b> | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$22.2M | Dec-13  | Jul-15   |



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

|        | Onsite Phase      | Unit Count | Income Mixing                                                               | Development Sources                                                                                                                                                                                                                                    | Equity Investor                                                                           | TDC     | Closing | Complete |
|--------|-------------------|------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------|---------|----------|
| Onsite | Housing Phase III | 105        | Public housing (CNI replacement units): 42; Market rate: 63                 | First mortgage: \$5.1M;<br>LIHTC equity: \$10M;<br>HTC equity: \$1.9M;<br>State CDBG: \$1M;<br>HANO Seller's Note: \$0.6M;<br>HANO CNI: \$4.2M;<br>HANO RHF: \$7.4M;<br>HANO Program Income: \$1.5M<br><b>Total: \$31.7M</b>                           | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$31.7M | Dec-14  | Jun-16   |
|        | Housing Phase IV  | 164        | Public housing (CNI replacement units): 98; LIHTC only: 49; Market rate: 17 | First mortgage: \$6M;<br>LIHTC equity: \$15M;<br>HTC equity: \$1.9M;<br>City HOME Funds: \$1.4M;<br>State CDBG: \$1.5M;<br>HANO Seller's Note: \$2.1M;<br>HANO CNI: \$8.9M;<br>HANO RHF: \$8.2M<br><b>Total: \$45.0M</b>                               | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$45.0M | Nov-15  | Jun-17   |
|        | Housing Phase V   | 80         | Public housing (CNI replacement units): 28; LIHTC only: 4; Market rate: 48  | First mortgage: \$5M;<br>LIHTC equity: \$7.7M;<br>HTC equity: \$1.9M;<br>City HOME Funds: \$0.5M;<br>State CDBG: \$1M;<br>HANO Seller's Note: \$0.6M;<br>HANO CNI: \$1.7M;<br>HANO RHF: \$5.4M;<br>HANO Program Income: \$45k<br><b>Total: \$23.8M</b> | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$23.8M | Dec-16  | Mar-18   |

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

|        | Onsite Phase        | Unit Count | Income Mixing                                                                  | Development Sources                                                                                                                                                                                                                                                                                                                 | Equity Investor                                                                           | TDC             | Closing | Complete |
|--------|---------------------|------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|---------|----------|
| Onsite | Housing Phase VI    | 50         | Public housing (CNI replacement units): 20; LIHTC only: 30                     | First mortgage: \$0.8M;<br>LIHTC equity: \$7.7M;<br>HTC equity: \$2M;<br>City HOME Funds: \$1.5M;<br>State CDBG: \$1M;<br>HANO Seller's Note: \$0.6M;<br>HANO CNI: \$1.7M;<br>HANO RHF: \$1M<br><b>Total: \$16.3M</b>                                                                                                               | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$16.3M         | Dec-16  | Apr-18   |
|        | Housing Phase VII   | 56         | Public housing (CNI replacement units): 31; LIHTC only: 19; Market rate: 6     | First mortgage: \$1M;<br>LIHTC equity: \$5.5M;<br>HTC equity: \$0.6M;<br>State CDBG: \$2.7M;<br>HANO Seller's Note: \$1.2M;<br>HANO RHF: \$8M<br><b>Total: \$18.9M</b>                                                                                                                                                              | LIHTC & Federal HTC investor:<br>US Bank<br><br>State HTC investor:<br>Stonehenge Capital | \$18.9M         | Dec-17  | Mar-19   |
|        | <b>Total Onsite</b> | <b>682</b> | Public housing (CNI replacement units): 304; LIHTC only: 151; Market rate: 227 | First mortgage: \$26.3M;<br>LIHTC equity: \$66.6M;<br>HTC equity: \$15M;<br>City CDBG/HOME: \$9.2M;<br>State CDBG: \$20.7M;<br>HANO Seller's Note: \$7.1M;<br>HANO CNI: \$19.7M;<br>HANO RHF: \$53.3M<br>HANO Program Income: \$1.5M<br><b>Total Permanent Sources: \$219.4M</b><br><b>Additional Construction Financing: \$80M</b> |                                                                                           | <b>\$219.4M</b> | Dec-13  | Mar-19   |

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

|         | Offsite Development        | Unit Count | Income Mixing                                                               | Development Sources                                                                                                      | Equity Investor                                                                                                  | TDC     | Closing | Complete |
|---------|----------------------------|------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------|---------|----------|
| Offsite | Rosa F. Keller Apts.       | 60         | Public housing (CNI replacement units): 15; LIHTC only: 45                  | LIHTC equity: \$6.4M; City HOME funds: \$1.9M; State CDBG: \$8.5M<br><b>Total: \$16.8M</b>                               | U.S. Treasury Section 1602 Exchange Funds                                                                        | \$16.8M | Dec-10  | Apr-12   |
|         | Marais Apartments          | 112        | Public housing (CNI replacement units): 112<br>* Senior building            | First mortgage: \$2.7M; LIHTC equity: \$12.1M; HTC equity: \$10.5M; State CDBG: \$9.5M<br><b>Total: \$34.8M</b>          | LIHTC investor: AEGON<br><br>Federal HTC Investor: JP Morgan Chase<br><br>State HTC investor: Stonehenge Capital | \$34.8M | Nov-12  | May-14   |
|         | Residences at Tremé Market | 68         | Public housing (CNI replacement units): 68<br>* Senior building             | First mortgage: \$2M; LIHTC Equity: \$14.2M; HTC Equity: \$1.3M; State TCAP: \$2.4M<br><b>Total: \$19.9M</b>             | LIHTC & Federal HTC investor: US Bank<br><br>State HTC investor: Stonehenge Capital                              | \$19.9M | Nov-16  | Feb-18   |
|         | St. Bernard Circle         | 51         | Public housing (CNI replacement units): 16; LIHTC only: 24; Market rate: 11 | First mortgage: \$2M; LIHTC/45L equity: \$14.2M; City HOME: \$6M; Ford Foundation Funds: \$0.5M<br><b>Total: \$22.7M</b> | LIHTC & 45L investor: Hudson Housing                                                                             | \$22.7M | Oct-23  | Q1 2025  |



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

|                      |            |  |                                                                                          |                                                                                                                                                                                                                                                                                     |                  |               |                |
|----------------------|------------|--|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|----------------|
|                      |            |  | Public housing<br>(CNI replacement units):<br>211;<br>LIHTC only: 69;<br>Market rate: 11 | First mortgage: \$6.7M;<br>LIHTC/45L equity: \$46.9M;<br>HTC equity: \$11.8M;<br>City HOME: \$7.9M<br>State CDBG/TCAP: \$20.4M<br>Ford Foundation Funds: \$0.5M<br><b>Total Permanent Sources:</b><br><b>\$94.2M</b><br><b>Additional Construction</b><br><b>Financing: \$38.3M</b> |                  |               |                |
| <b>Total Offsite</b> | <b>291</b> |  |                                                                                          |                                                                                                                                                                                                                                                                                     | <b>\$94.2.5M</b> | <b>Dec-10</b> | <b>Q1 2025</b> |

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### Onsite Infrastructure / Public Rights of Way Improvements

Reestablishing the historic street grid and corresponding infrastructure throughout the site was the essential first step in revitalizing the distressed Iberville Onsite neighborhood. Aiming to reverse the unfortunate isolation of this community resulting from right of way demolition in 1940, this effort physically reconnected the Iberville neighborhood with the City for the first time in 80 years. An enormous effort, this early site prep and infrastructure scope of work included: (i) removing 57 of the 73 existing two and three-story brick buildings using deconstruction techniques to enact architectural/building material salvage plans; (ii) abatement and stabilization of 16 historic buildings to be rehabilitated and modernized in accordance with the US Department of Interior's Standards for Historic Rehabilitation under the review of both State Historic Preservation Office ("SHPO") and the National Park Service ("NPS"); (iii) reintroduction of the street grid with construction of new utilities and public rights of way throughout the site; (iv) protection, treatment, and preservation for dozens of 100+ year old live oak trees; and (v) archeological analysis and data recovery excavations of the site required by the SHPO. HRI performed all of these services through several Additional Services Agreements ("ASAs") with HANO to manage and oversee these efforts for master planning, demolition, site prep, infrastructure design and infrastructure implementation.

The ASA work spanned three years with sources of funding as follows:

|                   |                     |
|-------------------|---------------------|
| City of N.O. CDBG | \$4,500,000         |
| HANO – RHF        | <u>13,400,000</u>   |
| <b>Total</b>      | <b>\$17,900,000</b> |

*Storyville District Before Iberville:  
Historic Continuation of City Street Grid (Shown in orange)*



*Iberville Housing Project:  
Interconnecting Street Grid Demolished*





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### Onsite Housing Program: Iberville Phase I - VII



Undertaken on a schedule often overlapping with general site preparation work also performed by HRIC under the ASAs, the now complete Iberville Onsite housing redevelopment consisted of seven phases and created 682 mixed-income apartments, ground floor retail and community space within the 15 rehabilitated historic Iberville buildings as well as within the new construction of 2 and 3-story townhouses, 3 and 4-story multifamily structures, and a 4-story mixed-use structure. The newly constructed buildings utilized varied local architectural details and scale to give the new development the organic feel of a place that has evolved over decades. Furthermore, the combination of new construction and rehabilitation ensured that the revitalized site

The sources of funds for Iberville Onsite Housing Phases I—VII follow:

|                                       |                      |
|---------------------------------------|----------------------|
| Permanent First Mortgage              | \$26,300,000         |
| LIHTC Equity                          | 66,600,000           |
| Federal and State HTC Equity/Proceeds | 15,000,000           |
| City of New Orleans HOME/CDBG         | 4,700,000            |
| State CDBG                            | 20,700,000           |
| HANO CNI/RHF/Program Income           | <u>68,200,000</u>    |
| <b>Total</b>                          | <b>\$201,500,000</b> |



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

maintained a physical link with its important history. A truly mixed-income development, the completed Iberville Onsite redevelopment contains 227 ACC public housing replacement units (33.3% of total units), 77 project-based public housing replacement units (11.3% of total units), 151 unassisted workforce tax credit units (22.1% of total units) and 227 market rate units (33.3% of total units). The site redevelopment program was designed by Manning Architects with HCI Design, LLC (“HCID”) in partnership with elected representation of former Iberville residents and other community stakeholders. Capitalizing on its high traffic and visible location along the Basin Street corridor, retail space provides business opportunities for local and Section 3 businesses. These tenants include Magnolia Yoga (MBE/WBE) and Backatown Coffee Parlour (MBE). Vertical construction onsite began in December 2013 and was completed in March 2019. All phases were completed on time and within budget, with several phases experiencing project savings.

The Iberville Onsite redevelopment phases, all successful mixed-finance partnerships between HUD, LHC/OCD, HANO, the City of New Orleans and HRI, leveraged public funding sources to secure \$107.9M of private permanent sources and \$80M of construction financing. Additionally, while not a source for development, Payment in Lieu of Taxes (“PILOT”) abatements were generated through a lease structure to the New Orleans Industrial Development Board (“IDB”).



### Onsite green spaces and community outdoor amenities



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### HRIC Off-site Housing Program to Date



#### Rosa F. Keller Apartments

- Transformation of a blighted inn into 60 affordable and supportive housing units;
- Created 15 CNI replacement units;
- Co-developed with Common Ground Community and UNITY of Greater New Orleans as owner and social services provider;
- Total development cost: \$16.8M;
- Completed in April 2012.



#### Marais Apartments

- Transformation of the historic and blighted Texaco Building in downtown New Orleans into 112 senior residences;
- Created 112 CNI replacement units;
- Total development cost: \$34.8M;
- Completed in May 2014.



#### Residences at Tremé Market

- Two historic redevelopments with new construction components into a total of 68 senior apartments;
- Created 68 CNI replacement units;
- Total development cost: \$19.9M;
- Completed in February 2018.



#### St. Bernard Circle

- New construction, resilient, mixed-income community in the heart of New Orleans 7<sup>th</sup> Ward;
- Creating 16 CNI replacement units;
- Total development cost: \$22.7M;
- Under construction with completion in Q1 2025.



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### ***Continued Neighborhood Reinvestment***

HUD's CNI program recognizes the broader economic effects of a failed public housing development so expands its CNI redevelopment goals to encompass the neighborhood, people and culture. With tremendous, focused efforts following Hurricane Katrina and in part spurred by the Iberville Onsite redevelopment, an estimated **\$4.4 billion** has been invested in the revitalization of the Iberville/Tremé neighborhood (**\$913 million in housing, \$2.95 billion in healthcare, \$441.3 million in community amenities and \$104 million in education**). This impactful investment has further transformed blighted sites and structures, provided for the community's social and cultural needs, and improved the economic and retail vitality of this historic neighborhood.





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

At the core of HRI's mission is holistic revitalization of communities that have experienced decades of disinvestment with an intent to reverse this trend, spur additional investment and spark transformation. HRI has spent 40 years creating transformative projects in urban neighborhoods that not only provide critical mixed-income and affordable housing but also provide for amenities and neighborhood retail to create a sense of place, drive economic growth and offer walkable job opportunities for low-income residents.

Iberville Onsite amenities include:

- 3 fitness centers
- A computer learning center and outdoor technology patio powered by Dell
- An early childhood reading room to promote youth literacy
- An outdoor dining area including picnic benches, BBQ grills, food truck parking
- Gardens tied to nutritional education programs
- Fiber optics wiring through the neighborhood, offering the fastest Internet and cable services in the city

### **Iberville Onsite Retail**

Phase III of the Iberville onsite development benefits from a high traffic and visible location along the Basin Street corridor and offers 4,069 square feet of retail space that provides business opportunities for local MBE/WBE businesses. These tenants include:



"With perks like free Wi-Fi and plentiful outdoor seating in a jazz infused setting, Backatown is a real contribution to the revitalization of Basin Street as a tourist destination and a local gathering house where one can hear the sounds that made Basin Street famous."



"We are New Orleans' First Black-owned Yoga Studio."

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

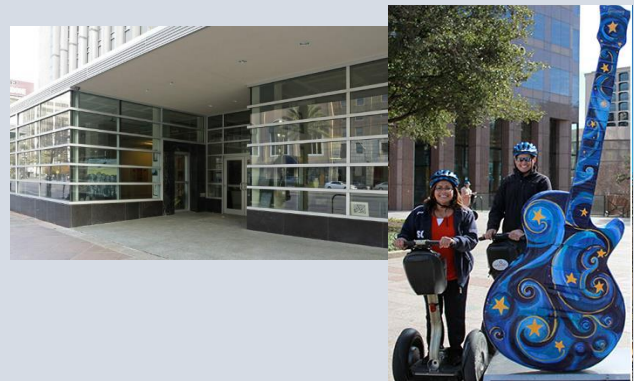
#### ***Iberville Offsite Retail***

Rosa F. Keller offers 3,000 square feet of retail space and Marais Apartments offers 1,861 square feet of retail space that was developed along with housing as mixed-use developments. Development sources specific to the non-housing components are included in the housing development sources listed on page 15 given the mixed-use nature.

#### **Rose F. Keller – Wow Café & Wingery**



#### **Marais Apartments – Segway Tours**



#### ***Iberville Offsite Ancillary Development***

As a direct follow-on investment in HRI's transformation of the Iberville/Tremé Choice Neighborhoods Community, HRI's affiliate, HRI Hospitality, developed and invested \$15M of equity in the Homewood Suites Hotel directly adjacent to the Iberville Onsite development. Construction of the 207-room hotel began in 2015 and was complete in 2017.



#### Sources of funding as follows:

|                  |                     |
|------------------|---------------------|
| First Mortgage   | \$28,600,000        |
| HRI Equity       | 15,250,000          |
| Hilton Key Money | <u>500,000</u>      |
| <b>Total</b>     | <b>\$44,350,000</b> |

HRI partnered with Urban Strategies, Inc. to provide an innovative job-training program allowing Iberville public housing residents to receive hotel industry training coupled with supportive services that has culminated with job placements at HRI's adjacent Homewood Suites.



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

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## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### River Garden HOPE VI Community

In 1996, the Housing Authority of New Orleans (HANO) received a HOPE VI grant to revitalize the former St. Thomas Public Housing Development in the Lower Garden District of New Orleans. HRI was selected as the Master Developer for this HOPE VI grant in 1998. Once selected, **HRI aggressively implemented the infrastructure, housing and commercial revitalization scopes creating River Garden, the first mixed-use/mixed-finance community in New Orleans.** The River Garden HOPE VI development established a stable, mixed-use, mixed-income community which has served as a catalytic and integral part of the ongoing revitalization of New Orleans' Lower Garden District. The renamed River Garden community sits on approximately 63 acres located immediately adjacent to the Mississippi Riverfront. Embracing "New Urbanism" concepts, River Garden incorporates mixed-use developments with a pedestrian-friendly atmosphere and an obvious respect for historic preservation.

**\$136.9M**

Rental housing  
financing secured

**773**

Mixed-income units  
created

**73**

Homeownership  
units created

**225,000 SF**

Neighborhood  
retail created





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

Prior to demolition and redevelopment, St. Thomas consisted of a 1,393-unit public housing development composed of 161 two and three-story buildings on a site of approximately 50 acres. Following the failed attempts at redeveloping the St. Thomas community by two other developers, HRI was engaged as the developer and assumed the responsibilities of coordinating an overall HOPE VI revitalization plan and master development agreements between the City of New Orleans, the Housing Authority of New Orleans, the State of Louisiana, HUD, and, of course, the St. Thomas public housing residents. While analyzing redevelopment scenarios and establishing financial feasibility for this HOPE VI undertaking, HRI was also immediately tasked with implementing demolition of the blighted public housing site, as well as obtaining the required municipal land-use approvals, to design, publicly bid, and construct public/private infrastructure improvements needed to redevelop the River Garden Community.

Resulting from these efforts, HRI oversaw reconstruction of the historic street grid, which had long-ago been removed to isolate the then new St. Thomas Public Housing Projects. Concurrently, demolition of all but 5 of the historic public housing buildings was completed with a preservation strategy protecting these 5 existing buildings and preserving them in collaboration with the State Historic Preservation Office ("SHPO"). Beyond just the 50-acre public housing site, HRI expanded the footprint of its community revitalization plan by using its own capital sources to assemble an additional 13 acres, including 22 separate parcels of privately owned adjacent properties, to establish a major retail center and create a total redevelopment area of 63 acres. HRI's efforts to create this urban retail center served dual



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

purposes of; (i) stimulating much needed retail investment and access within New Orleans and, (ii) anchoring a base of retail tax revenue fueling a newly established Tax Increment Financing (“TIF”) District, which provided financial resources for the HOPE VI housing and infrastructure redevelopment.



The redevelopment program called for: (i) demolition of the vast majority of the dilapidated public housing structures; (ii) additional property assemblage for businesses supporting Tax Increment Financing (“TIF”); (iii) new construction of mixed-income rental housing; (iv) new construction of affordable and market-rate for-sale housing; and (v) new construction of the Riverview Retail Center. The development spanned 8 years,

enduring the City’s complete devastation by Hurricane Katrina in 2005, and comprised four separate onsite, mixed-finance, and LIHTC rental housing development phases. River Garden Phase I and Phase II included new construction, mixed-income townhouses and four-story residential buildings. River Garden Elderly Apartments included a new construction development for seniors. River Garden Historic Apartments is a multifamily development utilizing the remaining 5 original St. Thomas Public Housing buildings. All phases were designed with special attention to historic architectural detail as prescribed by a Memorandum of Agreement (“MOA”) with the Advisory Council for Historic Preservation (“ACHP”) and SHPO, while featuring energy-saving construction, modern appliances, professional landscaping, off-street parking, 24-hour maintenance, on-site property management and a neighborhood watch patrol.

In total, the completed River Garden HOPE VI Community includes 773 housing units (700 of which are mixed-income rental units and 73 of which are mixed-income homeownership units), 225,094 square feet of neighborhood retail and a 2.5-acre neighborhood park offering ample green space, trees and pedestrian walkways further increasing a newly established connectivity across this community.

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### River Garden HOPE VI Community Development Summary

| Phase                              | Unit Count | Income Mix                                               | Development Sources                                                                                                                             | Equity Investor                          | TDC            | Closing  | Complete |
|------------------------------------|------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------|----------|----------|
| Onsite Infrastructure Improvements | -          | -                                                        | HOPE VI funds: \$3.6M;<br>HANO grant: \$1.6M;<br>TIF Bonds: 0.8M;<br>City of N.O. Bonds: \$6.0M;<br>State funds: \$8.0<br><b>Total: \$20.0M</b> | -                                        | <b>\$20.0M</b> | Aug-01   | Nov-03   |
| River Garden Housing Phase I       | 296        | Public housing: 122<br>Market rate: 174                  | HOPE VI funds: \$13.4M;<br>LIHTC equity: \$6M;<br>First mortgage: \$17.1M;<br>TIF bonds: \$10.8M;<br>Reserves: \$1.2M<br><b>Total: \$48.5M</b>  | LIHTC investor:<br>Related               | <b>\$48.5M</b> | Jun-2003 | Jun-2005 |
| River Garden Housing Phase II      | 310        | Public housing: 60<br>LIHTC only: 64<br>Market rate: 186 | First mortgage: \$17.8M;<br>HOPE VI funds: 1.8M;<br>LIHTC equity: \$22.9M;<br>CDBG loan: \$26M;<br>IDB bonds: \$100k<br><b>Total: \$68.6M</b>   | LIHTC investor:<br>Hudson Realty Capital | <b>\$68.6M</b> | Dec-2007 | Nov-2009 |
| River Garden Elderly               | 57         | LIHTC only: 57<br>*Senior building                       | LIHTC equity: \$9.8M<br><b>Total: \$9.8M</b>                                                                                                    | LIHTC investor:<br>Hunt Capital Partners | <b>\$9.8M</b>  | Dec-2006 | Dec-2007 |



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

|                                |            |                                                                                                                                           |                                                                                                                                                                                                                                                        |                                                                                   |                 |                 |                 |
|--------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------|-----------------|-----------------|
| River Garden Historic          | 37         | LIHTC only: 37                                                                                                                            | First mortgage: \$680k;<br>LIHTC equity: \$6.8M;<br>HTC equity: \$2.2M<br><b>Total: \$9.7M</b>                                                                                                                                                         | LIHTC investor:<br>Hunt Capital Partners<br><br>HTC investor: Column<br>Financial | <b>\$9.7M</b>   | Dec-2006        | Nov-2007        |
| River Garden For Sale<br>Homes | 73         | Affordable: 15<br>Market Rate: 58                                                                                                         |                                                                                                                                                                                                                                                        |                                                                                   |                 |                 |                 |
| <b>Total</b>                   | <b>773</b> | Rental units:<br>Public housing: 182;<br>LIHTC only: 158;<br>Market rate: 360<br><br>For-sale units:<br>Affordable: 15<br>Market rate: 58 | HOPE VI funds: \$18.8M;<br>First mortgage: \$35.6M;<br>LIHTC equity: \$45.5M;<br>HTC equity: \$2.2M;<br>TIF/IDB Bonds: \$11.7M;<br>HANO Grant: \$1.6M;<br>State CDBG: \$34M;<br>City of N.O. Bonds: \$6M<br>Reserves: \$1.2M<br><b>Total: \$156.6M</b> |                                                                                   | <b>\$156.6M</b> | <b>Jun-2003</b> | <b>Nov-2009</b> |

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### Infrastructure Improvements

The infrastructure for River Garden was a 100% publicly funded component that, through HRI's relationships and tenacious pursuit of appropriate sources, maximized the leveraging of sources other than public housing funds. The scope of the infrastructure component included reconstructing both above-ground and below-ground utilities, as well as landscape improvements. The work began in August 2001 and was completed in November 2003. Once complete, the new right-of-way improvements were dedicated to the City of New Orleans. As owner, the City of New Orleans is responsible for the maintenance of both the new above-ground and the new below-ground infrastructure.

The sources of funds for the infrastructure component of the project follow:

|                                         |                     |
|-----------------------------------------|---------------------|
| HOPE VI Grant Funds                     | \$3,621,255         |
| HANO Comprehensive Grant                | 1,651,345           |
| Tax Increment Financing                 | 772,863             |
| Bonds Issued by the City of New Orleans | 6,000,000           |
| State Funds                             | <u>8,000,000</u>    |
| <b>Total</b>                            | <b>\$20,045,463</b> |



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### River Garden Phase I



River Garden Phase I (“RG Phase I”) consists of 296 mixed-income rental units in new-construction duplex and quad homes utilizing traditional New Orleans architecture. RG Phase I contained 122 ACC public housing replacement units (40%) and 174 market rate units (60%). All buildings in RG Phase I were placed in service during the first half of 2005 and the project lease-up continued through the

impact of Hurricane Katrina. RG Phase I was structured using private and public financing sources. Private sector financing included a combination of tax-exempt bonds issued by the IDB and 4% LIHTC equity. Public financing included HOPE VI Grant funds and TIF funds leveraged from the Riverview Retail development. Additionally, while not a source for development, PILOT abatements were generated through a lease structure with the Industrial Development Board of New Orleans (“IDB”) in connection with their bond financing.

The sources of funds for River Garden Phase I follow:

|                                     |                     |
|-------------------------------------|---------------------|
| HOPE VI Funds                       | \$13,360,800        |
| LIHTC Equity                        | 5,985,000           |
| Tax Exempt Bond Financing           | 17,120,000          |
| Tax Increment Finance Bond Proceeds | 10,804,151          |
| Reserves                            | <u>1,197,025</u>    |
| <b>Total</b>                        | <b>\$48,466,976</b> |

#### New River Garden Phase I

As a testament to its long-term commitment to the communities it develops and owns, HRIC is currently rehabilitating and modernizing River Garden Phase I following the end of its original LIHTC compliance period. Having received an award of \$1,000,000 of annual 9% LIHTCs from the Louisiana Housing Corporation, in September 2022, HRIC commenced the rehab project, which includes exterior façade upgrades, roofing replacements, window and envelop repairs, and new HVAC systems, water heaters and appliances. Sitework and landscape improvements are also being undertaken across the property as well as interior renovations of vacant units during the rehab period, while ensuring minimal disruption to the residents.





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### River Garden Phase II



River Garden Phase II (RG Phase II) is River Garden's second, mixed-income rental phase and has served as a major residential recovery effort post-Katrina. It utilized an architectural style complementary to the adjacent RG Phase I and consists of 310 mixed-income units along with 25,094 square feet of neighborhood retail, which introduced several new businesses to the neighborhood. Of the 310 units, 186 units (60% of total) are market rate, and 124 units (40% of total) are affordable LIHTC units with a requirement that households earn less than 60% AMI. Additionally, of these 124 affordable LIHTC units, 60 units were designated as ACC public housing replacement units. Having received a reservation of 9% Gulf Opportunity ("GO") Zone LIHTCs and CDBG-DR funding, construction began in December 2007 and achieved completion in November 2009.

The sources of funds for RG Phase II follow:

|                          |                     |
|--------------------------|---------------------|
| Permanent First Mortgage | \$17,750,000        |
| CDBG Funds               | 26,054,822          |
| LIHTC Equity             | 22,895,885          |
| HANO/HOPE VI Funds       | 1,881,000           |
| IDB Bond Proceeds        | <u>100,000</u>      |
| <b>Total</b>             | <b>\$68,681,707</b> |

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### River Garden Elderly Apartments



Designed to provide housing for seniors across the former St. Thomas neighborhood, this 57-unit, 4-story mid-rise building was financed with 9% GO Zone LIHTCs from the Louisiana Housing Finance Agency. It consists of 57 1-bedroom units that are all senior/LIHTC set-aside units serving households with incomes below 60% AMI. River Garden Elderly Apartments was completed in December 2007.

The sources of funds for River Garden Elderly follow:

|              |                    |
|--------------|--------------------|
| LIHTC Equity | <u>\$9,736,474</u> |
| <b>Total</b> | <b>\$9,763,474</b> |

#### River Garden Historic Apartments



Through a collaboration with ACHP and SHPO, the River Garden Historic Apartments preserved and rehabilitated five historic St. Thomas buildings on the former public housing site. The building exteriors were restored per the Secretary of the Interior Standards for Rehabilitating Historic Buildings and remain representative of the previous St. Thomas structures. The interiors were reconfigured to provide 37 units with modern floor plans (two 1-bedroom, thirty-two 2-bedroom, and three 3-bedroom units). All units serve households with incomes below 60% AMI. River Garden Historic Apartments received a reservation of 9% GO Zone LIHTCs and was completed in December 2007.

The sources of funds for River Garden Historic follow:

|                                     |                    |
|-------------------------------------|--------------------|
| Permanent First Mortgage            | \$680,000          |
| LIHTC Equity                        | 6,838,118          |
| Historic Tax Credit Equity/Proceeds | <u>2,209,617</u>   |
| <b>Total</b>                        | <b>\$9,727,735</b> |



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### New Construction of For-Sale Housing

As the master developer of HUD’s St. Thomas HOPE VI redevelopment, HRI was tasked with introducing a meaningful homeownership component – both market-rate and affordable – through which first-time homebuyer households would complement the similarly mixed-income rental housing available elsewhere on the site. **Per the HUD-approved Homeownership Plan, the homeownership component involving the construction, marketing and property deed transfers proved to be a great success having introduced 73 individually owned new homes of high value to the community.** In partnership with the City and HANO, an initiative was launched to coordinate and provide a myriad of homebuyer services to interested HANO public housing and Section 8 clients. A tiered marketing and sales-price approach was implemented to ensure that homes were within reach to a variety of low- to moderate-income families with a priority for Section 3-qualifying public housing households. Of the 73 homes, 15 were reserved for affordable homebuyers and marketed first to former St. Thomas residents, second to other HANO clients, third to anyone earning below 80% AMI and lastly, to anyone earning 100% AMI or below.

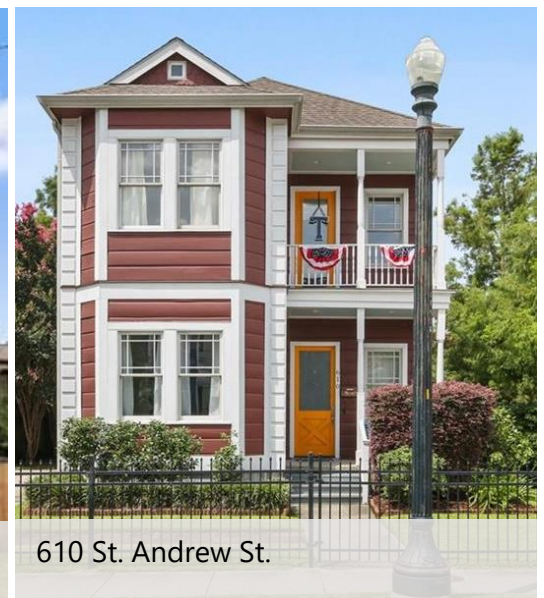
Regardless of any market rate or affordable designation, all 73 homes are dispersed throughout the neighborhood and were constructed to equal quality. While indistinguishable based on location or quality, the construction costs of certain homes were subsidized by the project to allow them to be offered at a reduced price and sold to 15 separate first-time homebuyer families, all of whom benefitted from the service and program coordination made available through the housing authority. HRI is proud to have created the opportunity for these families to build instant equity and financial well-being while achieving their dreams of having a home of their own.



1965 S Chippewa St.



721 St. Andrew St.



610 St. Andrew St.



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### ***Continued Neighborhood Reinvestment***

Prior to redevelopment, the crime-plagued St. Thomas Public Housing project was a deterrent for investment in the surrounding and otherwise vacant historic Lower Garden District. The opportunity to break the cycle of disinvestment and revitalize this historic neighborhood was perfectly aligned with HRI's mission. **As soon as the River Garden development activity commenced, the Lower Garden District began to experience a rebirth with longtime local businesses flourishing and a wide-ranging collection of boutique stores and restaurants opening in the neighborhood.** The Lower Garden District has quickly established itself as an economically thriving and close-knit community that the residents are proud to call home.





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### Neighborhood Retail

Integral to the success of the overall River Garden revitalization was HRI's ability to craft a retail component that would generate additional financing sources and provide an employment base for the community while still ensuring consistency of the overall master plan with the surrounding historic districts. **Resulting from HRI's capital investment in property assemblage and its pursuit of a strong national retail anchor, the new construction of the Riverview Retail Center included a 200,000-square-foot Walmart Super Center, which was completed in August 2004 and immediately opened, creating approximately 600 new jobs (200 of which were filled by former St. Thomas residents).** The sales taxes associated with this retail center support TIF bond proceeds, an important financing source utilized in the infrastructure and mixed-finance rental components of River Garden. The TIF proceeds replaced previously committed but ultimately unavailable City funding for new infrastructure throughout the River Garden Community.



Source of funds for the Riverview Retail Center:

|                         |                     |
|-------------------------|---------------------|
| Tax Increment Financing | <b>\$12,500,000</b> |
|-------------------------|---------------------|

## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

Generating further economic activity in the Riverview Retail Center, River Garden Phase II boasts two mixed-use buildings with 25,094 square feet of retail space offering neighborhood services. The property includes 15 retail bays and has a very successful track record with several long-term tenants. Development sources specific to the retail components are included in the River Garden Phase II housing development sources listed above.



#### Anytime Fitness

- Owned and managed by a WBE
- River Garden residents are offered discounted membership
- Renewed its lease 2x and recently underwent expansion



#### Pizza Hut

- Renewed its lease 2x



#### GameStop

- Renewed its lease 2x



#### T-Mobile

- Renewed its lease 2x



## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects





## 4. KNOWLEDGE & EXPERIENCE

### 4.i. Experience Redeveloping Public Housing Projects

#### **Project Reference**

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ehester@hano.org



## 4. KNOWLEDGE & EXPERIENCE

### 4.ii. Texas Experience

No stranger to Texas, HRI and its affiliates have developed several notable, catalytic projects in Houston, Dallas and Austin and currently operate two properties in Dallas, one in Austin, one in Houston and one in San Antonio. Below is an overview of our development experience in Texas.

**Development – Humble Hotel & Apartments, Houston:** HRI and its affiliates redeveloped the historic, iconic former headquarters of Humble Oil (the predecessor of Exxon), built in 1936 and located in downtown Houston. Construction on the 550,000 square foot building began in 1998 and was completed in 2003. HRI's comprehensive rehabilitation transformed the building into a catalytic, mixed-use development including 89 luxury apartments, 191 Marriott Courtyard Inn hotel rooms, 171 Marriott Residence Inn hotel rooms and approximately 5,800 SF of retail and restaurant space. The \$98.7 million rehabilitation carefully preserved the historic architecture of the local landmark including original rose marble and granite detailing, brass elevator doors, and 80-year-old windows. The Humble Building Project was named the Best Private Renovation/Restoration Project of 2003 by Texas Construction Magazine and received a Good Brick Award from the Greater Houston Preservation Alliance.

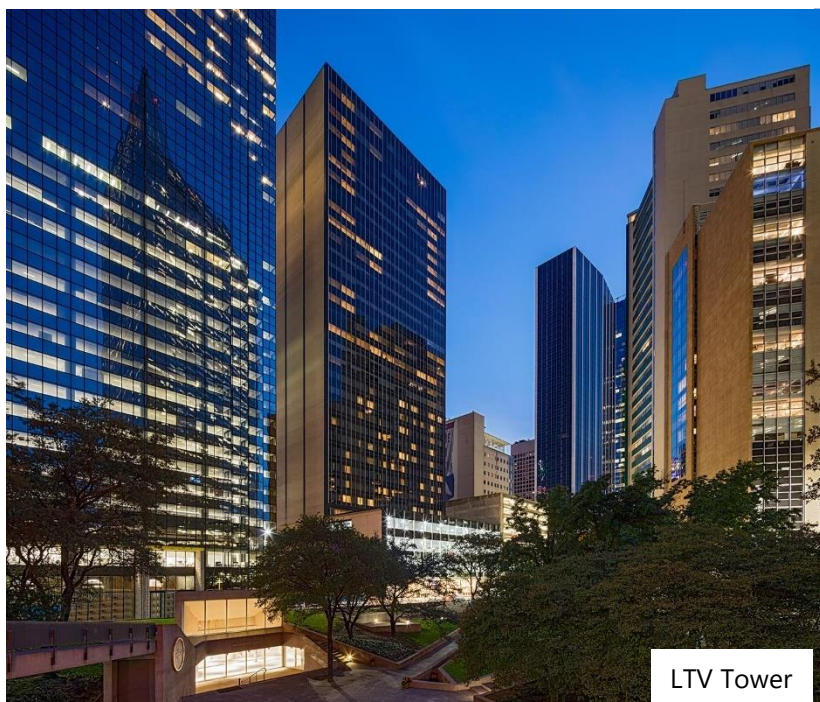


## 4. KNOWLEDGE & EXPERIENCE

### 4.ii. Texas Experience

**Development/Management – LTV Tower Mixed-Use, Dallas:** HRIC and its affiliates redeveloped the historic LTV Tower in the heart of downtown Dallas. Built in 1964 as one of the first mid-century modern skyscrapers in Dallas, the building served as a national banking center and headquartered Ling-Temco-Vought Inc. and the National Bank of Commerce. Construction on the 552,000-square-foot building began in 2014 and was complete in 2015. The building was rehabilitated into a mixed-use development including 171 Hilton Garden Inn hotel rooms on floors 5-13, 186 apartments (19 affordable) on floors 14-32, and a 354-space garage. The building has a 32<sup>nd</sup> floor rooftop deck and offers stunning views of the Dallas skyline from the residential units. The \$78 million rehabilitation was funded with private debt, private equity, equity and utilized State and Federal Historic Tax Credits and TIF funds from the City of Dallas.

**Development/Management – Mayflower Apartments, Dallas:** The Mayflower project included the adaptive reuse of the historic, vacant Mayflower building in downtown Dallas. Originally constructed in 1965 as a multi-tenant office building, the 361,000-square-foot, 9-story building was redeveloped by HRIC and its affiliates into 215 Class A apartments (43 affordable), approximately 14,000 square feet of ground floor retail and 197 on-site parking spaces. Construction began in 2015 and was complete in 2016. The \$54 million rehabilitation was funded with private debt, private equity, equity derived from State and Federal Historic Tax Credits and TIF funds from the City of Dallas.





## 4. KNOWLEDGE & EXPERIENCE

### 4.ii. Texas Experience

**Development – Hilton Garden Inn Austin:** HRI's affiliate, HRI Hospitality, developed the new construction, 18-story, 214-key Hilton Garden Inn hotel located between the Texas Capital Corridor and the University of Texas. The high-end property includes approximately 4,000 SF of meeting space and a rooftop amenity deck, which features approximately 1,700 SF of rooftop flexible event space with views of the Texas Capitol and Downtown Austin. Construction on the \$74.6 million development began in 2019 and was complete in 2021.

**Acquisition/Management – Hilton San Antonio Hill Country:** HRI's affiliate, HRI Hospitality, acquired the Hilton San Antonio Hill Country in May 2022. The 223,000-square-foot property includes 226 hotel rooms, three heated outdoor pools, three dining options, and 13 event rooms totaling 12,640 square feet. The hotel will undergo comprehensive renovation and repositioning to continue providing a best-in-class guest experience. The total acquisition and property improvement capitalization totals \$34.1 million.

**Management – Sheraton Houston Brookhollow:** HRI's affiliate, HRI Hospitality, was selected to manage the property in July 2015. The hotel includes 382 guest rooms, including 82 club level rooms and 14 suites. In addition, there's 15,200 square feet of meeting space, including an 8,000 square foot ballroom.



Hilton Garden Inn Austin



Hilton San Antonio



Sheraton Houston Brookhollow



## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience

Based in Louisiana and having personally experienced the devastating impacts from numerous natural disasters including Hurricanes Katrina, Rita, Gustav, Ike and the 2016 floods that impacted Louisiana, HRIC and HCIA understand and embrace sustainable and green building standards. Furthermore, having completed over 50 projects in natural disaster-prone locations, HRIC and HCIA have extensive experience designing projects to adopt high-quality, energy efficient, sustainable building standards that are built to withstand extreme weather and have a positive impact on the environment. One of HRIC and HCIA's recent projects, Lafayette Bottle Art Lofts Phase II, highlights our team's commitment to and ability to deliver resilience.

#### **Lafayette Bottle Art Lofts Phase II – Experience in Sustainability & Green Building**

As discussed in detail in Case Study #2 Lafayette Bottle Art Lofts on page 69 of this RFQ proposal, Bottle Art Lofts Phase II is a new construction, 65-unit development in Lafayette, LA. The project was competitively awarded \$6,090,000 of CDBG – Disaster Recovery funds through the Louisiana Office of Community Development's Piggyback Resilient Mixed-Income



(PRIME) program, which provided mandatory disaster resilience criteria. HRIC and HCIA both celebrated and embraced disaster resilience in this project, turning a prominent city block that was long known for its blight and as an obstacle for economic investment into a solution for the community through sustainable design, construction and operations that reduces energy use, conserves water, utilizes more durable and long-lasting materials, and provide a better standard of living for its residents. Bottle Art Lofts Phase II is certified both Enterprise Green Communities and Insurance Institute for Business & Home Safety (IBHS) FORTIFIED Gold. Notably, the project received one of the first FORTIFIED Multifamily Gold designations issued by the IBHS in the country in March 2022.

Resiliency and green features of the project include: enhanced roofing system; properly secured rooftop equipment; impact windows; impact-rated wall systems; an engineered continued load path; floodproofing materials for the first floor with sealed concrete floors; raised electrical and mechanical systems; Hardie water-resistant wainscoting with sheet rock above the 3.5-foot line; stormwater management practices including a large cistern onsite that connects to the gutters; improved insulation; a high-energy, high-SEER HVAC; and a natural gas generator that will power

## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience

life safety systems and all of the refrigerators in the building in the event of an outage.

#### Bottle Art Lofts Phase II Images



Stormwater Management – Grass and Gravel Paving System



Stormwater Management – Rain Cistern



Stormwater Management –  
Chambermaxx System drainage pipes



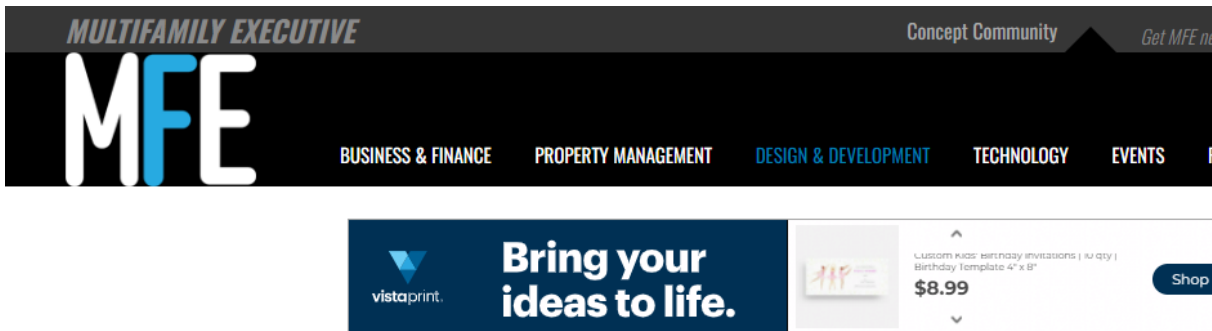
Onsite planters

The following pages include a recent article in Multifamily Executive highlighting this project in more detail.



## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience



#### DESIGN & DEVELOPMENT

Home > Design & Development > Louisiana Developer Embraces Resilient Design and Construction

Posted on: April 19, 2022



Multifamily Executive

## Louisiana Developer Embraces Resilient Design and Construction

HRI Communities' Bottle Art Lofts revitalizes Lafayette neighborhood.

By [Christine Serlin](#)



*Courtesy HRI Communities*

The two phases of Bottle Art Lofts in Lafayette, Louisiana, feature the adaptive-reuse of a former Coca-Cola bottling facility and new construction on the site of an undesirable motel.



## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience

Louisiana isn't a stranger to natural disasters. In 2021 alone, the state was battered by the winds and storm surge of Category 4 Hurricane Ida, which made landfall on the 16th anniversary of Hurricane Katrina; flooding; thunderstorms; tornadoes; and even freezing temperatures and ice.

The decades of devastation have been a call to action for building and rebuilding housing in a resilient manner to weather whatever catastrophe might hit next.

New Orleans-based HRI Communities is heeding that call, transforming a long-blighted site in Lafayette, Louisiana, into much-needed affordable and resilient housing as well as becoming a model for developments in areas prone to natural disasters.

"I joined HRI a little over 15 years ago, one year after Hurricane Katrina. We were still in recovery mode, and a lot of our apartments needed resources to put them back online. It was the most terrible time for this region, but a lot of folks started thinking about how to rebuild smarter at that time," says president Josh Collen.

"Then came Rita, Gustav, Ike, and the 2016 floods that hit 51 different parishes, which were in essence a high-water mark moment for Louisiana."

After the floods, Louisiana Housing Corp. (LHC) came out with the Piggyback Resilient Mixed-Income (PRIME) program, in partnership with the Louisiana Office of Community Development (OCD), to develop resilient and sustainable multifamily properties for low- and moderate-income renters in areas impacted by the rising water in 2016.

HRI Communities' multi-phase Bottle Art Lofts is comprised of the adaptive-reuse of a historic Coca-Cola bottling facility and an associated warehouse as well as a newly constructed multifamily building, guided by the PRIME program, on the former site of the LessPay Motel.

"I think it's become a model for us to incorporate into our plans and specifications in general and certainly how the state is looking to see new multifamily apartments built," Collen says.

The first phase with 40 affordable units in the rehabbed buildings welcomed residents in June 2021. It also features community spaces, including a computer center, a fitness studio, a shared art studio, a picnic area, garden space, and secured parking.

Residents will begin moving into the second phase, a new four-story resilient building with 65 mixed-income apartments, this month. The planning, design, and construction of this phase was based on an analysis of hazard exposure and advanced planning aimed at mitigating potential impact from future natural disasters and reflects best practices from the Department of Housing and Urban Development, the Federal Emergency Management Agency, Louisiana State University's AgCenter, and OCD.

### Resiliency Efforts

While adhering to the components of the PRIME program, the second phase also received one of the first FORTIFIED Multifamily Gold designations issued by the Insurance Institute for Business & Home Safety. Based on decades of research, FORTIFIED is a voluntary construction and re-roofing standard shown in lab

## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience

tests and real-world events to strengthen properties against severe weather. It launched its multifamily designation in January.

“With millions of Americans living in multifamily housing, our nation can’t meaningfully reduce the impact of natural disasters without building stronger multifamily communities,” says Fred Malik, managing director of FORTIFIED. “Much of the devastating loss caused by severe weather is avoidable simply by investing in resilient construction.”

To receive the Gold designation, the second phase had to include a stronger roofing system, properly secured rooftop equipment, impact windows, impact-rated wall systems, an engineered continued load path, as well as other requirements.

“Severe weather disrupts lives, displaces families, and often causes financial loss from which families are never able to recover. When storms strike, those with low to moderate incomes who can least afford to recover from devastating damage are often disproportionately impacted,” says Malik. “By making an investment in strengthening Bottle Art Lofts against severe weather, HRI Communities is minimizing the community’s risk of damage from storms, and that will help keep residents in their homes and close to their schools and jobs.”

According to Collen, the building, which is outside of the 500-year floodplain, also includes floodproofing materials for the first floor with sealed concrete floors, raised electrical and mechanical systems, Hardie water-resistant wainscoting with sheet rock above the 3.5-foot line, and stormwater management practices.

“It’s not all about our property, but also about helping the city system be able to handle a severe storm,” he says. “We’re doing things like permeable paving and a large cistern that connects to our gutters and using that to water landscaping and slow down the amount of water from our roof going into the city system, as well as oversized stormwater retention on the site.”

Collen adds that resiliency also involves sustainability. The second phase is Enterprise Green Communities certified, featuring improved insulation and a high-energy, high-SEER HVAC.

The building also has a natural gas generator, which is connected not only to life safety systems, but also to power the elevator and all of the refrigerators in the building in case of outages. “Every storm hits you in different ways. You can’t predict how it’s going to hit, and being without power for a couple of weeks can be a pretty nasty situation,” says Collen.

Louisiana Gov. John Bel Edwards spoke during the celebration for the completion of the development, telling the audience that as storms become more frequent and more intense, it’s critical to create affordable housing that can provide a safe home for the most vulnerable residents. “If we’re going to lead the country in disaster impacts, we’d better lead the country in how we prepare for and adapt to disasters,” he said. “This development is a big step in that direction, demonstrating new techniques that can make all our housing more resilient in the future.”



## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience



*Courtesy HRI Communities*

The newly constructed four-story building was designed with resiliency in mind. It has received the Insurance Institute for Business & Home Safety's FORTIFIED Multifamily Gold designation.

### Neighborhood Reinvestment

Bottle Art Lofts also is proving to be a model for neighborhood revitalization. The development is starting to reinvigorate the neighborhood, which had once been a community hub before years of disinvestment.

The Coca-Cola facility, which was built in 1948 as one of the brand's first bottling plants in the state, was relocated in the 1970s, and most of the adjacent properties became underutilized. The LessPay Motel also was considered an eyesore and a hub for criminal activity.

"Part of our approach to neighborhood reinvestment is to capitalize on the strengths of the neighborhood and the broader community," says Collen. "Regionally, Acadiana has an extremely unique culture. That Cajun culture produces amazing music, art, and food. For people who grew up here, it's just part of their souls."

In partnership with Acadiana Center for the Arts, the development will feature community-oriented art exhibits in its MoreArt Gallery. It also provides a leasing preference for artists, studio space, and space for art workshops and after-school programming.



## 4. KNOWLEDGE & EXPERIENCE

### 4.iii. Sustainable & Green Building Experience

"We've always used artist housing as a way to create projects that stabilize a neighborhood with long-term affordability for artists," he adds. "It's an anti-gentrification tool as well, in that when an artist makes a neighborhood cool they don't get priced out, they get to stay there long term due to the affordable housing restrictions. This infusion of creative talent and capitalizing on the creative culture is adding vibrancy to that neighborhood."

The creation of housing for low- and moderate-income households also is needed in the community.

"Similar to the rest of the state of Louisiana and the nation, we have an affordable housing crisis going on here in Lafayette," Collen says. "It's one that hasn't gotten its fair share of resources over the last decade. Creating affordable housing and doing it in a way that addresses the community's broader needs is huge."

In the first phase, 28 units serve residents earning 60% of the area median income (AMI), 10 are for those earning at or less than 50% of the AMI, and two are deeply affordable permanent supportive housing (PSH). The second phase utilizes the low-income housing tax credit (LIHTC) program's income-averaging option, with 13 units at 80% of the AMI, 31 units at 60% of the AMI, 13 units at 50% of the AMI, six PSH units, and two deeply affordable units below 30% of the AMI.

The total development cost for both phases was approximately \$32 million. Iberia Civic Impact Partners, now known as First Horizon, was the LIHTC and federal historic tax credit investor on both phases, and Enhanced Capital was the state historic tax credit purchaser. JPMorgan Chase was the tax-exempt bond construction lender on both phases and the permanent lender on the first phase, and Berkadia Commercial Mortgage was the servicer of a Freddie Mac tax-exempt loan on the second phase. The development received awards from OCD and LHC for Community Development Block Grant-Disaster Recovery funding. LHC allocated the LIHTCs and served as the bond issuer. Lafayette Consolidated Government and Acadiana Planning Commission also provided loans.

Other partners include the design-build team of New Orleans-based Impetus, HRI affiliate HCI Architecture, and property manager HRI Management.

#### ABOUT THE AUTHOR



**Christine Serlin**

Christine Serlin is an editor for Affordable Housing Finance, Multifamily Executive, and Builder. She has covered the affordable housing industry since 2001. Before that, she worked at several daily newspapers, including the Contra Costa Times and the Pittsburgh Tribune-Review. Connect with Christine at [cserlin@zondahome.com](mailto:cserlin@zondahome.com) or follow her on Twitter @ChristineSerlin.

## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

#### HRI Communities - Development Team

HRIC will establish a development team dedicated to the New Braunfels redevelopments, which will include a Project Executive, Senior Project Manager, Vice President of Development Finance, Vice President of Construction Management and Financial Analyst(s). The development team and development process will be managed by both Joshua Collen, President - HRI Communities, and Christopher Clement, Senior Vice President – HRI Communities. Other key staff members include:



#### A. Thomas Leonhard, Jr., President & Chief Executive Officer, HRI

Tom Leonhard is President and Chief Executive Officer of HRI. Mr. Leonhard is responsible for all of HRI's operations, which includes more than 1,500 employees managing 93 properties in 15 states.

Mr. Leonhard is a fourth-generation New Orleanian who joined HRI in 1988 as an accounting intern. After holding several positions within the company, Mr. Leonhard was named President and Chief Operating Officer in 2001. In 2006, Mr. Leonhard became a principal in the firm.

Under his leadership, HRI has experienced significant, national growth and has established a strong track record of successful urban projects.

| Similar Project Experience  |                   |                 |          |               |                             |                    |             |
|-----------------------------|-------------------|-----------------|----------|---------------|-----------------------------|--------------------|-------------|
| Project Name                | Location          | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role        |
| Federal Fibre Mills         | New Orleans, LA   | -               | \$15.3M  | 132           | -                           | Dec-95             | Development |
| 1 American Can Apartments   | New Orleans, LA   | -               | \$44.5M  | 268           | 54                          | Sep-01             | Development |
| Merchandise Mart Apartments | St. Louis, MO     | -               | \$48.5M  | 213           | 94                          | Dec-02             | Development |
| 2 Humble Hotel & Apartments | Houston, TX       | -               | \$98.7M  | 444           | -                           | Jul-03             | Development |
| River Garden HOPE VI        | New Orleans, LA   | ✓               | \$156.6M | 700           | 340                         | Nov-09             | Development |
| Nissen Apartments           | Winston Salem, NC | -               | \$28.7M  | 145           | -                           | Aug-05             | Development |

## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

| Similar Project Experience              |                 |                 |          |               |                             |                    |             |
|-----------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|-------------|
| Project Name                            | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role        |
| Marais Apartments                       | New Orleans, LA | ✓               | \$34.8M  | 112           | 112                         | May-14             | Development |
| LTV Tower Mixed-Use Development         | Dallas, TX      | -               | \$78.1M  | 357           | 19                          | Sep-15             | Development |
| Residences at Tremé Market              | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Development |
| Iberville/Tremé CNI Onsite Phases I-VII | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Development |





## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

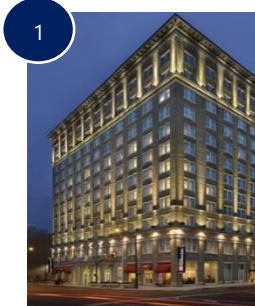


#### Joshua Collen, President, HRI Communities

Josh Collen has over 20 years of experience creating high quality mixed-income and affordable housing communities. As president of HRI Communities, he leads the project identification and development activities with a focus on delivering innovative and efficient housing that has a catalytic impact on surrounding neighborhoods. Since he joined HRI in 2006, Mr. Collen has overseen numerous prestigious, large-scale development projects, totaling over 2,500 apartments, 1,300 hotel rooms and 65,000 square feet of retail space. The total development cost for these projects is over \$1 billion. Mr. Collen will serve as the Project Executive for the New Braunfels development team. His role will be to oversee the development effort through completion.

#### Similar Project Experience

|   | Project Name                             | Location        | CNI/<br>HOPE<br>VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role        |
|---|------------------------------------------|-----------------|--------------------|----------|---------------|-----------------------------|--------------------|-------------|
| 1 | King Edward & Standard Life              | Jackson, MS     | -                  | \$114.4M | 326           | -                           | Aug-10             | Development |
|   | River Garden HOPE VI                     | New Orleans, LA | ✓                  | \$156.6M | 700           | 340                         | Nov-09             | Development |
|   | Bywater Art Lofts Phases I & II          | New Orleans, LA | -                  | \$22.0M  | 67            | 67                          | Jan-12             | Development |
|   | Rosa F. Keller Apartments                | New Orleans, LA | ✓                  | \$16.8M  | 60            | 60                          | Apr-12             | Development |
|   | Marais Apartments                        | New Orleans, LA | ✓                  | \$34.8M  | 112           | 112                         | May-14             | Development |
|   | LTV Tower Mixed-Use Development          | Dallas, TX      | -                  | \$78.1M  | 357           | 19                          | Sep-15             | Development |
|   | Mayflower Apartments                     | Dallas, TX      | -                  | \$54.2M  | 215           | 43                          | Dec-16             | Development |
|   | Residences at Tremé Market               | New Orleans, LA | ✓                  | \$19.9M  | 68            | 68                          | Feb-18             | Development |
| 2 | Iberville/Tremé CNI Onsite Phases I-VII  | New Orleans, LA | ✓                  | \$219.4M | 682           | 455                         | Feb-19             | Development |
| 3 | Lafayette Bottle Art Lofts Phases I & II | Lafayette, LA   | -                  | \$32.2M  | 105           | 105                         | Apr-22             | Development |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### **Christopher Clement, Senior Vice President, HRI Communities**

Christopher Clement started with HRI as a summer intern over 20 years ago. Mr. Clement's tenure with the company has served to cultivate his understanding and sincere interest in implementing a special type of housing development; catalytic projects through which the investment in providing housing opportunities serves to both spark and sustain expansive neighborhood resurgence. To date Mr. Clement has either completed or currently has under construction 26 real estate developments producing over 2,000 mixed-income residential units with total development costs of over \$600 million. Mr. Clement will serve as the Senior Project Manager for the New Braunfels development team. His role will be to direct and coordinate the development effort through completion.

#### Similar Project Experience

|   | Project Name                                  | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role        |
|---|-----------------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|-------------|
| 1 | Flint Goodridge Apartments<br>Repositioning   | New Orleans, LA | -               | \$13.5M  | 89            | 89                          | Dec-08             | Development |
|   | River Garden HOPE VI                          | New Orleans, LA | ✓               | \$156.6M | 700           | 340                         | Nov-09             | Development |
|   | Nine27 Apartments                             | New Orleans, LA | -               | \$25.0M  | 76            | 16                          | Jun-09             | Development |
| 2 | Bonne Terre Apartments<br>Phases I & II       | Houma, LA       | -               | \$13.7M  | 115           | 89                          | May-10             | Development |
|   | Aloysius Apartments                           | New Orleans, LA | -               | \$16.7M  | 49            | 23                          | Dec-10             | Development |
|   | Barataria Station<br>Apartments Phases I & II | Houma, LA       | -               | \$21.2M  | 100           | 69                          | Apr-12             | Development |
| 3 | Residences at Tremé Market                    | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Development |
|   | Iberville/Tremé CNI Onsite<br>Phases I-VII    | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Development |
|   | Lafayette Bottle Art Lofts<br>Phases I & II   | Lafayette, LA   | -               | \$32.2M  | 105           | 105                         | Apr-22             | Development |
|   | Hammond Station<br>Apartments                 | Hammond, LA     | -               | \$16.2M  | 67            | 67                          | Jul-22             | Development |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### **Wayne E. Clement, Sr., President HCI Construction**

Wayne Clement Sr. is well respected and has earned his reputation from his contribution in reshaping neighborhoods, communities and cities, one building, one block, one acre at a time. As president of HCI Construction, he oversees and coordinates a wide array of functions, including owners' representative, project management, construction management, estimating, and environmental issues.

Since joining HRI in 1986, Mr. Clement has been a key player in many high-profile projects nationwide. In New Orleans, he oversaw the historic rehabilitation of the legendary D.H. Holmes department store and its conversion into a hotel and apartments. In Houston, he led the historic rehabilitation efforts for the iconic Humble Oil building. In Omaha, he spearheaded the historic restoration of a prime downtown location for a Courtyard Marriott hotel. From the revitalization of New Orleans' warehouse district to the 60-acre St. Thomas Housing Development, he's demonstrated his ability to successfully manage large challenging projects as owner's representative and construction management.

Mr. Clement studied Mechanical Engineering at the University of New Orleans and has over 40 years of experience in the construction industry. He holds a Louisiana State Commercial Construction License and certifications by the Construction Estimating Institute of America, the State of Louisiana for the supervision of asbestos abatement projects, life safety systems, and Louisiana's Department of Environmental Quality for storm water pollution prevention.

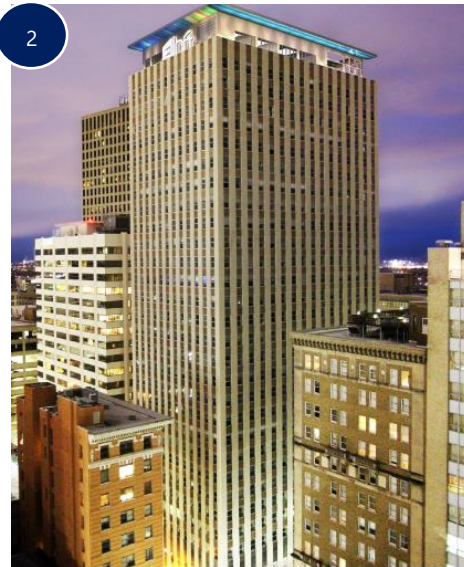
| Similar Project Experience            |                 |                 |          |               |                             |                    |                         |
|---------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|-------------------------|
| Project Name                          | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role                    |
| 1 Humble Hotel & Apartments           | Houston, TX     | -               | \$98.7M  | 444           | -                           | Jul-03             | Construction Management |
| Miller & Rhoads Mixed-Use Development | Richmond, VA    | -               | \$109.7M | 383           | -                           | Feb-09             | Construction Management |
| River Garden HOPE VI                  | New Orleans, LA | ✓               | \$156.6M | 700           | 340                         | Nov-09             | Construction Management |
| King Edward & Standard Life           | Jackson, MS     | -               | \$114.4M | 326           | -                           | Aug-10             | Construction Management |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

| Similar Project Experience               |                 |                 |          |               |                             |                    |                         |
|------------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|-------------------------|
| Project Name                             | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role                    |
| Marais Apartments                        | New Orleans, LA | ✓               | \$34.8M  | 112           | 112                         | May-14             | Construction Management |
| 2 225 Baronne Mixed-Use Development      | New Orleans, LA | -               | \$96.1M  | 380           | 39                          | Aug-15             | Construction Management |
| 3 LTV Tower Mixed-Use Development        | Dallas, TX      | -               | \$78.1M  | 357           | 19                          | Sep-15             | Construction Management |
| Residences at Tremé Market               | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Construction Management |
| Iberville/Tremé CNI Onsite Phases I-VII  | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Construction Management |
| Lafayette Bottle Art Lofts Phases I & II | Lafayette, LA   | -               | \$32.2M  | 109           | 55                          | Jul-22             | Construction Management |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### **Sidney J. Barthelemy, Vice President, Government Relations Emeritus, HRI Communities**

Sidney Barthelemy joined HRI after a distinguished, successful career in public service that culminated in two terms as the Mayor of the City of New Orleans. He was first elected to public office in 1974 as a Louisiana State Senator. He was then elected Councilman-At-Large in 1978 and served two terms on the City Council before being elected Mayor in 1986. His personal reputation and extensive contacts from his years as the chief elected officer of a major city represent a significant asset in HRI's mission to revitalize cities.

#### Similar Project Experience

| Project Name                               | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role              |
|--------------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|-------------------|
| 1 Flint Goodridge Apartments Repositioning | New Orleans, LA | -               | \$13.5M  | 89            | 89                          | Dec-08             | Development       |
| The Redemptorist Apartments Repositioning  | New Orleans, LA | -               | \$15.6M  | 107           | 107                         | May-09             | Development       |
| River Garden HOPE VI                       | New Orleans, LA | ✓               | \$157.0M | 700           | 340                         | Nov-09             | Development       |
| King Edward & Standard Life                | Jackson, MS     | -               | \$114.4M | 326           | -                           | Aug-10             | Development       |
| Blue Plate Artist Lofts                    | New Orleans, LA | -               | \$25.6M  | 72            | 50                          | Mar-12             | Development       |
| Marais Apartments                          | New Orleans, LA | ✓               | \$35.5M  | 112           | 112                         | May-14             | Development       |
| 225 Baronne Mixed-Use Development          | New Orleans, LA | -               | \$96.1M  | 380           | 39                          | Aug-15             | Development       |
| Residences at Tremé Market                 | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Development       |
| 2 Iberville/Tremé CNI Onsite Phases I-VII  | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Development       |
| 3 St. Bernard Circle Apartments            | New Orleans, LA | ✓               | \$23.0M  | 51            | 40                          | -                  | Community Liaison |





## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### Carey Slocum, Vice President Development Finance, HRI Communities

As Vice President of Development Finance, Carey Slocum leads the Development Finance department for HRI Communities, which is responsible for the financial management of development projects from concept through operations and draws upon extensive experience in complex financial structuring and compliance, including working with Federal and State Historic Tax Credits, Federal and State New Market Tax Credits, Federal and State Low Income Housing Tax Credits, Community Development Block Grants, HOME funding, HUD financing and additional development incentives. With 14 years of financial analysis experience at HRI, Ms. Slocum brings a resourceful intellect to the challenges of financing new development activities on a large scale. She has overseen the financial management of projects with total development costs over \$600M.

#### Similar Project Experience

|   | Project Name                                | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role            |
|---|---------------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|-----------------|
| 1 | Miller & Rhoads<br>Mixed-Use Development    | Richmond, VA    | -               | \$109.7M | 383           | -                           | Feb-09             | Dev.<br>Finance |
|   | Bywater Art Lofts Phases I & II             | New Orleans, LA | -               | \$22.0M  | 67            | 67                          | Jan-12             | Dev.<br>Finance |
|   | Miller & Rhoads Repositioning               | Richmond, VA    | -               | \$60.4M  | 383           | -                           | Nov-15             | Dev.<br>Finance |
|   | Capitol Art Lofts                           | Jackson, MS     | -               | \$10.7M  | 31            | 31                          | Dec-17             | Dev.<br>Finance |
|   | Residences at Tremé Market                  | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Dev.<br>Finance |
| 2 | Iberville/Tremé CNI Onsite<br>Phases I-VII  | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Dev.<br>Finance |
|   | Hammond Eastside Apartments                 | Hammond, LA     | -               | \$7.2M   | 56            | 56                          | Jan-19             | Dev.<br>Finance |
|   | Lafayette Bottle Art Lofts<br>Phases I & II | Lafayette, LA   | -               | \$32.2M  | 105           | 105                         | Apr-22             | Dev.<br>Finance |
|   | Hammond Station Apartments                  | Hammond, LA     | -               | \$16.2M  | 67            | 67                          | Jul-22             | Dev.<br>Finance |
| 3 | Lee Hardware/United Jewelers                | Shreveport, LA  | -               | 9.8M     | 109           | 55                          | Jul-22             | Dev.<br>Finance |





## 4. KNOWLEDGE & EXPERIENCE

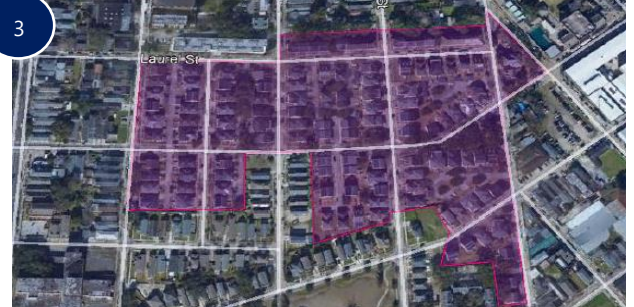
### 4.iv. Key Personnel Experience



#### **Amy Breen, Vice President Development, HRI Communities**

As Vice President of Development, Amy manages all aspects of a project's development process starting at site selection through completion. Ms. Breen got her start at HRI in 2017 as an asset manager where she quickly became interested in the complex financing structures of the projects she was managing. After transitioning over to the development department, she oversaw the financing of projects with over \$250 million in combined development costs. Amy has experience managing projects with various forms of subsidy including Historic Tax Credits, New Markets Tax Credits, and Low-Income Housing Tax Credits.

| Similar Project Experience                 |                 |                 |         |               |                             |                    |                  |
|--------------------------------------------|-----------------|-----------------|---------|---------------|-----------------------------|--------------------|------------------|
| Project Name                               | Location        | CNI/<br>HOPE VI | TDC     | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role             |
| LTV Tower Mixed-Use Development            | Richmond, VA    | -               | \$78.1M | 357           | 19                          | Sep-15             | Asset Management |
| 225 Baronne Mixed-Use Development          | New Orleans, LA | ✓               | \$96.1M | 380           | 39                          | Aug-15             | Asset Management |
| 1 Mayflower Apartments                     | Richmond, VA    | -               | \$54.2M | 215           | 43                          | Dec-16             | Asset Management |
| 2 Lafayette Bottle Art Lofts Phases I & II | New Orleans, LA | -               | \$32.2M | 105           | 105                         | Apr-22             | Development      |
| Lee Hardware/United Jewelers               | Shreveport, LA  | -               | \$9.8M  | 109           | 55                          | Jul-22             | Development      |
| 3 New River Garden Apartments 1            | New Orleans, LA | ✓               | \$56.0M | 296           | 148                         | -                  | Development      |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

#### HCI Architecture - Design Team

Formed in 1995, HCIA has an experienced design team that has developed more than 4,300 apartment units, 4,900 hotel rooms, 560 condo units, over 1,000,000 square feet of office/retail space, and numerous parking structures. Having served as Architect of Record on both Bienville Basin and River Garden as well as most of the rest of HRIC's mixed-income/affordable, mixed-finance developments, HCIA possesses vast experience designing and programming complex projects in accordance with HUD regulations. HCIA will be available to provide architecture services and quality control services during pre-development and construction of the New Braunfels redevelopments. HCIA key design team members will include:



#### **Roger Freibert, Jr. AIA, President HCI Architecture, Inc.**

Roger Freibert was promoted to President of HCIA in 2018 after over 22 years leading HCI architectural teams in the successful design and implementation of key projects in multifamily residential, senior residential, hospitality, parking, and retail. Mr. Freibert also brings diversified experience in all aspects of the architectural profession including both adaptive reuse of historic structures and new construction working in the traditional Owner-Architect role as well as in a design-build

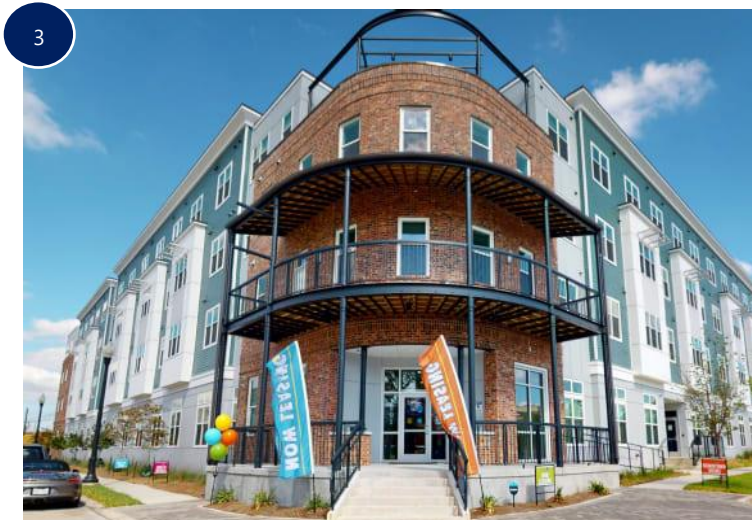
partnership. A registered architect in the states of Louisiana and Florida, Mr. Freibert earned his B.A. in architecture at Louisiana State University. He belongs to the American Institute of Architects, Louisiana Landmarks Society, National Trust for Historic Preservation and currently serves on the Board of Directors for the Preservation Resource Center of New Orleans. He's also an active member in the National Council of Architectural Registration Boards and the Building Officials Association of Louisiana.

| Similar Project Experience              |                 |                 |          |               |                             |                    |        |
|-----------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|--------|
| Project Name                            | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role   |
| 1 Cotton Mill Apartments                | New Orleans, LA | -               | \$35.8M  | 287           | -                           | Mar-98             | Design |
| American Can Apartments                 | New Orleans, LA | -               | \$44.5M  | 268           | 54                          | Sep-01             | Design |
| River Garden HOPE VI                    | New Orleans, LA | ✓               | \$156.6M | 700           | 340                         | Nov-09             | Design |
| Aloysius Apartments                     | New Orleans, LA | -               | \$16.7M  | 49            | 23                          | Dec-10             | Design |
| Iberville/Tremé CNI Onsite Phases I-VII | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Design |

## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

| Similar Project Experience               |                 |                 |         |               |                             |                    |                    |
|------------------------------------------|-----------------|-----------------|---------|---------------|-----------------------------|--------------------|--------------------|
| Project Name                             | Location        | CNI/<br>HOPE VI | TDC     | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role               |
| 2 G.O. Mondy Apartments                  | New Orleans, LA | ✓               | \$9.0M  | 35            | 35                          | 2017               | Third-Party Design |
| Residences at Tremé Market               | New Orleans, LA | ✓               | \$19.9M | 68            | 68                          | Feb-18             | Design             |
| Lafayette Bottle Art Lofts Phases I & II | New Orleans, LA | -               | \$32.2M | 105           | 105                         | Apr-22             | Design             |
| Hammond Station Apartments               | Hammond, LA     | -               | \$16.2M | 67            | 67                          | Jul-22             | Design             |
| 3 City Square 162 Apartments             | New Orleans, LA | ✓               | \$23.0M | 76            | 30                          | 2021               | Third-Party Design |





## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### **Michael Albracht, Design Director, Registered Architect & Licensed Interior Designer**

Mr. Albracht joined HCI in 2001 with a background in adaptive reuse multifamily and hospitality projects. He continues successful projects for HRI repurposing existing buildings along with designing new construction ones. Adaptive reuse project history includes renovations, Standard Life and Hibernia Tower. New Construction example properties are Bonne Terre Village

II, Barataria Station Apartments I and II and Aloysius Apartments. Specialty housing segments entail artist housing; Blue Plate Lofts, Bywater ART Lofts phases I and II, Bottle Art Lofts and housing for the formerly homeless; 2222 Tulane Ave., 2101 Louisiana Ave. Redevelopment of public housing is another project group where extensive work at River Garden and Bienville Basin redevelopment shows expertise in all project phases and construction types.

#### Similar Project Experience

|   | Project Name                              | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role               |
|---|-------------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|--------------------|
|   | River Garden HOPE VI                      | New Orleans, LA | ✓               | \$156.6M | 700           | 340                         | Nov-09             | Design             |
| 1 | The Redemptorist Apartments Repositioning | New Orleans, LA | -               | \$15.6M  | 107           | 107                         | May-09             | Design             |
| 2 | Nine27 Apartments                         | New Orleans, LA | -               | \$25.0M  | 76            | 16                          | Jun-09             | Design             |
|   | King Edward & Standard Life               | Jackson, MS     | -               | \$114.4M | 326           | -                           | Aug-10             | Design             |
| 3 | Bywater Art Lofts Phases I & II           | New Orleans, LA | -               | \$22.0M  | 67            | 67                          | Jan-12             | Design             |
|   | Rosa F. Keller Apartments                 | New Orleans, LA | ✓               | \$16.8M  | 60            | 60                          | Apr-12             | Design             |
|   | G.O. Mondy Apartments                     | New Orleans, LA | ✓               | \$9.0M   | 35            | 35                          | 2017               | Third-Party Design |
|   | Residences at Tremé Market                | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Design             |
|   | Hammond Eastside Apartments               | Hammond, LA     | -               | \$7.2M   | 56            | 56                          | Jan-19             | Design             |
|   | Lafayette Bottle Art Lofts Phases I & II  | New Orleans, LA | -               | \$32.2M  | 105           | 105                         | Apr-22             | Design             |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### David Scalf, Jr. AIA, Architect & Director of Design Technology

David Scalf has been responsible for design, production, project management, and management of office CAD/BIM standards since joining HCI in 2008. Performing in the capacity of Architect and Project Manager on both historic adaptive re-use projects as well as new construction, Mr. Scalf has extensive working knowledge of all phases of the architectural delivery process from pre-design to project close-out, with particular emphasis on efficiency of production delivery and technology. His clients span both private sector developers and municipal on projects ranging from commercial, single and multifamily residential, hospitality, retail, and parking facilities.

#### Similar Project Experience

|   | Project Name                      | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role   |
|---|-----------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|--------|
|   | King Edward & Standard Life       | Jackson, MS     | -               | \$114.4M | 326           | -                           | Aug-10             | Design |
| 1 | Aloysius Apartments               | New Orleans, LA | -               | \$16.7M  | 49            | 23                          | Dec-10             | Design |
|   | Blue Plate Artist Lofts           | New Orleans, LA | -               | \$25.6M  | 72            | 50                          | Mar-12             | Design |
| 2 | Rosa F. Keller Apartments         | New Orleans, LA | ✓               | \$16.8M  | 60            | 60                          | Apr-12             | Design |
| 3 | Hibernia Mixed-Use Development    | New Orleans, LA | -               | \$63.3M  | 175           | 36                          | Mar-14             | Design |
|   | 225 Baronne Mixed-Use Development | New Orleans, LA | -               | \$96.1M  | 380           | 39                          | Aug-15             | Design |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

#### HRI Management - Property Management Team

With over 30 years of experience in the successful operation of market-rate, affordable and mixed-income multi-family buildings, HRIM currently manages 63 properties, which comprise over 5,400 units across 5 states and 10 cities. HRIM has a staff of 175 employees including specialists in leasing, operations, tax credit compliance, maintenance and resident services. HRIM will be available to provide property management services for the New Braunfels redevelopments. HRIM key team members will include:



#### David Abbenante, President HRI Management

David Abbenante is a high-energy, dynamic real estate professional with more than 20 years of experience in all aspects of commercial and residential asset management, property management and development project management. Prior to working for HRI, Mr. Abbenante worked in the third-party residential and commercial management business and was a facility manager for a Louisiana based bank. In 1996, Mr. Abbenante joined HRI as a development Project Manager to oversee low-to-moderate income residential properties and hotel conversion developments. He was promoted as head of the Asset Management Division wherein he represented HRI in its role as Managing General Partner. In February of 2000, the HRI Asset Management Division was merged with the Property Management Division, and Mr. Abbenante was promoted to President of HRIM where he oversees all HRI owned real estate assets and HRIM functions.

| Similar Project Experience                  |                       |                 |          |               |                             |                    |                        |
|---------------------------------------------|-----------------------|-----------------|----------|---------------|-----------------------------|--------------------|------------------------|
| Project Name                                | Location              | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role                   |
| Miller & Rhoads<br>Mixed-Use<br>Development | Richmond,<br>VA       | -               | \$109.7M | 383           | -                           | Feb-09             | Property<br>Management |
| 1 River Garden HOPE<br>VI                   | New<br>Orleans,<br>LA | ✓               | \$157.0M | 700           | 340                         | Nov-09             | Property<br>Management |
| Rosa F. Keller<br>Apartments                | New<br>Orleans,<br>LA | ✓               | \$16.8M  | 60            | 60                          | Apr-12             | Property<br>Management |
| Marais Apartments                           | New<br>Orleans,<br>LA | ✓               | \$34.8M  | 112           | 112                         | May-14             | Property<br>Management |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

| Similar Project Experience                   |                       |                 |          |               |                             |                    |                                       |
|----------------------------------------------|-----------------------|-----------------|----------|---------------|-----------------------------|--------------------|---------------------------------------|
| Project Name                                 | Location              | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role                                  |
| LTV Tower Mixed-<br>Use Development          | Dallas, TX            | -               | \$78.1M  | 357           | 19                          | Sep-15             | Property<br>Management                |
| Mayflower<br>Apartments                      | Dallas, TX            | -               | \$54.2M  | 215           | 43                          | Dec-16             | Property<br>Management                |
| G.O. Mondy<br>Apartments                     | New<br>Orleans,<br>LA | ✓               | \$9.0M   | 35            | 35                          | 2017               | Third-Party<br>Property<br>Management |
| Residences at Tremé<br>Market                | New<br>Orleans,<br>LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Property<br>Management                |
| 2 Iberville/Tremé CNI<br>Onsite Phases I-VII | New<br>Orleans,<br>LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Property<br>Management                |
| 3 Faubourg Lafitte<br>Apartments             | New<br>Orleans,<br>LA | ✓               | N/A      | 437           | 345                         | 2020               | Third-Party<br>Property<br>Management |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience



#### **Debra Taullie, Director of Multi-Family Operations**

Ms. Taullie has over 30 years of experience in the Multi Family and Commercial Real Estate Industry. Ms. Taullie has served as Regional Director of Property Management for one of the nation's largest Property Management Firms, Johnstown American/Lane Companies, supervising operations of multifamily and commercial developments in seven states. In addition, Ms. Taullie served as Vice President of Property Management with Pilot Property Company, overseeing a 3,000-unit residential portfolio and supervising the successful lease-up and turnaround of distressed real estate throughout the country.

#### Similar Project Experience

| Project Name                            | Location        | CNI/<br>HOPE VI | TDC      | # of<br>Units | # of<br>Affordable<br>Units | Completion<br>Date | Role                            |
|-----------------------------------------|-----------------|-----------------|----------|---------------|-----------------------------|--------------------|---------------------------------|
| Miller & Rhoads Mixed-Use Development   | Richmond, VA    | -               | \$109.7M | 383           | -                           | Feb-09             | Property Management             |
| River Garden HOPE VI                    | New Orleans, LA | ✓               | \$156.6M | 700           | 340                         | Nov-09             | Property Management             |
| Rosa F. Keller Apartments               | New Orleans, LA | ✓               | \$16.8M  | 60            | 60                          | Apr-12             | Property Management             |
| 1 Marais Apartments                     | New Orleans, LA | ✓               | \$35.5M  | 112           | 112                         | May-14             | Property Management             |
| LTV Tower Mixed-Use Development         | Dallas, TX      | -               | \$78.1M  | 357           | 19                          | Sep-15             | Property Management             |
| 2 Mayflower Apartments                  | Dallas, TX      | -               | \$54.2M  | 215           | 43                          | Dec-16             | Property Management             |
| G.O. Mondy Apartments                   | New Orleans, LA | ✓               | \$9.0M   | 35            | 35                          | 2017               | Third-Party Property Management |
| 3 Residences at Tremé Market            | New Orleans, LA | ✓               | \$19.9M  | 68            | 68                          | Feb-18             | Property Management             |
| Iberville/Tremé CNI Onsite Phases I-VII | New Orleans, LA | ✓               | \$219.4M | 682           | 455                         | Feb-19             | Property Management             |
| Faubourg Lafitte Apartments             | New Orleans, LA | ✓               | N/A      | 437           | 345                         | 2020               | Third-Party Property Management |



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

#### Elkins, PLC Team Members



#### **Shawn J. Richard, Shareholder**

Shawn Richard, licensed to practice in Louisiana, North Carolina and Texas, represents developers in residential, hotel and commercial development arenas, including development of mixed-use and residential condominium developments, flex warehouse space, commercial business parks and residential subdivisions. Shawn counsels developers on structuring of transactions to take advantage of a multitude of financing sources including bonds, the Historic Rehabilitation Tax Credit, Low Income Housing Tax Credit, the New Markets Tax Credit, solar credits and public/private financing sources. He also advises on commercial leasing, representing lessors and lessees, as well as the documentation of secured transactions representing national financial institutions and commercial borrowers. Shawn routinely advises clients regarding General Business and Corporate Matters, as well as contractual issues.



#### **Sarah Hanauer, Attorney**

Sarah Hanauer practices in the areas of business planning and transactions, estate planning and administration, and federal and state taxation. Sarah joined Elkins, PLC, in 2013. Prior to joining Elkins, PLC, she attended Millsaps College in Jackson, Mississippi, where she was a member of Phi Mu Fraternity, Pi Sigma Alpha Political Science Honorary, Pi Mu Epsilon Mathematics Honorary, the Dean's List, and recipient of the Reid & Cynthia Bingham Award for the senior scholar of distinction in Political Science. At Loyola University College of Law, she participated in the Pro Bono Low Income Tax Clinic and the Volunteer Income Tax Assistance Program. Sarah additionally received her LL.M. in Taxation from Villanova University School of Law in Villanova, Pennsylvania. While obtaining her LL.M. in Taxation, Sarah practiced with a transactional law firm in Media, Pennsylvania.



## 4. KNOWLEDGE & EXPERIENCE

### 4.iv. Key Personnel Experience

#### Klein Hornig Team Member

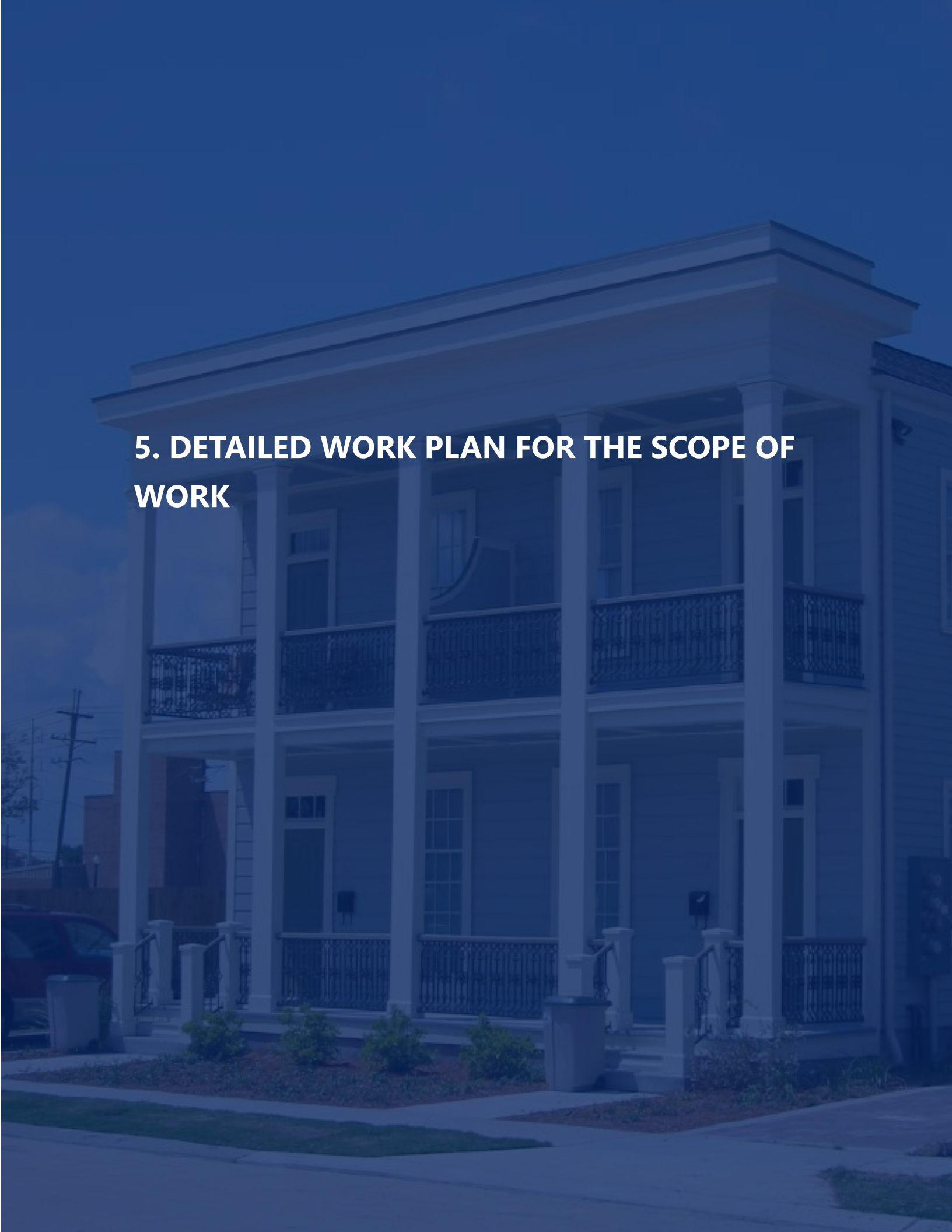


#### **Daniel M. Rosen, Partner**

Mr. Rosen focuses his practice on real estate, housing, and community development transactions. He has helped public, private, nonprofit and for-profit clients build, buy, preserve and finance thousands of housing units across the country. Mr. Rosen specializes in mixed-finance public housing development, Low-Income Housing Tax Credits, and HUD assistance programs. He has worked with these and numerous other Federal, state, local and private funding sources

to finance innovative, high-impact projects.

Mr. Rosen was a founding partner of Klein Hornig in 2002. He previously served as Associate General Counsel at The Community Builders, Inc., a national nonprofit developer, and as an associate at the firms of Hawkins, Delafield & Wood and Powell, Goldstein, Frazer & Murphy LLP (now Bryan Cave LLP).

A photograph of a two-story house with a prominent front porch and a second-floor balcony. The house features white columns and railings. The image is overlaid with a semi-transparent blue gradient. The text "5. DETAILED WORK PLAN FOR THE SCOPE OF WORK" is centered on the left side of the image.

## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

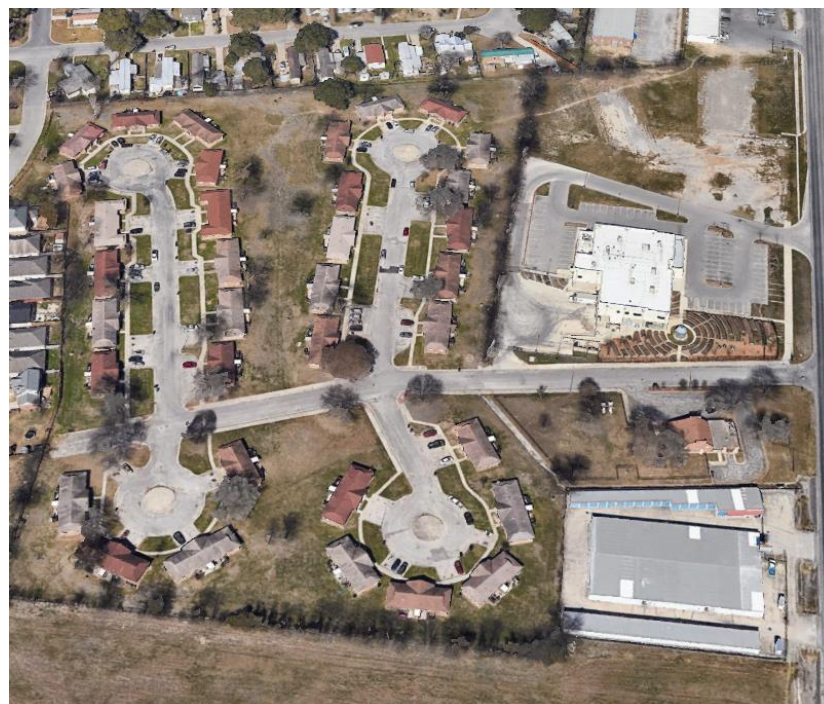
## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

Pursuant to the RFQ, the New Braunfels Housing Authority (“NBHA”) is soliciting responses from qualified developers to partner with NBHA and provide expertise in the redevelopment of its 170-unit public housing portfolio. HRI’s multi-dimensional team has thoughtfully developed a preliminary vision for redevelopment of the Laurel Plaza and Villa Serena sites in a manner that will transform them into vibrant, mixed-income, residential communities while respecting and harmonizing with the surrounding areas. Successful redevelopment of these properties relies on a proposal and development team with honest commitments for the greatest net benefit to NBHA, the City of New Braunfels, Comal County and the existing Laurel Plaza and Villa Serena residents in terms of community investment, economic opportunity, promotion of culture and delivery of quality, affordable and workforce housing.

Aligned with NBHA’s objectives outlined in the RFQ and grounded in a deep understanding of urban infill, mixed-income and public-private developments that are catalytic to underserved communities, we have prepared a preliminary redevelopment proposal that would transform the physical landscape of the Laurel Plaza and Villa Serena properties, breathing new life into the neighborhoods and demonstrating how development can be broadly representative and inclusive of the community that forms its core constituency. Our proposal is meant to be conceptual, understanding that the certainty of the project will be driven by the goals of NBHA and the goals that HRI and NBHA will further unveil through additional community engagement and in collaboration with residents, community stakeholders, private and public partnership participants and government officials.





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

HRIC and HCIA utilized a place-based, New Urbanist approach to create a preliminary, phased, master plan for redevelopment of the Laurel Plaza and Serena Villa properties that would successfully accommodate a higher-density, mixed-used redevelopment plan on the sites and meet the objectives of NBHA by allowing for a diversity of housing and family types, community amenities, services, programming and sustainable site improvements and landscaping.

#### Offsite Housing Development

For the first phase of redevelopment we have programmed an offsite new construction development with approximately 50 residential units that will include a mix of one-, two-, three- and four-bedroom units. This build-first, offsite approach will allow for relocation of existing residents into new, quality housing near their existing neighborhood. We have identified several offsite parcels, both on and off market, that are in close proximity to the Laurel Plaza and Serena Villa neighborhoods and would successfully accommodate 50 mixed-income apartments. This offsite development would be designed to meet the requirements of, and to score competitively under, the Texas Department of Housing and Community Affairs (“TDHCA’s”) Qualified Allocation Plan (“QAP”). We anticipate this project would be a round peg for a successful 9% Low Income Housing Tax Credits (“LIHTC”) application to kickstart the overall New Braunsfels public housing redevelopment efforts. Below are a few images of HRIC/HCIA precedents that illustrate potential offsite housing development concepts.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

##### **Villa Serena Redevelopment**

We have chosen the Villa Serena property to provide for the first onsite phase of redevelopment given the overall size of the site and the potential to redevelop sections of the existing property in separate phases, if needed, to streamline relocation. The conceptual Villa Serena Apartments redevelopment scenario presented for NBHA's consideration delivers the following objectives:

- Includes a three-story primary building at the center of the site that will include seventy (70) multifamily units.
- The primary building will be surrounded by two-, three-, and four- bedroom townhouses for a total of one-hundred twenty (120) townhouse units with a goal of retaining a portion of the existing paving to reduce sitework scope.
- In addition, there will be a 10,000 SF childcare center with an associated, secure outdoor play area..
- The Villa Serena site would need to be rezoned from its current R-2 zoning to R-3 zoning.

##### **Villa Serena proposed site plan (190 units + childcare center)**





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses



**Representative images of the proposed townhouses**





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

##### **Laurel Plaza Redevelopment**

For the final phase of onsite redevelopment, we have presented a conceptual Laurel Plaza redevelopment scenario for NBHA's consideration that delivers the following objectives:

- Includes a three-story L-shaped building facing Landa Street that will house one hundred and ten (110) one- and two-bedroom apartments.
- Assuming NBHA would like its office to remain onsite, we have also programmed a separate 6,500 SF housing office adjacent to the main building.
- The proposed development complies with R-3 zoning which allows a maximum building height of 45 feet along with a front and rear building setback of 25 feet.

As the final phase of redevelopment, we would also explore the possibility of renovating the existing Laurel Plaza building and utilizing it for senior housing. Given our experience with historic renovation and historic adaptive reuse, we would welcome the opportunity to explore preserving this building and breathe new life into it, assuming the existing conditions are suitable for renovation.

##### **Laurel Plaza proposed site plan (110 total units + NBHA office)**





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

##### Representative image of the proposed multifamily building



### Green Space & Public Art

In each project we do, HRIC and HCIA emphasize the importance of green space and public art for the wellbeing of residents and the aesthetics and sustainability of the entire neighborhood. From pocket parks to rain gardens to community gardens, we have developed a variety of green spaces that not only compliment but enhance apartment communities. The green spaces we design are also canvases of expression for local artists, whose sculptures, photographs and murals create a unique atmosphere while reflecting local sensitivities and paying homage to the history and culture of the neighborhoods. We intend to provide easy access to amenities such as green spaces, public art and recreational areas throughout each phase of the New Braunfels developments. Previous HRIC/HCIA greenspace examples are below.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

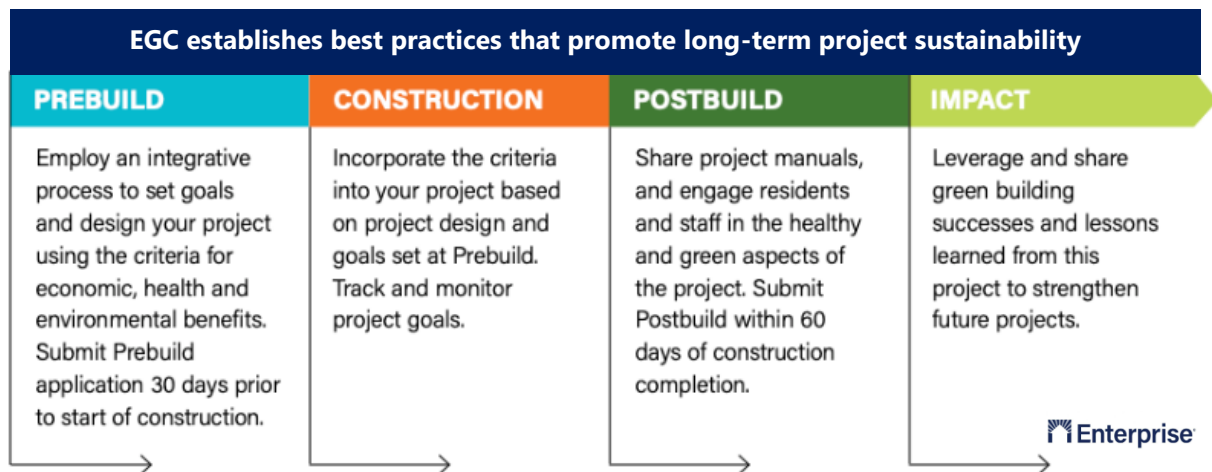
#### Environmental Sustainability Goals

Environmental sustainability and disaster resilience will factor heavily into the New Braunfels revitalization. Aided by an initial multi-hazard risk and vulnerability assessment that forecasts hazard exposure and establishes a preliminary plan for mitigating adverse impacts, resilience and sustainability goals will steer every project aspect from sitework to building methodology and will eventually direct property management plans and policies. Comprehensively influencing the project, these resilient and sustainable characteristics reflect the best practices of FEMA and Enterprise Green Communities to create resilient multifamily housing.

Based on our previous resilient and green building experience, the key components of the New Braunfels disaster resiliency and sustainability goals are summarized below.

#### Sustainability Goal: Enterprise Green Communities

The design and construction of the housing components will adhere to the Enterprise Green Communities ("EGC") certification requirements, as such are industry-leading sustainable and green building best practices. Accordingly, each development phase will satisfy applicable optional criteria under the latest EGC 2020 checklist (or updated checklists, as such become available) to qualify for a minimum score of 40 points. EGC standards do not end with construction completion. Once each housing building is placed in service, property management will employ sustainability practices such as water conservation, smoke-free policies and the promotion of physical activity to encourage environmental stewardship and nurture residents' health and well-being.





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

We anticipate that each New Braunfels development phase will, at the minimum, adhere to the following specific resilience criteria of EGC:

- **Multi-Hazard Risk / Vulnerability Assessment**

A Multi-Hazard Risk and Vulnerability Assessment (the “Assessment”) will be prepared as a guide for incorporating hazard resilience into the planning and development of each phase. Building upon the guidance and best practices established by relevant agencies, authorities, and experts in the multifamily housing, development, design and construction industries, this assessment serves to proactively address potential impacts from natural disasters upon the subject multifamily property and its tenants. Included within this analysis of the affects due to natural disasters and climate change are considerations for the social, physical, functional, and strategy factors of establishing parameters within which the development, construction, and operations of the property aim to address and mitigate adverse effects.

- **Surface Stormwater Management**

The New Braunfels developments will implement stormwater management measures to maximize water retention and minimize the rate of outflow to the drainage system. Phases will be designed and built to retain on site the precipitation volume from the 70% precipitation event. This will significantly minimize the impacts on the City of New Braunfels’ stormwater system in the event of heavy rainfall.

- **Resilient Energy Systems: Critical Loads**

Specifically, under this criteria, we explore the feasibility of Option 2 to incorporate back-up generator power into each housing phase. Depending on building use and size, electrical loads essential for life safety are required by state building code to be powered by emergency systems, such as emergency voice/alarm communication systems, means of egress lighting, fire suppression systems, and elevators, as well as standby systems for other safety measures.

- **Access to Potable Water during Emergencies**

We suggest implementing measures ensuring that access to potable water is maintained in the event of emergencies or hazards involving power outages that would otherwise interrupt common potable water service to the building(s) and/or its units.

- **Resilient Energy Systems: Floodproofing**

The development team will implement construction techniques and materials to provide floodproofing, equipment elevation, and flood-hardy assemblies/materials consistent with

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.a. Preliminary Program & Planned Uses

the requirements of EGC. The following floodproofing measures will be incorporated:

- Locate all equipment above design flood elevations.
- Locate electric service disconnect in readily accessible location above design flood elevations.
- Locate exit door(s) above design flood elevations.
- On plans, identify water entry points at foundation and demarcate floodproofing assemblies to be preserved in future renovations.

#### Additional Sustainability Goals

Additionally, drawing from best practices on previous HRIC and HCIA development projects, we intend to incorporate the following as may be permitted by applicable building/plumbing code:

- Each phase will incorporate backflow valve(s) into its main sanitary (sewer) drain line. Intended to prevent the backflow of sewerage into the building during flood events, the backflow valve will be sized according to final mechanical engineering designs and comply with applicable code.
- The design and construction of this project will ensure that the finished floor elevations of all housing units and all mechanical equipment (HVAC, electrical panels, elevator motors, etc.) will be located above any applicable elevation requirements associated with the 500-year flood risk level and/or will be located 3' above any applicable BFE.
- Besides the industry-leading EGC sustainability framework, the development team will incorporate any other sustainability and resiliency features required of any financing program pursued for the New Braunfels redevelopment phases.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.b. Phasing of Relocation, Demolition & Construction

If selected under this RFQ in early 2024, we will immediately join NBHA in community engagement efforts to advance a master development plan that would include an offsite housing development phase and redevelopment of both the Laurel Plaza and Villa Serena properties.

The development team will commence predevelopment efforts on the first-build, offsite development in early 2024. Given TDHCA’s 9% funding round timeline, which requires pre-application submission in January and applications due in March, this first phase of development would not be a good fit for the 2024 9% funding round from a timing perspective. Therefore, we would spend time working with NBHA to identify which offsite property is preferred, secure site control and prepare a winning 9% LIHTC application for the 2025 funding round under a base case scenario. If NBHA would like to fast track this offsite development timeline, we would be happy to work collaboratively to secure gap financing and apply for 4% LIHTCs and tax-exempt bond financing in 2024. HRI’s track record of securing CDBG and HOME funds coupled with the project’s importance has potential to provide a financially feasible 4% LIHTC path forward and allow for a quicker commencement of development. Under the base case scenario, we anticipate residents of Villa Serena could begin relocating to the offsite development in late 2026/early 2027.

We anticipate relocating all residents living on the Villa Serena site beginning in 2025 through early 2027. We will allow for vacancy to drop naturally, work with local non-profit partners to identify offsite relocation opportunities, utilize vacant units at Laurel Plaza and ultimately utilize the proposed 50-unit offsite development to relocate these 70 households. Following a complete relocation and vacancy of Villa Serena by early 2027, demolition and site preparation will occur. Construction of new townhouses, a multifamily building, and new green spaces on the Villa Serena site will commence in late 2027 and are estimated to be complete in early 2029. Laurel Plaza residents will be fully relocated onto the newly redeveloped Villa Serena site and redevelopment of Laurel Plaza will commence in 2029. As previously noted, we would also explore the possibility of renovating the existing Laurel Plaza building and utilizing it for senior housing as an alternate redevelopment scenario that would preserve the building and allow for Federal and State Historic Tax Credit financing.

| 2024                                                                                                                                          | 2025-2026                                                                                                                                                                                                            | 2027-2028                                                                                                                                                                                         | 2029-2030                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Master planning</li> <li>• Community engagement</li> <li>• Advance offsite predevelopment</li> </ul> | <ul style="list-style-type: none"> <li>• Housing plan refinement</li> <li>• Continued community engagement</li> <li>• Relocation of Villa Serena residents</li> <li>• Construction of offsite development</li> </ul> | <ul style="list-style-type: none"> <li>• Continued community engagement</li> <li>• Villa Serena demolition, site prep and construction</li> <li>• Relocation of Laurel Plaza residents</li> </ul> | <ul style="list-style-type: none"> <li>• Continued community engagement</li> <li>• Laurel Plaza demolition, site prep and construction</li> </ul> |



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.c. Financing Approach & Timing

##### **Financing Approach**

We are prepared to use our extensive success and deep industry relationships to ensure timely execution of a financing strategy that is feasible for a phased, large-scale, mixed-use, mixed-finance project of this nature. The HRI team is very accustomed to the complex financing associated with mixed-income housing developments, which often involve a multi-layered capital stack. We commit to ensure maximum utility and value of all available financial resources in order to maximize the leverage of scarce public resources. This necessity for attainable financial means is distinctly addressed by HRI's track record, which prompts interest and confidence from some of the most substantial financial and banking platforms in the nation.

We will utilize the following financing tools:

- **Federal and state LIHTCs:** We will program each housing development phase in accordance with the QAP requirements of the TDHCA. This will enable the phased developments to secure scarce but valuable federal and state LIHTCs, which are vital financing sources in the form of investor equity for any mixed-income rental project. HRI has decades of experience utilizing 9% or 4% LIHTCs as a development financing source on 52 projects totaling \$961.7 million of development costs and creating 4,489 apartments (3,342 of which are affordable).
- **Federal 45L Credits:** We plan to utilize \$2,500 per unit in Section 45L tax credits in each phase.
- **Private construction loans and first mortgages:** Utilizing our fruitful, long-term relationships with some of the nation's largest financing institutions, we will secure private financing at competitive terms that enable the financial sustainability of each housing phase. 9% LIHTC deals will utilize private construction loans.
- **TDHCA Direct Loans:** One of the community investment vehicles of TDHCA, direct loans provide low-cost financing to affordable housing projects. The team will secure TDHCA direct loans as appropriate during the LIHTC allocation process.
- **Local, state and federal HOME/CDBG/Housing Trust Fund funds:** Mixed-income, public housing redevelopments present funding gaps that require creative solutions. With 40 years of experience in assembling complex and unique capital stacks, our team is prepared to seek and obtain gap funding in the form of HOME funds, CDBG dollars and Housing Trust Fund grants. We would request that NBHA work collaboratively with the development team to identify gap funding throughout the development process.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.c. Financing Approach & Timing

#### Proposed Sources and Uses

The ultimate financing strategy for the offsite development and the Laurel Plaza and Villa Serena onsite redevelopments will depend on housing phasing that will be refined through resident and community engagement along with the availability of financial resources. Below are proposed financing sources for the phased housing development plan previously discussed, which would produce 350 total units, a new office for NBHA and a childcare facility. The high-level budget below is based on our conceptual vision and assumes a 9% LIHTC financing structure for the offsite and Laurel Plaza developments, a 4% LIHTC/tax-exempt bond financing structure for the Villa Serena development and Rental Assistance Demonstration Program (“RAD”) project-based vouchers for all one hundred and seventy (170) public housing replacement units.

#### Permanent Sources:

|                                                  |                      |
|--------------------------------------------------|----------------------|
| Federal and State LIHTC Equity                   | \$75,890,000         |
| Federal 45L Equity                               | \$650,000            |
| Permanent 1 <sup>st</sup> Mortgage Loan Proceeds | \$15,200,000         |
| TDHCA Direct Loan Proceeds                       | \$11,310,000         |
| City of New Braunfels Direct Loan Match          | \$1,100,000          |
| Deferred Developer Fee (80% HRIC/20% NBHA)       | \$800,000            |
| GAP Funding                                      | \$15,860,000         |
| <b>Total Permanent Sources</b>                   | <b>\$120,810,000</b> |

#### Uses:

|                                              |                      |
|----------------------------------------------|----------------------|
| Acquisition Costs                            | \$1,200,000          |
| Financing Fees                               | \$980,000            |
| Partnership Organizational Costs             | \$1,640,000          |
| Soft Costs                                   | \$5,980,000          |
| Developer Fee (80% HRIC/20% NBHA)            | \$7,720,000          |
| Construction Interest                        | \$4,350,000          |
| Design Build Contract (includes design fees) | \$92,620,000         |
| Owner’s Hard Cost Contingency                | \$4,250,000          |
| Reserves & Escrows                           | \$2,070,000          |
| <b>Total Uses</b>                            | <b>\$120,810,000</b> |

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.c. Financing Approach & Timing

#### Development Timing

Below is a preliminary financing and development schedule for the three proposed development phases under the base case scenario, which assumes the offsite development is a 9% LIHTC project awarded under the 2025 QAP. We believe this development schedule will allow adequate time for robust resident and stakeholder engagement, master plan refinement and realistic financing execution.

| Preliminary Development Timeline          |                     |                            |                            |
|-------------------------------------------|---------------------|----------------------------|----------------------------|
|                                           | Offsite Development | Villa Serena Redevelopment | Laurel Plaza Redevelopment |
| Estimated LIHTC Application               | Q1 2025             | Q2 2026                    | Q1 2028                    |
| Estimated LIHTC Reservation Received      | Q3 2025             | Q4 2026                    | Q3 2028                    |
| Financial Closing                         | Q4 2025             | Q1 2027                    | Q4 2028                    |
| Begin Construction                        | Q1 2026             | Q1 2027                    | Q1 2029                    |
| Construction Period                       | 14 months           | 16 months                  | 15 months                  |
| Construction Completion/ Begin Operations | Q1 2027             | Q3 2028                    | Q2 2030                    |
| Lease Up Achieved                         | Q3 2027             | Q1 2029                    | Q4 2023                    |
| Stabilization/8609s/Perm Loan Conversion  | Q4 2027             | Q2 2029                    | Q1 2031                    |

As previously noted, we are open to pursuing the offsite development as 4% LIHTC/tax-exempt bond project in the event NBHA would like to speed this timeline up.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.d. Design & Unit Features

HCIA, the proposed project architect, draws from an exceptional track record having completed more than 65 large scale projects consisting of more than 4,300 apartment units, 4,900 hotel rooms, 560 condo units, over one million square feet of office/retail space, and numerous parking structures. With years of experience in large-scale community revitalization efforts, HCIA understands the complexities often involved in transformative projects and is skilled at engaging federal/state agencies, such as the Department of Transportation and the Department of Environmental Quality, with the sweeping charge and authority needed to implement such undertakings.

HRIC and HCIA have intentionally provided a preliminary, high-level concept overview for NBHA's consideration. We are firm believers that broad stakeholder participation improves project outcomes. Once selected, HCIA will prepare a conceptual design proposal which will invite opportunities to solicit and incorporate the input of residents and key stakeholder groups through a participatory consultation process. Only through a participatory process can the development ensure that it addresses stakeholder interests and earns the support essential to delivering successful results for a diversity of perspectives and interests.

#### **Design Approach**

Once selected, HCIA will utilize the following design approach in creating an overall design proposal:

- Utilize a place-based, New Urbanist approach to create a phased, master plan for redevelopment of the existing sites that would appropriately accommodate a high-quality, higher-density, mixed-used redevelopment plan on the sites and meet the objectives of NBHA by allowing for a diversity of housing and family types, community amenities, services, programming and sustainable site improvements and landscaping.
- With a focus on financial feasibility and the ability to secure scarce funding resources, the development phases will be designed not only to comply with the TDHCA's QAP, but to also demonstrate the project criteria required to score competitively under each funding round to ensure the phase is well-positioned to receive a 9% or 4% LIHTC award.
- Pursuant to the goals of NBHA to provide for sustainable community design and given HRIC and HCIA's extensive experience developing sustainable multifamily communities in disaster-prone areas, each phase will be carefully designed to adopt high-quality, energy efficient, sustainable building standards while ensuring the projects will enhance the neighborhood and respect the needs and desires of the New Braunfels community.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.d. Design & Unit Features

- Create an architectural design concept that respects the architecture of the surrounding neighborhood and seamlessly fits into the New Braunfels community.
- Known for giving artists a canvas for expression in our apartment communities, we intend to employ local and minority painters, muralists and sculptors to enhance the community and public spaces within the redeveloped sites, representative of the culture and history of the New Braunfels community.





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.d. Design & Unit Features

##### Unit Features

Each of the three hundred and fifty (350) apartments programmed in the overall development scope will include efficient layouts that reflect refined and continually improved design standards established by HCIA. Apartment finishes and amenities will be equal for all income tiers and unit types, including a complete energy-star appliance package providing a refrigerator with icemaker, washers and dryers, dishwashers, ceiling fans, and three fixture bathroom(s) in every apartment. Unit sizes range from approximately 700 SF for a one-bedroom unit, 1,060 SF for a two-bedroom unit, 1,230 SF for a three-bedroom unit and 1,400 SF for a four-bedroom unit.

Offering residents comfort and convenience beyond that associated with traditional affordable housing, examples of a one-bedroom and two-bedroom typical apartment floor plan are as follows:





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.e. Income Mix & Marketing

##### Unit Bedroom Mix

Making sure to replace the existing bedroom mix currently onsite at Laurel Plaza and Villa Serena and factoring in our experience for market demand primarily weighted towards one- and two-bedroom units, we have programmed the following bedroom mix for the offsite and both onsite developments.

| Proposed Bedroom Mix |                     |                            |                            |       |
|----------------------|---------------------|----------------------------|----------------------------|-------|
|                      | Offsite Development | Villa Serena Redevelopment | Laurel Plaza Redevelopment | Total |
| 1 Bedroom            | 35                  | 114                        | 77                         | 226   |
| 2 Bedroom            | 7                   | 44                         | 33                         | 84    |
| 3 Bedroom            | 6                   | 30                         | -                          | 36    |
| 4 Bedroom            | 2                   | 2                          | -                          | 4     |
| Total                | 50                  | 190                        | 110                        | 350   |

##### Unit Income Mix

Due to its community advantages and adhering to the goals of the RFQ, we are proposing a high-quality, mixed-income housing community with a broad mix of income levels that will serve a range of affordability needs. True mixed-income housing spurs reinvestment in underutilized areas, provides critical housing opportunities and has a proven track record of transforming neighborhoods in need of revitalization such as the Laurel Plaza and Villa Serena properties.

With extensive experience developing mixed-income housing projects, we have created a preliminary unit affordability mix for the offsite development and both onsite redevelopments that will address the needs of the existing public housing residents and double the housing units currently provided on the Laurel Plaza and Villa Serena sites. The proposed new unit mix represents what we have found to be a successful mix for public housing redevelopments that includes approximately 50% deeply affordable replacement public housing units, 30% LIHTC-only/workforce housing units and 20% unrestricted market rate units. To that end, the affordability unit mix for each housing phase will need to reflect scoring advantages favored by the TDHCA under the applicable QAPs and will need to conform to any additional financing requirements.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.i. Development Approach

#### 5.i.e. Income Mix & Marketing

The preliminary proposed income mix for the offsite and both onsite developments is below.

| Proposed Income Mix                                 |                     |                            |                            |       |
|-----------------------------------------------------|---------------------|----------------------------|----------------------------|-------|
|                                                     | Offsite Development | Villa Serena Redevelopment | Laurel Plaza Redevelopment | Total |
| Affordable Public Housing Replacement Housing Units | 30                  | 85                         | 55                         | 170   |
| LIHTC Workforce Housing Units                       | 10                  | 67                         | 33                         | 110   |
| Unrestricted Market Rate Units                      | 10                  | 38                         | 22                         | 70    |
| Total                                               | 50                  | 190                        | 110                        | 350   |

### Marketing

HRIM, with over 30 years of experience in the successful operation of market-rate, affordable and mixed-income multi-family buildings, will manage the lease-up of the residential units. Lease-up efforts will commence approximately 6 months prior to construction completion and initial occupancy.

#### Resident Selection Plan

HRIM will target pre-leasing efforts to an audience comprised of income qualified families and market rate tenants. HRIM will adopt a strategy for affirmative marketing of the property and will establish an effective outreach that adheres to all Federal, State, and City Fair Housing laws covering all units, whether public housing units, LIHTC units, or market-rate units. All practices will not subject any person to discrimination prohibited by these laws.

In leasing the affordable units, HRIM will adhere to the prescribed rental “tier” and occupancy targets for the public housing units referred by NBHA and the LIHTC units with incomes 60% or less of AMI to ensure success, inclusivity and diversity.

- HRIM will maintain a site-based waiting list for the public housing replacement units and will maintain this list in NBHA’s system of operations. Leasing preferences for the public housing units will be provided in accordance with the requirements and procedures of NBHA Regulatory and Operating Agreement. HRIM will screen every household member at the time of admission to a public housing unit and at each annual recertification.

## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

### **5.i. Development Approach**

#### **5.i.e. Income Mix & Marketing**

- HRIM will also maintain waiting lists for the LIHTC units (that are not also public housing units). A waiting list for the LIHTC units will be administered in accordance with requirements of the TDHCA, and other governing instruments as applicable. Accessible units will be offered to eligible families with disabilities requiring the accessibility features of the unit in accordance with 24 CFR § 8.27.
- The market rate units will be programmed at a price point within reach to a large percentage of the developments' immediate community. HRIM will maintain an interest list for the market rate units.

#### **Initial Lease-Up and Marketing**

In addition to the community engagement and outreach efforts performed by HRIC prior and during development, HRIM's marketing efforts will include the establishment of a consistent brand identity, an interactive website, and social media advertisements. HRIM will promote the projects by utilizing the sites' location, accessibility to public transportation and schools. A grand opening event will serve as the official announcement of the completion of each development and will recognize the efforts of key stakeholders, private and public partnership participants and government officials involved in the development effort.

Resident retention will be safeguarded through best-in-class customer service, enriching onsite activities and oversight of community engagement.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.ii. Potential Replacement Housing

It is our intention to work with NBHA to create a relocation plan that meets the needs of the existing Villa Serena and Laurel Plaza residents and provides for clear, upfront, and frequent collaboration and open communication with the residents. Given our extensive experience in public housing redevelopment, we are prepared to work directly with NBHA on the relocation efforts or hire a third-party relocation specialist to lead the process.

Our high-level approach to relocation timing includes the following:

- Relocating the Villa Serena residents first to clear this larger site for redevelopment prior to Laurel Plaza. We suggest allowing the Villa Serena vacancy to drop naturally, working with local non-profit partners to identify offsite relocation opportunities, utilizing vacant units at Laurel Plaza and ultimately utilizing the proposed 50-unit offsite development to relocate these 70 households.
- We have programmed the first-build, offsite development with a mix of one-, two-, three- and four-bedroom units to accommodate Villa Serena residents within this development's thirty (30) replacement units. We have identified several offsite parcels, both on and off market, that are in close proximity to the Laurel Plaza and Serena Villa neighborhoods and would successfully accommodate 50 mixed-income apartments.
- If there are any remaining replacement units available within the offsite development, we anticipate filling these units with existing Laurel Plaza residents.
- We would take the same approach to relocating the remaining Laurel Plaza residents – allow vacancy to drop naturally, work with local non-profit partners to identify offsite relocation opportunities, and ultimately utilize the newly developed Villa Serena site to relocate all remaining residents.
- All existing residents will have the option to return to their original development site. We understand that the relocation process, even if temporary, is stressful for residents. We will work to ensure the process is as transparent and seamless as possible.

## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

### **5.iii. Proposed Business Terms**

#### **Terms and fee required in predevelopment**

HRIC would not require any compensation or fees in predevelopment. We only seek compensation for achieving results. However, consistent with similar efforts on public housing revitalization projects, we would require an 6% development fee in connection with any services we provide for site preparation activities that may be required to bring the existing public housing sites to a clean and buildable condition (e.g. demolition, environmental remediation, etc.). We would be willing to perform these site preparation activities through an additional services agreement structure with NBHA.

Additionally, we propose a 50%/50% (NBHA/HRIC) share of the third-party predevelopment costs of any individual housing phase. HCIA, while being an affiliate of HRIC, would be considered a third-party designer for this purpose. Upon the closing of the phase, both NBHA and HRIC would be fully reimbursed for their predevelopment expenditures associated with that housing phase.

#### **Compensation of NBHA's interest in the real estate**

NBHA will be a ground lessor on the housing developments to occur on the Laurel Plaza and Villa Serena sites or any other NBHA-owned land. The owner entities of each housing phase will enter into a ground lease associated with each housing development on NBHA-owned land.

#### **Distribution of developer fee**

We propose to share the developer fee to be paid by any housing phase on an 80%/20% (HRIC/NBHA) basis when collected. We typically receive developer fee installments at financial closing, construction completion and stabilization milestones. The percentage of the fee received at each milestone can vary depending on the details of the project and the underwriting standards of the investor and lenders.

#### **Distribution of cash flow**

We propose to share the cash flow of any individual housing phase in accordance with the managing member ownership percentages on an 80%/20% (HRIC/NBHA) basis when collected. However, if NBHA serves as a subordinate cash flow lender to fill any financing gaps of any individual housing phase, then it would receive a percentage of surplus cash (we would propose 25%) as a debt service payment at an appropriate place in the waterfall above the managing member share described in the preceding sentence.

## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

### **5.iii. Proposed Business Terms**

#### **Right of First Refusal**

The HRI affiliates that will participate in the ownership of the Laurel Plaza and Villa Serena redevelopments will grant NBHA a right of first refusal (“ROFR”) to purchase the developments in which NBHA is a part of upon expiration of the LIHTC compliance period, or notification of interest/readiness to sell the housing developments. The ROFR will be compliant with applicable state and federal tax laws.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.iv. Approach to Resident & Community Engagement

HRIC intimately understands the power of resident engagement in the creation of communities that provide enriching places to live, work and play in a neighborhood. Every project HRIC undertakes involves a level of engagement with the tenants, neighbors, family and friends to be served through real estate development. While HRIC cherishes the opportunities to improve building design and layouts with community input, we pride ourselves on the capability to provide services to our low- and moderate-income tenants that go beyond housing, such as case management, childcare and job training, particularly in public housing redevelopments where residents know their communities best. Such enhanced services offer a holistic experience for our residents. The successes achieved through resident engagement during the Iberville/Tremé Onsite and River Garden HOPE VI redevelopments illustrate this statement.

#### Past Success Project Highlight: Iberville/Tremé Onsite Resident Engagement

**Planning and design engagement:** As a part of the Housing component of the CNI Implementation Grant activities, HRIC built on the community engagement efforts that had commenced with the Planning Grant. HRIC and the architecture team held over two dozen design charrettes and site walk-throughs with community members, who served an integral part in shaping and refining the redevelopment plans for the Iberville/Tremé neighborhood.

**Resident services:** Furthermore, Urban Strategies, Inc. ("USI") a non-profit with more than 40 years of experience in community planning and development, championed the People component of the CNI redevelopment. Throughout the CNI Iberville Onsite Redevelopment, Urban Strategies, Inc. ("USI") implemented Case Management, Service Coordination, Resident Engagement, Relocation and developed Employment and Training partnerships with more than 50 organizations to support over 400 families. USI accomplished this by leveraging available funds to secure over \$21 million in public and private funds for implementation of the People Strategy. Throughout the life of the CNI People Component,

**7**

Elected and compensated Iberville Resident Working Team members participated in design, planning, CNI grant writing and implementation

**>400**

Families served through case management and resident engagement

**>50**

Community-based and faith-based organizations engaged to serve residents

**\$21M**

In public and private funds used for People Strategy

**80%**

Of Family and Individual Development Plans closed successfully upon the close of the People Implementation Grant

**100**

Households currently served thanks to the establishment of the CNI Endowment Fund

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.iv. Approach to Resident & Community Engagement

nearly 85% of households from the target public housing site participated in active case management with USI. At the close of the People Implementation Grant on Sept. 30, 2017, 80% of Family and Individual Development Plans were closed with positive outcomes.

**Through the establishment of the CNI Endowment Fund, USI has been able to continue voluntary Case Management services at Bienville Basin and currently serves over 100 households.** USI also assisted with implementing the Public Safety Enhancement Grant, resulting in a 29% decrease in the total number of reported crimes in the neighborhood and an 18% increase in residents feeling safe in their neighborhood. With the opening of HRI's Homewood Suites located across the street from Bienville Basin, an ongoing partnership with HRI Hospitality, LLC was developed to train residents for careers in the hospitality industry.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.iv. Approach to Resident & Community Engagement

#### Past Success Project Highlight: River Garden HOPE VI Resident Engagement

**Planning and design engagement:** The contextually appropriate, cost-effective, and high-quality residential units throughout the River Garden community were designed through a community-centered collaborative approach. HCI Design successfully conducted a participatory planning process, collaborating with former St. Thomas residents as well as a diverse range of community participants. Community participants included numerous neighborhood groups, residents' councils, neighborhood social organizations, churches, schools, and activists (public housing, preservationists, etc.). This creative River Garden Community master planning and design process included accommodating demolition and new infrastructure design to establish a walkable, livable site. Programming was further subject to design review under Section 106 of the National Historic Preservation Act and thus included the direct review of the State Historic Preservation Office, HUD, and the City of New Orleans.

**Resident services:** As the first HOPE VI development for HANO, when it comes to providing on-going resident services, River Garden served as a learning experience for all partners involved in the HANO-funded Community Self-Sufficiency ("CSS") programing and implementation. HRIC formed HRI Community Resources, Inc. ("HCR") to serve as the supportive service provider and employed full-time social workers to provide services to the River Garden residents. Although funding from HANO is no longer received, HCR continues to address the challenges River Garden residents face with measurable outcomes and currently provides supportive services to single parent households through a subcontract with Clover. Some of the services currently provided include career counseling, job readiness preparation and training, financial literacy coaching, volunteer income tax assistance (VITA) preparation and filing and legal assistance.

**Homeowner services:** For families who participated in the homeownership component of the HOPE VI program, the City, HANO and HRIC provided specific case management, linking families with services needed to ensure homeowner creditworthiness and training. Families were assisted in identifying and applying for mortgage products as well as other soft-second loan programs.





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.iv. Approach to Resident & Community Engagement

#### Plan for Resident & Community Engagement

In redeveloping the Laurel Plaza and Villa Serena neighborhoods into new, vibrant, mixed-income communities, the HRI/HCIA team will prioritize resident and stakeholder engagement throughout every step of development beginning with concept planning and design. We will work with NBHA to understand and adhere to its community engagement efforts to date, while uniting efforts early and often with both residents and community partners with a goal of holistically redeveloping the Laurel Plaza and Villa Serena neighborhoods, making them a better place to live, and improving the quality of life for not only the residents but for the neighboring residents and small business owners. HRI would look to partner with a local group that has community engagement experience and an existing relationship with the Laurel Plaza and Villa Serena residents and neighbors to assist with the pre-development community engagement efforts and to capture the vision of the community while balancing expectations with the physical and economic realities of the redevelopment. Community outreach efforts will include:

- Traditional tactics such as canvassing the sites and neighborhoods with grassroots door knocking and flyer distribution to engage in conversation and encourage participation in the development planning process along with digital platforms for maximum exposure;
- Formal community meetings to engage residents and community stakeholders in discussing their wants, needs and visions for redevelopment and to present redevelopment plans as they progress; and
- Conducting interviews with community stakeholders who represent specific constituencies, such as residents, nonprofit organizations that serve the community, educational institutions, major employers, community development organizations, financial institutions, foundations, community service organizations, etc.

We commit to engage in community outreach through an equity lens, ensuring an intimate understanding of community interests and impacts the development design and uses may have on under-served and marginalized individuals and groups. HRI will work to connect with residents and stakeholders and to eliminate barriers that may present themselves during the redevelopment process. We look forward to positioning the project for success having made the sincere efforts discussed herein to (i) ensure community members feel vested in the project by engaging them with clear, open communication; and (ii) to build trust, work in good faith and offer only honest, realistic expectations.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

HRIC is strongly committed to the creation of projects that are catalytic not only in their ability to transform the Laurel Plaza and Villa Serena neighborhoods and physical landscape, but additionally in their ability to redefine how development can be broadly representative and inclusive of the community that forms its core constituency. Putting accountability hand in hand with intent, the development team has established a comprehensive DBE/MBE/WBE Participation Plan that will adhere to NBHA's goals regarding subcontracting with minority business enterprises and women business enterprises as well as other requirements as promulgated by the respective federal, state and local agencies relative to the hiring, contracting, and/or training of DBE/MBE/WBE and Section 3 individuals and businesses. If selected as a developer to assist NBHA, HRIC plans to partner with several certified Section 3 DBE/MBE/WBE business enterprises to not only provide expertise of the highest caliber but also interject invaluable perspective and experience-driven approaches to promoting equity throughout the contracting, hiring and training process. Partnership between HRIC and Section 3 DBE/MBE/WBE business enterprises serves as a transformative model for how large national companies can embrace the occasion for mentorship and capacity building of extremely talented DBE/MBE/WBE firms.





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

Representing the collective efforts and results from the HRI development team, the most appropriate demonstration of this team's experience in fostering inclusive contracting and hiring programs, is presented through the current rehabilitation of River Garden Phase I (first built under the St. Thomas HOPE VI program) and the completed Iberville Onsite Redevelopment (now Bienville Basin) performed under the Iberville/Tremé Choice Neighborhoods Initiative.

#### **M/WBE/Section 3 Current Success: River Garden Phase I**

Integral to the physical renovations that took place at River Garden Phase I was an ambitious and comprehensive M/WBE/Section 3 business engagement plan with the goal of not only meeting the project compliance requirements but exceeding them. The below by-the-numbers breakdown summarizes the project's M/WBE/Section 3 achievements as of construction completion in fall 2023.





## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

#### ○ Employment:

| River Garden Phase I Section 3 Hiring |                 |                      |
|---------------------------------------|-----------------|----------------------|
| Total New Hires                       | Section 3 Hires | % of Total New Hires |
| 7                                     | 7               | 100%                 |

Not only are all new hires on the project qualified Section 3 workers, but Section 3 employees have performed a quarter of all man-hours worked on the project.

| River Garden Phase I Section 3 Man-Hours Worked <sup>1</sup> |                            |                             |
|--------------------------------------------------------------|----------------------------|-----------------------------|
| Total Man-Hours Worked                                       | Section 3 Man-Hours Worked | % of Total Man-Hours Worked |
| 59,176                                                       | 23,668.85                  | 40.00%                      |

#### ○ Training:

| River Garden Phase I Section 3 Training                                                                                                                 |                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Training Program                                                                                                                                        | Completed Training |
| General Contractor's Package <ul style="list-style-type: none"> <li>• OSHA 10</li> <li>• Fall Protection</li> <li>• Heavy Equipment Operator</li> </ul> | 10                 |
| Operator's Package <ul style="list-style-type: none"> <li>• Commercial Driver's License (CDL class B)</li> <li>• Heavy Equipment Operator</li> </ul>    | 2                  |
| Soprema CT 100 Modified Heat Welded Membrane Systems                                                                                                    | 5                  |
| Clover Patient Care Tech Program (Non-Construction)                                                                                                     | 9                  |
| <b>Total</b>                                                                                                                                            | <b>26</b>          |

Though only 12 training slots were required by contract, our team recognized the value of this training and thus provided an additional 14 training slots.

<sup>1</sup> [24 CFR Part 75] Section 3 compliance reporting as per HUD's "New Section 3 Rule" under 24 CFR Part 75.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

#### ○ Contracting:

| River Garden Phase I Total Contracting Value |                | \$10,828,268.13 |
|----------------------------------------------|----------------|-----------------|
| Combined Contract Participation              | Amount         | Percentage      |
| Section 3 Value                              | \$567,168.00   | 5.24%           |
| DBE Value                                    | \$4,380,913.00 | 40.46%          |
| WBE Value                                    | \$804,306.00   | 7.43%           |
| Total Participation                          | \$5,582,366.00 | 51.55%          |

More than **50% of contracts were awarded to M/WBE/Section 3 firms**. Not included above but key to a meaningful community engagement is a contract with 501(c)3 non-profit, Clover, to assist our team in providing workforce development training and job opportunities to Section 3 qualified individuals in the River Garden community.



#### **M/WBE/Section 3 Past Success: Iberville/Tremé Onsite Development**

Including development and construction scope performed over a span of 8 years, under four separate Additional Services Agreements and through seven separate CNI mixed-finance housing projects, the Iberville Onsite undertaking presents the ideal combination of deliberate focus, mutual respect and shared interests for meaningful M/WBE/Section 3 participation amongst a stakeholder group including the Housing Authority of New Orleans (“HANO”), the City of New Orleans and an actively involved public housing resident community. With this group jointly striving to design, implement and, most importantly, continually improve the DBE/WBE/Section 3 participation plan, **the Iberville Redevelopment exceeded percentage and numerical requirements of the HANO’s Employment, Training and Contracting Policy (“ETC Policy”).** While not fully capturing the personal element of equitable participation for the combined projects and phases at Iberville, the by-the-numbers results applied against the requirements of the ETC Policy include the following:

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

#### ○ **Employment:**

ETC Requirement: Section 3 individuals to represent 30% of new hires.

| Iberville Onsite Section 3 Hiring <sup>2</sup> |                 |                      |
|------------------------------------------------|-----------------|----------------------|
| Total New Hires                                | Section 3 Hires | % of Total New Hires |
| 844                                            | 312             | 37.0%                |

Section 3 hiring requirements were exceeded across all Iberville Onsite efforts by 7% equaling 58 new hire positions, in excess of the ETC requirement, filled by Section 3 individuals.

#### ○ **Training:**

ETC Requirement: Number of Section 3 training slots to be provided as calculated based on HANO financial contribution.

| Iberville Onsite Section 3 Training |
|-------------------------------------|
| Training Slots Provided             |
| 199.75                              |

Certified training programs for nearly 200 individuals were provided across all Iberville Onsite Efforts, resulting in meaningful career training and certifications for:

- Certified Nurse's Assistant (CNA)
- Commercial Driver's License (CDL)
- Electrical & Mechanical Apprenticeships
  - Pre-Apprenticeship
  - Apprenticeship
  - Continued Apprenticeship
- Armed Security Guard
- Hospitality Associates with Job Placement
- Construction Equipment Training
- Customer Service Training

<sup>2</sup> [24 CFR Part 135] Section 3 compliance reporting as per HUD's prior Section 3 guidance under 24 CFR Part 135.



## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

#### ○ Contracting:

ETC Requirement: DBE contracting for 20% of total contract

WBE contracting for 5% of total contract

Section 3 contracting for 10% of total contract

| Combined Phases I-VII and ASA Self-Performed Contract Value |              | \$130,039,884 |
|-------------------------------------------------------------|--------------|---------------|
| Combined Contract Participation                             | Amount       | Percentage    |
| Section 3 Value*                                            | \$16,116,691 | 12.39%        |
| DBE Value                                                   | \$28,519,831 | 21.93%        |
| WBE Value                                                   | \$7,848,632  | 6.04%         |
| Total Participation                                         | \$52,485,154 | 40.36%        |

\*Section 3 contracting values calculated per the ETC and include contracts with 25% or more participation by Section 3 businesses.

Achieving participation totaling \$52.4 million in total contract value, contracting requirements of the ETC Policy were exceeded across all Iberville Onsite Efforts, by 5.36%, accounting for \$6,971,195 in DBE/WBE/Section 3 contract value provided in excess of ETC Policy requirements.

Certainly, one of the best indicators of success in implementing a meaningful and effective DBE/MBE/WBE/Section 3 participation plan with the Iberville Onsite Redevelopment, this contracting value reflects self-performed participation by 83 separate DBE/MBE/WBE/Section 3 contractors. While impressive even at first glance, most compelling is that the engagement of 83 different disadvantaged businesses evidences fulfillment of a commitment to the Iberville community for often promised but rarely delivered equity and opportunity. While attributing all due recognition to the dozens of DBE/MBE/WBE/Section 3 businesses credited with providing over \$52 million in meaningful, on-time and on-budget services, laying the groundwork for such success is possible only through the execution of a participation plan founded on an exhaustive outreach plan, productive mentorships, befitting packaging of scope, and, above all, an earnest conviction that ensuring inclusive participation and demanding the best in production are not mutually exclusive.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

Using a program modeled after that successfully employed on previous HUD projects, HRIC will develop a comprehensive Section 3 DBE/MBE/WBE Plan to ensure diversity and inclusion in the Laurel Plaza and Villa Serena neighborhoods development. Responsibly acknowledging the early stages of this project implementation, the HRIC intends for this plan to evolve and welcomes consultation with NBHA, the City of New Braunfels, Comal County, the Section 3 DBE/MBE/WBE communities and other stakeholders to ensure that as it evolves, this plan reaches for ever-higher levels of inclusivity and participation. The development team will use its best efforts to fully and completely carry out this plan and will award contracts to ensure employment and growth opportunities for Section 3 DBE/MBE/WBE businesses, provide for apprenticeship and training programs, hire residents, and collaborate with various organizations to identify inclusive economic opportunities.

#### **Action Plan for Section 3 M/WBE Contracting, Hiring and Training Opportunities**

HRIC is committed to fulfilling and exceeding NBHA's goals for contracting Minority and Women-owned businesses. **In accordance with NBHA's goals at a minimum, HRIC will ensure contracting with MBE and WBEs (DBEs) for a minimum of 30% of the total value of the contract, contracting with MBEs for at least 15% of the total value of the contract and with WBEs for at least 15% of the total value of the contract. Additionally, this contracting policy will facilitate and encourage the certification of eligible Section 3 Business Concerns by including priority consideration for Section 3 Business Concerns. Beyond contracting and hiring, HRIC's plan will promote HUD's Section 3 objectives by including the provision of certified training programs within both prime and sub-contract scope to meet or exceed the standards and goals of NBHA.**

Throughout the development period, HRIC will work with the general design-build contractor to create business opportunities for Section 3 MBE/WBE firms and will take the necessary steps to afford employment and training opportunities for qualified individuals. Wherever possible, contracts will be awarded in a manner that maximizes the participation of qualified Section 3 MBE/WBE firms with a goal of surpassing participation requirements.

The development team has experienced great success in past projects, especially in their public-private developments, implementing robust programs providing for significant Section 3 DBE/MBE/WBE participation under the requirements of HUD, the State of Louisiana, the City of New Orleans, the Housing Authority of New Orleans and the Industrial Development Board of New Orleans. HRIC's approach to the Laurel Plaza and Villa Serena neighborhoods redevelopments will incorporate these proven best practices in outreach and contract

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

management to not only provide opportunities for underserved businesses but to also encourage and foster new Section 3 DBE/MBE/WBE business enterprises in building capacity and experience.

#### **Third-Party Facilitation and Monitoring**

Indicative of the dedication with which HRIC approaches Section 3 DBE/MBE/WBE compliance, formation of the Laurel Plaza and Villa Serena neighborhoods development team emphasizes the involvement, guidance, and voice of team members with unequalled expertise and commitment for designing and implementing equitable programs for hiring, contracting and training.

**HRIC will engage a third-party firm to facilitate and monitor compliance with the overall contracting and hiring requirements in accordance with applicable regulations and project goals.** The selected firm will assist the HRIC development team and design-build contractor in complying with all hiring, contracting and training requirements from predevelopment through project construction completion and close-out. Focus will be directed on the design-builder's preconstruction outreach and solicitation plan, identification of certified Section 3 DBE/MBE/WBE firm listings, the buyout process/schedule and solicitation documents, and ongoing construction monitoring. The third-party firm will participate in all scheduled outreach sessions and will conduct weekly site visits during construction to verify the results of all procurement activities and to ensure maximum levels of contracting (inclusive of subcontract tiering) participation in accordance with participation objectives. Included within these efforts are the following:

- Monthly Status/Activity Report
- Update on analytics reviewed (i.e., contracting trends by general contractor/design-builder, trade areas impact, goal achievements, overall DBE/MBE/WBE performance, prompt payment history/experiences, conflict resolution success, contract value levels, the economic impact to the local community, excerpts from DBE/MBE/WBE subcontractors' statements highlighting experiences)
- Interim Section 3 DBE/MBE/WBE Participation Report for verification
- Interim Section 3 DBE/MBE/WBE Utilization Report for discussion
- Subcontractor Profile including Sub-Tier Analysis for verification
- Updated listings of certified Section 3 DBE/MBE/WBEs with applicable categories of trades

#### **Design-Build Contractor Requirements**

HRIC plans to issue a competitive RFP to procure the Laurel Plaza and Villa Serena design-build contractor(s), which will require commitment to NBHA's goals along with the State of Texas and the City of New Braunfels' Section 3 DBE/MBE/WBE policy goals and guidelines, if applicable. HRIC



## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

### **5.v. Section 3 & M/WBE Plan**

will require the selected design-build firm to proactively structure construction efforts to ensure contracting, employment and growth opportunities for Section 3 DBE/MBE/WBE businesses. Design-build firms responding to the RFP will be expected to identify certified Section 3 DBEs, MBEs, and WBEs prior to submitting a proposal. Design-build firms will also be required to assist, mentor and provide flexible payment terms to subcontractors when possible to ensure all policy goals and guidelines are achieved.

Prior to execution of the design-build agreement with the design-builder and prior to commencing work on the project site for all subcontractors, the selected design-builder and all of its subcontractors will provide a listing of each entity's core employees for submission to HRIC and NBHA. Any individuals not included on this core employee list but engaged at any time to work on the projects will be considered new hires for the purpose of tracking hiring. Additionally, in a format identified by NBHA and HRIC, the selected design-builder will report weekly and/or monthly, as applicable, progress updates to HRIC and the selected third-party facilitation and monitoring firm for review and assembly of periodic reports to the relevant agencies.

### **General Implementation of the Section 3 DBE/MBE/WBE Plan**

Consistent with its comprehensive approach to Section 3 DBE/MBE/WBE compliance, HRIC has identified general efforts associated with broader milestones within the development/construction process. Given the intended fluidity of the plan, especially in early steps, note that the tasks below are not confined to any single stage of the project development, but rather any single or collective effort associated with Section 3 DBE/MBE/WBE compliance is subject to modification, in timing and/or scope, as needed to maintain responsiveness of the overall plan:

#### **Post Notification of Developer Selection:**

- Initial coordination meeting and objectives overview with development and Section 3 DBE/MBE/WBE compliance teams;
- Identification of certified business interests through reference to applicable certifying agencies;
- Analysis of community and family needs regarding employment and training opportunities;
- Community outreach for notification of project activities and future solicitation of business and individual participation opportunities.

#### **Preconstruction:**

- Continuation of efforts outlined in the Post Notification of Developer Selection phase;

## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

### **5.v. Section 3 & M/WBE Plan**

- Confirmation of initial contracting/hiring/training opportunities;
- Direct solicitation by phone and email;
- Coordination with NBHA for dissemination of information through NBHA's listing of resident service organizations, resident representatives, and other community partners;
- Coordination with the New Braunfels Economic Development Corporation, and other organizations for additional community outreach including refined targeting with printed and electronic advertisements;
  - Host Contracting/Job Fair;
  - Inclusion of requirements in subcontracts and purchase orders to bind subcontractors and vendors to participation and hiring efforts;
- Education and information sharing with non- DBE/MBE/WBE subcontractors of prioritizing participation;
- Facilitation of partnerships between non-qualifying and qualifying firms to maximize opportunity;
- Specific attention in scope and material buyout to the project goals;
- Buyout progress reporting to and collaborating with the development team's compliance representatives;
- Establish framework with NBHA for a training program to meet project requirements with guidance from the third-party facilitation and monitoring firm.

#### **Construction:**

- Continuing efforts to include Section 3 DBE/MBE/WBE firms and individuals as buyout is completed and the job progresses;
- Providing a point person to focus on continuing efforts and compliance reporting;
- Clear and consistent communication with our subcontractors regarding the importance of community participation and job opportunity;
- Regular internal accountability metrics to ensure continued focus beyond project reporting requirements;
- Assistance as needed with project administration and compliance paperwork with focus on skills and development;
- Consideration of special payment terms, including joint-check arrangements;
- Availability of a computer workstation onsite for subcontractor and vendor use;
- Solicitation of input from the third-party facilitation and monitoring firm to use as to achievements and areas for improvement during the project.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.v. Section 3 & M/WBE Plan

#### **Project Close-Out:**

- Review and final reporting of achievements and reconciliation of results with NBHA;
- Project debrief with all development team members as to successes and areas for improvements.

#### **Compliance Monitoring:**

As provided for above, project compliance monitoring will be provided by the development team as needed, subject to adjustment as needed, to ensure appropriate tracking for the project to meet or exceed Section 3 DBE/MBE/WBE requirements. Included with this general project reporting, the development team acknowledges the specific reporting requirements of NBHA's goals. Although the development team aims for tracking and reporting as found to be most beneficial to ensuring compliance, at a minimum, NBHA will be provided with any specific compliance forms preferred by NBHA at periodic intervals as required by the same.

#### **Compliance Data Collection and Reporting**

The design-builder will be required to provide the third-party facilitation and monitoring firm certain contracting data throughout the design-build process including during the buyout period as defined in the design-build Agreement and throughout the construction period. The third-party facilitation and monitoring firm will employ a technology-driven approach to data collection and dissemination. The following contracting data will be required from the design-builder for analysis and possible corrective action:

- As all subcontractor bids/proposals are evaluated, negotiated, and/or selected by the design-builder, specific subcontractor data will be submitted to the third-party facilitation and monitoring firm on a weekly basis;
- Throughout the buyout period as defined in the design-build Agreement the design-builder shall submit subcontractor information including all respective sub-tiered subcontractor information to the third-party facilitation and monitoring firm on a weekly basis;
- The design-builder shall provide a Section 3 DBE/MBE/WBE Contracting Schedule on a monthly basis. This schedule shall include division of construction, subcontractor name, type of work being performed and total amount for Section 3 DBE/MBE/WBE firm;
- The design-builder must provide monthly DBE/MBE/WBE Contracting Compliance Report. The form shall include the names of, the total man hours worked by and the total dollar amount paid to all Section 3 DBE/MBE/WBE subcontractors (including suppliers) utilized under the projects;



## **5. DETAILED WORK PLAN FOR THE SCOPE OF WORK**

### **5.v. Section 3 & M/WBE Plan**

- Update on analytics reviewed (i.e., contracting trends by the design-builder, trade areas impact, goal achievements, overall Section 3 DBE/MBE/WBE performance, prompt payment history/experiences, conflict resolution success, contract value levels, the economic impact to the local community, excerpts from Section 3 DBE/MBE/WBE subcontractors' statements highlighting experiences);
- Interim Section 3 DBE/MBE/WBE Participation Report for verification;
- Interim Section 3 DBE/MBE/WBE Utilization Report for discussion;
- Subcontractor Profile including Sub-Tier Analysis for verification;
- Certified Section 3 DBE/MBE/WBE with applicable categories of trades.

## 5. DETAILED WORK PLAN FOR THE SCOPE OF WORK

### 5.vi. Three References

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A blue-tinted photograph of an industrial building interior. The scene shows a long, open space with a mezzanine level on the right side, supported by concrete pillars. The floor is concrete, and there are some wooden pallets stacked in the distance. The walls are made of brick and concrete. The overall atmosphere is industrial and somewhat desolate.

## 6. Financial Capability



## **6. FINANCIAL CAPABILITY**

### **6.i. Three Years Audited Financial Statements**

We have included the following audited financial statements for the Guarantor entities:

- HRI Communities, LLC: 2022 and 2021 (year of inception)
- Historic Restoration, Incorporated: 2022, 2021 and 2020

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FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT

HRI COMMUNITIES, LLC

FOR THE YEAR ENDED DECEMBER 31, 2022 AND  
FROM INCEPTION THROUGH DECEMBER 31, 2021

HRI COMMUNITIES, LLC

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## INDEPENDENT AUDITOR'S REPORT

To the Members  
HRI Communities, LLC

### Opinion

We have audited the accompanying financial statements of HRI Communities, LLC, which comprise the balance sheets - income tax basis as of December 31, 2022 and 2021 and the related statements of operations - income tax basis, changes in members' equity - income tax basis and cash flows - income tax basis for the year ended December 31, 2022 and the initial period ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HRI Communities, LLC as of December 31, 2022 and 2021 and the results of its operations, changes in members' equity, and its cash flows for the periods then ended in accordance with the basis of accounting the company uses for income tax purposes as described in Note 1.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of HRI Communities, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting the company uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting described in Note 1; this includes determining that the income tax basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing

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standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of HRI Communities, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about HRI Communities, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*LeBlanc & Associates CPAs, L.L.C.*

Metairie, Louisiana  
June 29, 2023

**HRI COMMUNITIES, LLC**  
**BALANCE SHEETS- INCOME TAX BASIS**  
**DECEMBER 31, 2022 AND 2021**

|                                        | 2022                       | 2021                       |
|----------------------------------------|----------------------------|----------------------------|
| <b>ASSETS</b>                          |                            |                            |
| Cash                                   | \$ 1,245,389               | \$ 1,221,579               |
| Accounts Receivable                    | 617,784                    | 128,730                    |
| Jobs in Process                        | 1,481,714                  | 502,809                    |
| Due from Affiliates                    | 230,389                    | 258,518                    |
| Other Assets                           | 1,637,190                  | 950,116                    |
| Investment in Investee Entity          | <u>304</u>                 | <u>139</u>                 |
| Total Assets                           | <u><u>\$ 5,212,770</u></u> | <u><u>\$ 3,061,891</u></u> |
| <b>LIABILITIES AND MEMBERS' EQUITY</b> |                            |                            |
| Liabilities                            |                            |                            |
| Accounts Payable                       | \$ 73,063                  | \$ 80,447                  |
| Accrued Expenses                       | <u>1,193,674</u>           | <u>974,462</u>             |
| Total Liabilities                      | <u>1,266,737</u>           | <u>1,054,909</u>           |
| Commitments and Contingencies          | <u>-</u>                   | <u>-</u>                   |
| Members' Equity                        | <u>3,946,033</u>           | <u>2,006,982</u>           |
| Total Liabilities and Members' Equity  | <u><u>\$ 5,212,770</u></u> | <u><u>\$ 3,061,891</u></u> |

See auditor's report and notes to financial statements.



**HRI COMMUNITIES, LLC****STATEMENTS OF OPERATIONS - INCOME TAX BASIS**

**FOR THE YEAR ENDED DECEMBER 31, 2022 AND  
FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 2021**

|                                                                                        | 2022                | 2021                |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| Operating Revenue                                                                      |                     |                     |
| Development Fees                                                                       | \$ 5,169,151        | \$ 4,149,493        |
| Asset Management Fee                                                                   | 931,430             | 2,039,920           |
| Other Income                                                                           | 8,662               | 16,120              |
| Total Operating Revenue                                                                | <u>6,109,243</u>    | <u>6,205,533</u>    |
| Operating Expenses                                                                     |                     |                     |
| Payroll Expense                                                                        | 2,416,982           | 1,793,051           |
| Job Cost Expense                                                                       | 967,129             | 594,830             |
| General and Administrative Expense                                                     | 429,428             | 442,482             |
| Total Operating Expenses                                                               | <u>3,813,539</u>    | <u>2,830,363</u>    |
| Income from Operations                                                                 | <u>2,295,704</u>    | <u>3,375,170</u>    |
| Equity in excess of revenue over expenses (expenses over revenue) of Investee Entities | <u>(35)</u>         | <u>39</u>           |
| Excess of revenue over expenses                                                        | <u>\$ 2,295,669</u> | <u>\$ 3,375,209</u> |

See auditor's report and notes to financial statements.

**HRI COMMUNITIES, LLC****STATEMENTS OF CHANGES IN MEMBERS' EQUITY - INCOME TAX BASIS****FOR THE YEAR ENDED DECEMBER 31, 2022 AND  
FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 2021**

|                                     | <u>Total</u>               |
|-------------------------------------|----------------------------|
| Members' Equity - Inception         | \$ -                       |
| Contributions                       | 1,000                      |
| Excess of revenue over expenses     | 3,375,209                  |
| Distributions                       | <u>(1,369,227)</u>         |
| Members' Equity - December 31, 2021 | 2,006,982                  |
| Excess of revenue over expenses     | 2,295,669                  |
| Distributions                       | <u>(356,618)</u>           |
| Members' Equity - December 31, 2022 | <u><u>\$ 3,946,033</u></u> |

See auditor's report and notes to financial statements.

**HRI COMMUNITIES, LLC****STATEMENTS OF CASH FLOWS - INCOME TAX BASIS****FOR THE YEAR ENDED DECEMBER 31, 2022 AND  
FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 2021**

|                                                                                                        | 2022         | 2021         |
|--------------------------------------------------------------------------------------------------------|--------------|--------------|
| Cash flows from operating activities:                                                                  |              |              |
| Excess of revenue over expenses                                                                        | \$ 2,295,669 | \$ 3,375,209 |
| Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities: |              |              |
| Equity in excess of revenue over expenses (expenses over revenue) of Investee Entities                 | 35           | (39)         |
| Increase in accounts receivable                                                                        | (489,054)    | (128,730)    |
| Increase in jobs in process                                                                            | (978,905)    | (502,809)    |
| Increase in other assets                                                                               | (687,074)    | (950,116)    |
| Increase (decrease) in accounts payable                                                                | (7,384)      | 80,447       |
| Increase in accrued expenses                                                                           | 219,212      | 974,462      |
| Total adjustments                                                                                      | (1,943,170)  | (526,785)    |
| Net cash provided by operating activities                                                              | 352,499      | 2,848,424    |
| Cash flows from investing activities:                                                                  |              |              |
| (Increase) decrease in due from affiliates                                                             | 28,129       | (258,518)    |
| Contributions paid to investee entities                                                                | (200)        | (100)        |
| Net cash provided (used) by investing activities                                                       | 27,929       | (258,618)    |
| Cash flows from financing activities:                                                                  |              |              |
| Contributions from members                                                                             | -            | 1,000        |
| Distributions to members                                                                               | (356,618)    | (1,369,227)  |
| Net cash used by financing activities                                                                  | (356,618)    | (1,368,227)  |
| Net increase in cash and restricted cash                                                               | 23,810       | 1,221,579    |
| Cash and restricted cash at inception / beginning of the period                                        | 1,221,579    | -            |
| Cash and restricted cash at the end of the period                                                      | \$ 1,245,389 | \$ 1,221,579 |
| Reconciliation of cash and restricted cash:                                                            |              |              |
| Cash at inception / beginning of the period                                                            | \$ 1,221,579 | \$ -         |
| Restricted cash at inception / beginning of the period                                                 | -            | -            |
| Cash and restricted cash at inception / beginning of the period                                        | \$ 1,221,579 | \$ -         |
| Cash at the end of the period                                                                          | \$ 1,245,389 | \$ 1,221,579 |
| Restricted cash at the end of the period                                                               | -            | -            |
| Cash and restricted cash at the end of the period                                                      | \$ 1,245,389 | \$ 1,221,579 |

See auditor's report and notes to financial statements.



## HRI COMMUNITIES, LLC

### NOTES TO FINANCIAL STATEMENTS

#### DECEMBER 31, 2022 AND 2021

#### **Note 1 - Organization and summary of significant accounting policies**

##### Description of Business

HRI Communities, LLC ("HRIC") was formed on October 2, 2020 under the laws of the state of Louisiana for the purpose of developing residential or mixed-use projects that generally qualify for low-income housing or other tax credit facilities under the U.S. Tax Code and various state regulations. The projects are structured where either HRIC or a wholly owned subsidiary ("Investee Entity") has a variable interest and acts in the capacity of general partner or managing member, with one or more unrelated investor partners or members. HRIC's responsibilities to the project may include making certain guarantees, funding certain operating deficits, if and when certain cash reserves have been depleted, and satisfying certain working capital requirements of the respective Investee Entity.

Development services performed by HRIC are performed under both fixed-price and cost-plus development agreements and contracts modified by incentive provisions. The length of the contracts varies but is typically between one and two years.

##### Basis of Presentation

The financial statements are prepared on the basis of accounting used for federal income tax purposes. Accordingly, the accompanying financial statements are not intended to present financial position, results of operations, and cash flows in conformity with generally accepted accounting principles ("GAAP"). For tax purposes, HRIC has selected the accrual basis of accounting. Differences from GAAP with respect to the financial statements include (1) not recording liabilities related to guarantees; (2) not consolidating Investee Entities; (3) not writing off notes receivable and advances due from Investee Entities until forgiven, instead of when deemed to be uncollectible; (4) not recording rent expense on a straight-line basis; and (5) not recording certain contingent liabilities until paid.

##### Deferred project costs

Costs incurred in the identification of potential development projects are deferred and included on the balance sheet - income tax basis as an asset. Costs on unlikely or abandoned projects are expensed as these determinations are made.

##### Revenue recognition - development fees

Development agreements generally provide for HRIC to be paid a development fee during the development and construction period. Certain development agreements provide for a portion of the development fee to be paid after the construction period and certain development agreements provide for interest to accrue on unpaid fees, subject to certain limitations and conditions. Under the accrual method of accounting, development fees and related interest are recorded when earned.

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

Investments in Investee Entities

HRIC accounts for investments in Investee Entities using the equity method of accounting. Under the equity method, HRIC records its initial investment at cost, and adjusts its investment for its share in each Investee Entity's taxable excess of revenue over expenses or excess of expenses over revenue, for contributions made and for distributions received. For tax purposes, investment balances are allowed to be reduced below zero.

Income Taxes

No provision or benefit for income taxes has been included in these financial statements. Taxable income or loss passes through to and is reportable by the owners individually.

Concentration of Risk

HRIC maintains its cash balances in two banks located in Louisiana. The deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per bank. At certain times during the year, HRIC's cash balances may exceed FDIC limits. HRIC has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on cash.

**Note 2 - Use of estimates in preparation of financial statements**

The preparation of financial statements in conformity with the income tax basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Note 3 - Due from/to affiliates**

Under certain agreements between HRIC and various entities affiliated by common ownership ("Affiliates"), certain administrative expenses and other out-of-pocket costs are paid by HRIC on behalf of Affiliates, which are repaid when there are available cash flows. This activity includes, but is not limited to, expenses paid for salaries and benefits, rent, utilities, insurance and for operating loans. As of December 31, 2022 and 2021, expenses paid by HRIC on behalf of Affiliates but not reimbursed amounted to \$230,389 and \$258,518, respectively.

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**Note 4 - Investments in investee entities**

The combined statement of assets, liabilities and members' equity - income tax basis of the Investee Entities as of December 31, 2022, and the combined statement of revenue and expenses - income tax basis for the year then ended are summarized as follows:

**Combined Statement of Assets, Liabilities and Members' Deficit -  
Income Tax Basis**

|                                        | <u>Assets</u>                           |                      |
|----------------------------------------|-----------------------------------------|----------------------|
| Property and equipment, net            |                                         | \$ 43,161,922        |
| Other assets                           |                                         | <u>8,619,406</u>     |
| Total assets                           |                                         | <u>\$ 51,781,328</u> |
|                                        | <u>Liabilities and Members' Deficit</u> |                      |
| Liabilities                            |                                         |                      |
| Notes payable and accrued interest     |                                         | \$ 55,818,016        |
| Other liabilities                      |                                         | <u>5,260,732</u>     |
| Total liabilities                      |                                         | 61,078,748           |
| Members' deficit                       |                                         | <u>(9,297,420)</u>   |
| Total liabilities and members' deficit |                                         | <u>\$ 51,781,328</u> |

**Combined Statement of Revenues and Expenses -  
Income Tax Basis**

|                                 |  |                     |
|---------------------------------|--|---------------------|
| Revenue                         |  |                     |
| Rental revenue                  |  | \$ <u>1,022,501</u> |
| Total revenue                   |  | 1,022,501           |
| Expenses                        |  |                     |
| Depreciation and amortization   |  | 745,515             |
| Interest expense                |  | 363,507             |
| Other operating expenses        |  | <u>897,906</u>      |
| Total expenses                  |  | <u>2,006,928</u>    |
| Excess of expenses over revenue |  | <u>\$ (984,427)</u> |



**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**Note 5 - Commitments and contingencies**Guarantees

HRIC has entered into various agreements with certain Investee Entities whereby it has issued guarantees for financing and operating deficits. The guarantees generally expire upon the completion of construction, stabilization of the asset and conversion to permanent debt, and achievement of debt service coverage ratio requirements. HRIC's current guarantees are expected to expire beginning in 2027 through 2029. No payments have been required on these guarantees and no amounts have been accrued as a loss contingency related to these guarantees because payment by HRIC is not probable or because management determined there was no fair value associated with these guarantees. The outstanding guarantees as of December 31, 2022 are as follows:

|                   |                            |
|-------------------|----------------------------|
| Financing         | \$ 6,220,631               |
| Operating Deficit | <u>1,778,670</u>           |
|                   | <u><u>\$ 7,999,301</u></u> |

Legal Proceedings

From time to time, HRIC is involved in litigation on various matters. Given the nature of HRIC's business activities, these lawsuits are considered routine to conduct of its business. The result of any particular lawsuit cannot be predicted, because of the very nature of litigation, the litigation process and its adversarial nature and the jury system. HRIC will establish reserves for specific legal proceedings when it determines that the likelihood of an unfavorable outcome is probable and when the amount of loss is reasonably estimable. HRIC does not expect that the liabilities, if any, that may ultimately result from such legal actions will have a material adverse effect on the financial position, results of operations or cash flows.

**Note 6 - Variable interest entities**

HRIC has acquired an ownership interest in four Investee Entities. It has been determined that the Investee Entities are variable interest entities ("VIEs") under the Financial Accounting Standards Board's Accounting Standards Codification Topic 810 and that HRIC is the primary beneficiary. Accordingly, had these financial statements been prepared in accordance with GAAP, HRIC would be required to consolidate the accounts of these VIEs into its financial statements.

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

The combined financial information of HRIC and the Investee Entities under GAAP as of and for the year ended December 31, 2022 is summarized as follows:

**Combined Balance Sheet**

| <u>Assets</u>                           |                             |
|-----------------------------------------|-----------------------------|
| Property and equipment, net             | \$ 40,357,678               |
| Other assets                            | <u>12,834,070</u>           |
| Total assets                            | <u><u>\$ 53,191,748</u></u> |
| <u>Liabilities and Members' Deficit</u> |                             |
| Liabilities                             |                             |
| Mortgages payable and accrued interest  | \$ 19,725,308               |
| Notes payable and accrued interest      | 35,486,924                  |
| Other liabilities                       | <u>6,135,451</u>            |
| Total liabilities                       | 61,347,683                  |
| Members' deficit                        | <u>(8,155,935)</u>          |
| Total liabilities and members' deficit  | <u><u>\$ 53,191,748</u></u> |

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**Combined Statement of Operations**

|                                                   |                |
|---------------------------------------------------|----------------|
| Revenue                                           |                |
| Rental revenue                                    | \$ 1,022,373   |
| Other revenue                                     | 3,793,161      |
|                                                   | <hr/>          |
| Total revenue                                     | 4,815,534      |
|                                                   | <hr/>          |
| Expenses                                          |                |
| Depreciation and amortization                     | 410,197        |
| Interest expense                                  | 385,741        |
| Other operating expenses                          | 455,988        |
| Other expenses                                    | 4,584,165      |
|                                                   | <hr/>          |
| Total expenses                                    | 5,836,091      |
|                                                   | <hr/>          |
| Net loss                                          | (1,020,557)    |
|                                                   | <hr/>          |
| Net loss attributable to noncontrolling interests | (11,777)       |
|                                                   | <hr/>          |
| Net loss attributable to controlling interest     | \$ (1,008,780) |
|                                                   | <hr/>          |

**Note 7 - Related party transactions**

Asset Management Agreement

On January 1, 2021, HRIC entered into an Asset Management Agreement with Historic Restoration, Incorporated ("HRI"), under which HRI engaged HRIC to provide asset management, property management, development and certain other services set forth in the agreement. As compensation for the services provided, HRI has agreed to pay HRIC an Asset Management Fee on a quarterly basis equal to HRI's quarterly cash flow. Additionally, HRIC serves as the exclusive provider of development services for any property owned by HRI and its subsidiaries beginning on the date of the agreement. During 2022 and the initial period ended December 31, 2021, Asset Management Fees amounted to \$931,430 and \$2,039,920, respectively, and Development Fees earned in connection with the Asset Management Agreement amounted to \$2,861,731 and \$3,574,493, respectively. As of December 31, 2022 and 2021, \$617,784 and \$78,730, respectively, remained receivable and is included in Accounts receivable on the Balance sheets.

Developer Fees

HRIC has entered into development agreements with various Investee Entities to perform development services for projects owned by the Investee Entities. During 2022 and the initial period ended December 31, 2021, development income related to these agreements totaled \$2,307,420 and \$525,000, respectively.



**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**Note 8 - Subsequent events**

FASB Accounting Standards Codification Topic 855, "Subsequent Events" addresses events which occur after the balance sheet date but before the issuance of financial statements. An entity must record the effects of subsequent events that provide evidence about conditions that existed at the balance sheet date and must disclose but not record the effects of subsequent events which provide evidence about conditions that existed after the balance sheet date. Additionally, Topic 855 requires disclosure relative to the date through which subsequent events have been evaluated and whether that is the date on which the financial statements were issued or were available to be issued. Management evaluated the activity of HRI Communities, LLC through June 29, 2023, the date the financial statements were issued, and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

CONFIDENTIAL

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT

HRI COMMUNITIES, LLC

FROM INCEPTION THROUGH DECEMBER 31, 2021

HRI COMMUNITIES, LLC

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## INDEPENDENT AUDITOR'S REPORT

To the Members  
HRI Communities, LLC

### Opinion

We have audited the accompanying financial statements of HRI Communities, LLC, which comprise the balance sheet - income tax basis as of December 31, 2021 and the related statements of operations - income tax basis, changes in members' equity - income tax basis and cash flows - income tax basis for the initial period then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HRI Communities, LLC as of December 31, 2021 and the results of its operations, changes in members' equity, and its cash flows for the initial period then ended in accordance with the basis of accounting the company uses for income tax purposes as described in Note 1.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of HRI Communities, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting the company uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting described in Note 1; this includes determining that the income tax basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

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misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of HRI Communities, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about HRI Communities, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*LeBlanc & Associates CPAs, L.L.C.*

Metairie, Louisiana  
September 15, 2022

**HRI COMMUNITIES, LLC**  
**BALANCE SHEET- INCOME TAX BASIS**  
**DECEMBER 31, 2021**

ASSETS

|                               |                     |
|-------------------------------|---------------------|
| Cash                          | \$ 1,221,579        |
| Accounts Receivable           | 128,730             |
| Jobs in Process               | 502,809             |
| Due from Affiliates           | 258,518             |
| Other Assets                  | 950,116             |
| Investment in Investee Entity | <u>139</u>          |
| Total Assets                  | <u>\$ 3,061,891</u> |

LIABILITIES AND MEMBERS' EQUITY

|                                       |                     |
|---------------------------------------|---------------------|
| Liabilities                           |                     |
| Accounts Payable                      | \$ 80,447           |
| Accrued Expenses                      | <u>974,462</u>      |
| Total Liabilities                     | <u>1,054,909</u>    |
| Commitments and Contingencies         | <u>-</u>            |
| Members' Equity                       | <u>2,006,982</u>    |
| Total Liabilities and Members' Equity | <u>\$ 3,061,891</u> |

See auditor's report and notes to financial statements.



**HRI COMMUNITIES, LLC****STATEMENT OF OPERATIONS - INCOME TAX BASIS****FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 2021**

|                                                                | 2021                       |
|----------------------------------------------------------------|----------------------------|
| Operating Revenue                                              |                            |
| Development Fees                                               | \$ 4,149,493               |
| Asset Management Fee                                           | 2,039,920                  |
| Other Income                                                   | <u>16,120</u>              |
| Total Operating Revenue                                        | <u>6,205,533</u>           |
| Operating Expenses                                             |                            |
| Payroll Expense                                                | 1,793,051                  |
| Job Cost Expense                                               | 594,830                    |
| General and Administrative Expense                             | <u>442,482</u>             |
| Total Operating Expenses                                       | <u>2,830,363</u>           |
| Income from Operations                                         | <u>3,375,170</u>           |
| Equity in excess of revenue over expenses of Investee Entities | <u>39</u>                  |
| Net Income                                                     | <u><u>\$ 3,375,209</u></u> |

See auditor's report and notes to financial statements.

**HRI COMMUNITIES, LLC****STATEMENT OF CHANGES IN MEMBERS' EQUITY - INCOME TAX BASIS  
FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 2021**

|                                     | <u>Total</u>        |
|-------------------------------------|---------------------|
| Members' Equity - Inception         | \$ -                |
| Contributions                       | 1,000               |
| Net Income                          | 3,375,209           |
| Distributions                       | <u>(1,369,227)</u>  |
| Members' Equity - December 31, 2021 | <u>\$ 2,006,982</u> |

See auditor's report and notes to financial statements.

**HRI COMMUNITIES, LLC****STATEMENT OF CASH FLOWS - INCOME TAX BASIS****FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 2021**

|                                                                                      | 2021                |
|--------------------------------------------------------------------------------------|---------------------|
| Cash flows from operating activities:                                                |                     |
| Net Income                                                                           | \$ 3,375,209        |
| Adjustments to reconcile net income to net cash<br>provided by operating activities: |                     |
| Equity in excess of revenue over expenses of Investee Entities                       | (39)                |
| Increase in accounts receivable                                                      | (128,730)           |
| Increase in jobs in process                                                          | (502,809)           |
| Increase in other assets                                                             | (950,116)           |
| Increase in accounts payable                                                         | 80,447              |
| Increase in accrued expenses                                                         | 974,462             |
| Total adjustments                                                                    | (526,785)           |
| Net cash provided by operating activities                                            | <u>2,848,424</u>    |
| Cash flows from investing activities:                                                |                     |
| Increase in due from affiliates                                                      | (258,518)           |
| Contributions paid to investee entities                                              | (100)               |
| Net cash used by investing activities                                                | <u>(258,618)</u>    |
| Cash flows from financing activities:                                                |                     |
| Contributions from members                                                           | 1,000               |
| Distributions to members                                                             | (1,369,227)         |
| Net cash used by financing activities                                                | <u>(1,368,227)</u>  |
| Net increase in cash and restricted cash                                             | 1,221,579           |
| Cash and restricted cash at inception                                                | -                   |
| Cash and restricted cash at the end of the period                                    | <u>\$ 1,221,579</u> |
| Reconciliation of cash and restricted cash:                                          |                     |
| Cash at inception                                                                    | \$ -                |
| Restricted cash at inception                                                         | -                   |
| Cash and restricted cash at inception                                                | <u>\$ -</u>         |
| Cash at the end of the period                                                        | \$ 1,221,579        |
| Restricted cash at the end of the period                                             | -                   |
| Cash and restricted cash at the end of the period                                    | <u>\$ 1,221,579</u> |

See auditor's report and notes to financial statements.



## HRI COMMUNITIES, LLC

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

#### **Note 1 - Organization and summary of significant accounting policies**

##### Description of Business

HRI Communities, LLC ("HRIC") was formed on October 2, 2020 under the laws of the state of Louisiana for the purpose of developing residential or mixed-use projects that generally qualify for low-income housing or other tax credit facilities under the U.S. Tax Code and various state regulations. The projects are structured where either HRIC or a wholly owned subsidiary ("Investee Entity") has a variable interest and acts in the capacity of general partner or managing member, with one or more unrelated investor partners or members. HRIC's responsibilities to the project may include making certain guarantees, funding certain operating deficits, if and when certain cash reserves have been depleted, and satisfying certain working capital requirements of the respective Investee Entity.

Development services performed by HRIC are performed under both fixed-price and cost-plus development agreements and contracts modified by incentive provisions. The length of the contracts varies but is typically between one and two years.

##### Basis of Presentation

The financial statements are prepared on the basis of accounting used for federal income tax purposes. Accordingly, the accompanying financial statements are not intended to present financial position, results of operations, and cash flows in conformity with generally accepted accounting principles ("GAAP"). For tax purposes, HRIC has selected the accrual basis of accounting. Differences from GAAP with respect to the financial statements include (1) not recording liabilities related to guarantees; (2) not consolidating Investee Entities; (3) not writing off notes receivable and advances due from Investee Entities until forgiven, instead of when deemed to be uncollectible; (4) not recording rent expense on a straight-line basis; and (5) not recording certain contingent liabilities until paid.

##### Deferred project costs

Costs incurred in the identification of potential development projects are deferred and included on the balance sheet - income tax basis as an asset. Costs on unlikely or abandoned projects are expensed as these determinations are made.

##### Revenue recognition - development fees

Development agreements generally provide for HRIC to be paid a development fee during the development and construction period. Certain development agreements provide for a portion of the development fee to be paid after the construction period and certain development agreements provide for interest to accrue on unpaid fees, subject to certain limitations and conditions. Under the accrual method of accounting, development fees and related interest are recorded when earned.

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

Investments in Investee Entities

HRIC accounts for investments in Investee Entities using the equity method of accounting. Under the equity method, HRIC records its initial investment at cost, and adjusts its investment for its share in each Investee Entity's taxable excess of revenue over expenses or excess of expenses over revenue, for contributions made and for distributions received. For tax purposes, investment balances are allowed to be reduced below zero.

Income Taxes

No provision or benefit for income taxes has been included in these financial statements. Taxable income or loss passes through to and is reportable by the owners individually.

Concentration of Risk

HRIC maintains its cash balances in two banks located in Louisiana. The deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per bank. At certain times during the year, HRIC's cash balances may exceed FDIC limits. HRIC has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on cash.

**Note 2 - Use of estimates in preparation of financial statements**

The preparation of financial statements in conformity with the income tax basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Note 3 - Due from/to affiliates**

Under certain agreements between HRIC and various entities affiliated by common ownership ("Affiliates"), certain administrative expenses and other out-of-pocket costs are paid by HRIC on behalf of Affiliates, which are repaid when there are available cash flows. This activity includes, but is not limited to, expenses paid for salaries and benefits, rent, utilities, insurance and for operating loans. As of December 31, 2021, expenses paid by HRIC on behalf of Affiliates but not reimbursed amounted to \$258,518.

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 4 - Investments in investee entities**

The combined statement of assets, liabilities and members' equity - income tax basis of the Investee Entities as of December 31, 2021, and the combined statement of revenue and expenses - income tax basis for the year then ended are summarized as follows:

**Combined Statement of Assets, Liabilities and Members' Equity -  
Income Tax Basis**

| <u>Assets</u>                          |                            |
|----------------------------------------|----------------------------|
| Property and equipment, net            | \$ 3,864,869               |
| Other assets                           | <u>149,242</u>             |
| Total assets                           | <u><u>\$ 4,014,111</u></u> |
| <u>Liabilities and Members' Equity</u> |                            |
| Liabilities                            |                            |
| Notes payable and accrued interest     | \$ 2,288,509               |
| Other Liabilities                      | <u>167,793</u>             |
| Total liabilities                      | 2,456,302                  |
| Members' Equity                        | <u>1,557,809</u>           |
| Total liabilities and members' equity  | <u><u>\$ 4,014,111</u></u> |

**Combined Statement of Revenues and Expenses -  
Income Tax Basis**

|                                 |                        |
|---------------------------------|------------------------|
| Revenue                         |                        |
| Rental revenue                  | \$ 6,217               |
| Other revenue                   | <u>74</u>              |
| Total revenue                   | 6,291                  |
| Expenses                        |                        |
| Total expenses                  | <u>-</u>               |
| Excess of revenue over expenses | <u><u>\$ 6,291</u></u> |



**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 5 - Commitments and contingencies**

Guarantees

HRIC has entered into various agreements with certain Investee Entities whereby it has issued guarantees for financing and operating deficits. The guarantees generally expire upon the completion of construction, stabilization of the asset and conversion to permanent debt, and achievement of debt service coverage ratio requirements. HRIC's current guarantees are expected to expire in 2027. No payments have been required on these guarantees and no amounts have been accrued as a loss contingency related to these guarantees because payment by HRIC is not probable or because management determined there was no fair value associated with these guarantees. The outstanding guarantees as of December 31, 2021 are as follows:

|                   |                   |
|-------------------|-------------------|
| Financing         | \$ 379,297        |
| Operating Deficit | <u>165,000</u>    |
|                   | <u>\$ 544,297</u> |

Legal Proceedings

From time to time, HRIC is involved in litigation on various matters. Given the nature of HRIC's business activities, these lawsuits are considered routine to conduct of its business. The result of any particular lawsuit cannot be predicted, because of the very nature of litigation, the litigation process and its adversarial nature and the jury system. HRIC will establish reserves for specific legal proceedings when it determines that the likelihood of an unfavorable outcome is probable and when the amount of loss is reasonably estimable. HRIC does not expect that the liabilities, if any, that may ultimately result from such legal actions will have a material adverse effect on the financial position, results of operations or cash flows.

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 6 - Variable interest entities**

HRIC has acquired an ownership interest in two Investee Entities. It has been determined that the Investee Entities are variable interest entities ("VIEs") under the Financial Accounting Standards Board's Accounting Standards Codification Topic 810 and that HRIC is the primary beneficiary. Accordingly, had these financial statements been prepared in accordance with GAAP, HRIC would be required to consolidate the accounts of these VIEs into its financial statements.

The combined financial information of HRIC and the Investee Entities under GAAP as of and for the period from inception through December 31, 2021 is summarized as follows:

**Combined Balance Sheet**

| <u>Assets</u>                          |                     |
|----------------------------------------|---------------------|
| Property and equipment, net            | \$ 3,368,046        |
| Other assets                           | <u>3,086,493</u>    |
| Total assets                           | <u>\$ 6,454,539</u> |
| <u>Liabilities and Members' Equity</u> |                     |
| Liabilities                            |                     |
| Notes payable and accrued interest     | \$ 2,164,009        |
| Other liabilities                      | <u>1,222,700</u>    |
| Total liabilities                      | 3,386,709           |
| Members' Equity                        | <u>3,067,830</u>    |
| Total liabilities and members' equity  | <u>\$ 6,454,539</u> |

**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Combined Statement of Operations**

|                                                     |              |
|-----------------------------------------------------|--------------|
| Revenue                                             |              |
| Rental revenue                                      | \$ 6,340     |
| Other revenue                                       | 5,680,610    |
|                                                     | <hr/>        |
| Total revenue                                       | 5,686,950    |
|                                                     | <hr/>        |
| Expenses                                            |              |
| Other operating expenses                            | 2,802,310    |
|                                                     | <hr/>        |
| Total expenses                                      | 2,802,310    |
|                                                     | <hr/>        |
| Net income                                          | 2,884,640    |
|                                                     | <hr/>        |
| Net income attributable to noncontrolling interests | 6,256        |
|                                                     | <hr/>        |
| Net income attributable to controlling interest     | \$ 2,878,384 |
|                                                     | <hr/>        |

**Note 7 - Related party transactions**

Asset Management Agreement

On January 1, 2021, HRIC entered into an Asset Management Agreement with Historic Restoration, Incorporated ("HRI"), under which HRI engaged HRIC to provide asset management, property management, development and certain other services set forth in the agreement. As compensation for the services provided, HRI has agreed to pay HRIC an Asset Management Fee on a quarterly basis equal to HRI's quarterly cash flow. Additionally, HRIC serves as the exclusive provider of development services for any property owned by HRI and its subsidiaries beginning on the date of the agreement. During the initial period ended December 31, 2021, Asset Management Fees amounted to \$2,039,920, and Development Fees earned in connection with the Asset Management Agreement amounted to \$3,574,493.

Developer Fees

HRIC has entered into development agreements with various Investee Entities to perform development services for projects owned by the Investee Entities. During the initial period ended December 31, 2021, development income related to these agreements totaled \$525,000.



**HRI COMMUNITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 8 - Subsequent events**

FASB Accounting Standards Codification Topic 855, "Subsequent Events" addresses events which occur after the balance sheet date but before the issuance of financial statements. An entity must record the effects of subsequent events that provide evidence about conditions that existed at the balance sheet date and must disclose but not record the effects of subsequent events which provide evidence about conditions that existed after the balance sheet date. Additionally, Topic 855 requires disclosure relative to the date through which subsequent events have been evaluated and whether that is the date on which the financial statements were issued or were available to be issued. Management evaluated the activity of HRI Communities, LLC through September 15, 2022, the date the financial statements were issued, and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

**Historic Restoration, Incorporated**

**Financial Statements  
and Independent Auditor's Report**

**December 31, 2022**

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## Independent Auditor's Report

To the Board of Directors  
Historic Restoration, Incorporated

### *Opinion*

We have audited the financial statements of Historic Restoration, Incorporated, which comprise the statement of assets, liabilities and stockholders' equity - income tax basis as of December 31, 2022, and the related statements of revenue and expenses - income tax basis, changes in stockholders' equity - income tax basis and cash flows - income tax basis for the year then ended, and the related notes to the financial statements.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and members' equity - income tax basis of Historic Restoration, Incorporated as of December 31, 2022, and its revenue and expenses - income tax basis, changes in members' equity - income tax basis and its cash flows - income tax basis for the year then ended in accordance with the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, as described in Note 1.

We did not audit the financial statements of certain Investee Entities, the investments in which, as discussed in Note 1 to the financial statements, are accounted for by the equity method of accounting. The investments represent (\$2,590,744) of the total net investment in Investee Entities as of December 31, 2022 and \$190,624 of the total equity in excess of revenue over expenses in Investee Entities for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for those Investee Entities is based solely on the reports of the other auditors.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Historic Restoration, Incorporated and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting. Historic Restoration, Incorporated uses for income tax purposes, and for determining that the income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Historic Restoration, Incorporated's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Historic Restoration, Incorporated's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Bethesda, Maryland  
June 29, 2023

**Historic Restoration, Incorporated****Statement of Assets, Liabilities and Stockholders'  
Equity - Income Tax Basis  
December 31, 2022  
(In Thousands)**Assets

|                                         |    |              |
|-----------------------------------------|----|--------------|
| Cash                                    | \$ | 5,042        |
| Notes receivable from Investee Entities |    | 2,590        |
| Advances due from Investee Entities     |    | 741          |
|                                         |    | <hr/>        |
| Total assets                            | \$ | <u>8,373</u> |

Liabilities and Stockholders' Equity

|                                                                                                                   |    |              |
|-------------------------------------------------------------------------------------------------------------------|----|--------------|
| Liabilities                                                                                                       |    |              |
| Investments in Investee Entities                                                                                  | \$ | 3,829        |
| Notes payable                                                                                                     |    | 2,590        |
|                                                                                                                   |    | <hr/>        |
| Total liabilities                                                                                                 |    | <u>6,419</u> |
| Commitments and contingencies                                                                                     |    | -            |
| Stockholders' equity                                                                                              |    |              |
| Common stock, no par value, 10,000,000 shares authorized,<br>of which 1,363,019 shares are issued and outstanding |    | -            |
| Additional paid-in capital                                                                                        |    | 1,517        |
| Retained earnings                                                                                                 |    | 437          |
|                                                                                                                   |    | <hr/>        |
| Total stockholders' equity                                                                                        |    | <u>1,954</u> |
| Total liabilities and stockholders' equity                                                                        | \$ | <u>8,373</u> |

See Notes to Financial Statements.



**Historic Restoration, Incorporated****Statement of Revenue and Expenses - Income Tax Basis**  
**Year Ended December 31, 2022**  
**(In Thousands)**

|                                                                |                      |
|----------------------------------------------------------------|----------------------|
| Revenue                                                        |                      |
| Management fees                                                | \$ 334               |
| Parking revenue                                                | 136                  |
| Interest income                                                | 35                   |
| Other revenue                                                  | 89                   |
| Equity in excess of revenue over expenses of Investee Entities | 2,943                |
| Gain on disposition of investments in Investee Entities        | <u>670</u>           |
| Total revenue                                                  | <u>4,207</u>         |
| Expenses                                                       |                      |
| Asset management fee                                           | 870                  |
| General and administrative                                     | 445                  |
| Salaries and benefits                                          | 312                  |
| Bad debt expense                                               | <u>1,602</u>         |
| Total expenses                                                 | <u>3,229</u>         |
| Excess of revenue over expenses                                | <u><u>\$ 978</u></u> |

See Notes to Financial Statements.

## Historic Restoration, Incorporated

**Statement of Changes in Stockholders' Equity - Income Tax Basis**  
**Year Ended December 31, 2022**  
(In Thousands)

|                                    | <u>Common stock</u> | <u>Additional paid-<br/>in capital</u> | <u>Retained<br/>earnings</u> | <u>Total</u>    |
|------------------------------------|---------------------|----------------------------------------|------------------------------|-----------------|
| Balance,<br>January 1, 2022        | \$ -                | \$ 1,517                               | \$ 459                       | \$ 1,976        |
| Distributions                      | -                   | -                                      | (1,000)                      | (1,000)         |
| Excess of revenue<br>over expenses | <u>-</u>            | <u>-</u>                               | <u>978</u>                   | <u>978</u>      |
| Balance,<br>December 31, 2022      | <u>\$ -</u>         | <u>\$ 1,517</u>                        | <u>\$ 437</u>                | <u>\$ 1,954</u> |

See Notes to Financial Statements.

**Historic Restoration, Incorporated****Statement of Cash Flows - Income Tax Basis**  
**Year Ended December 31, 2022**  
**(In Thousands)**

|                                                                                                       |          |
|-------------------------------------------------------------------------------------------------------|----------|
| Cash flows from operating activities                                                                  |          |
| Excess of revenue over expenses                                                                       | \$ 978   |
| Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities |          |
| Equity in excess of revenue over expenses of Investee Entities                                        | (2,943)  |
| Distributions received from Investee Entities                                                         | 2,301    |
| Gain on disposition of Investee Entities' interests                                                   | (670)    |
| Bad debt expense                                                                                      | 1,602    |
|                                                                                                       | <hr/>    |
| Net cash provided by operating activities                                                             | 1,268    |
|                                                                                                       | <hr/>    |
| Cash flows from investing activities                                                                  |          |
| Advances made to Investee Entities                                                                    | (535)    |
| Proceeds on disposition of investments                                                                | 325      |
| Receipts on advances due from Investee Entities                                                       | 95       |
| Receipts on notes receivable from Investee Entities                                                   | 14       |
| Capital contributions paid to Investee Entities                                                       | (63)     |
|                                                                                                       | <hr/>    |
| Net cash used in investing activities                                                                 | (164)    |
|                                                                                                       | <hr/>    |
| Cash flows from financing activities                                                                  |          |
| Payments on notes payable                                                                             | (14)     |
| Distributions paid to stockholders                                                                    | (1,000)  |
|                                                                                                       | <hr/>    |
| Net cash used in financing activities                                                                 | (1,014)  |
|                                                                                                       | <hr/>    |
| Change in cash                                                                                        | 90       |
| Cash, beginning                                                                                       | 4,952    |
|                                                                                                       | <hr/>    |
| Cash, end                                                                                             | \$ 5,042 |
|                                                                                                       | <hr/>    |

See Notes to Financial Statements.



**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2022  
(In Thousands)****Note 1 - Organization and summary of significant accounting policies****Description of business**

Historic Restoration, Incorporated ("HRI") was formed on July 20, 1982 for the purpose of developing real estate projects that generally qualify for rehabilitation, low-income housing, or other tax credit facilities under the U.S. Tax Code and various state regulations. The projects are structured where either HRI or a wholly-owned subsidiary has a variable interest and acts in the capacity of general partner or managing member, with one or more unrelated investor partners or members. HRI's responsibilities to the project may include funding certain operating deficits, if and when certain cash reserves have been depleted, and satisfying certain working capital requirements of the respective Investee Entity.

HRI Solar Solutions, LLC ("HRI Solar"), HRI On Iberville V, LLC ("Iberville 5") and HRI On Iberville VI, LLC ("Iberville 6") are three Investee Entities included in HRI's financial statements as disregarded entities for tax purposes. HRI Solar was created for the purpose of constructing and installing renewable energy production systems at various apartment complexes owned or operated by HRI. Iberville 5 and Iberville 6 were created for the purpose of managing and financing multifamily rental housing developments.

**Income tax basis of accounting**

The financial statements have been prepared on the basis of accounting used for federal income tax purposes. Under this basis of accounting, assets and liabilities, as well as revenue and expenses, are reported in accordance with the rules and regulations established under the U.S. Tax Code, which is a basis of accounting that differs from accounting principles generally accepted in the United States of America ("GAAP"). For tax purposes, HRI has elected the cash basis of accounting, while GAAP requires the accrual method of accounting. Additional differences from GAAP with respect to the financial statements of HRI include: (1) the methods and lives used for depreciation purposes; (2) not recognizing impairment losses and the related allowance for investments in limited partnerships, limited liability companies, and corporations ("Investee Entities") until the loss is realized, instead of when the carrying amount is greater than the fair value; (3) not recognizing impairment losses on property and equipment until the loss is realized, instead of when the carrying amount is greater than the fair value; (4) not recording liabilities related to guarantees; (5) not consolidating Investee Entities when required under GAAP; (6) not writing off notes receivable and advances due from Investee Entities until forgiven, instead of when deemed to be uncollectible; (7) not recording certain contingent liabilities until paid; (8) not deferring grant revenue and recognizing it over the life of the related asset; (9) recognizing forgiveness of related party debt as income, instead of an equity transaction and (10) all leases are classified as operating leases, while under GAAP leases are evaluated and classified as operating or finance with an ROU asset and liability presented on the statement of assets, liabilities and stockholders equity. Because of these differences, readers should be familiar with the basis of accounting utilized in the preparation of these financial statements.

**Use of estimates**

The preparation of financial statements in conformity with the income tax basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2022  
(In Thousands)****Notes receivable and advances due from Investee Entities**

HRI agreed to fund operating deficits and satisfy working capital requirements of certain Investee Entities. Notes receivable and advances due from Investee Entities are unsecured and are reimbursed according to the respective Investee Entities' operating agreements. Balances are written off when the individual accounts are forgiven. Interest income on interest-bearing notes receivable and advances due from Investee Entities is recognized when payment is received.

**Investments in Investee Entities**

HRI accounts for investments in Investee Entities using the equity method of accounting. Under the equity method, HRI records its initial investment at cost, and adjusts its investment for its share in each Investee Entity's taxable excess of revenue over expenses or excess of expenses over revenue, for contributions made and for distributions received. For tax purposes, investment balances are allowed to be reduced below zero.

HRI accounts for its investments in Investee Entities that have elected C corporation status for income tax reporting purposes under the cost method of accounting.

**Income taxes**

HRI elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions, and tax credits are passed through to and reported by its stockholders in their respective income tax returns. HRI's federal tax status as a pass-through entity is based on its legal status as an S corporation. Accordingly, HRI is not required to take any tax positions in order to qualify as a pass-through entity. HRI is required to file and does file tax returns with the Internal Revenue Service ("IRS") and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and HRI has no other tax positions which must be considered for disclosure. Disregarded entities of HRI are included as part of HRI's federal and state income tax returns; however, certain disregarded entities may file separate state income tax returns. Income tax returns filed by HRI and certain disregarded entities are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS for HRI and the disregarded entities that file separately, tax years since 2019 remain open.

**Concentration of risk**

HRI granted credit to certain Investee Entities. These entities are generally leveraged entities whose only assets are fixed assets. HRI typically does not require collateral for amounts due.

HRI maintains its cash balances in several banks located in Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$250 per bank. HRI has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2022 (In Thousands)

#### Note 2 - Notes receivable and advances due from Investee Entities

As of December 31, 2022, notes receivable and advances due from Investee Entities totaled \$3,331, of which \$741 is noninterest-bearing and \$2,590 bears interest at 1.0%. Of the \$2,590 notes receivable balance, \$1,457 and \$1,133 are due from Eleven37 Apartments, LLC and Bywater Art Lofts II, LLC, respectively, which was provided to the properties to purchase land for development. HRI has corresponding notes payable of \$1,457 and \$1,133 due to HRI Eleven37, LLC and HRI ByArt II, LLC, respectively, in which HRI is a majority shareholder (see Note 5). Of the notes receivable and advances balance, a portion is due on demand from available cash flow, and the other portion is due from available cash flow from sales or refinancing. During 2022, advances due from investee entities that were sold were written off to bad debt expense in the amount of \$1,602. Interest of \$26 was charged on the interest-bearing notes receivable and advances during the year ended December 31, 2022 under GAAP. During the year ended December 31, 2022, interest of \$20 was collected and is included in interest income under the income tax basis of accounting in relation to the interest-bearing notes receivable and advances.

#### Note 3 - Equipment, net

Equipment, net, consisted of the following at December 31, 2022:

|                               | Tax lives<br>(In years) | Total       |
|-------------------------------|-------------------------|-------------|
| Solar equipment               | 5                       | \$ 2,764    |
| Less accumulated depreciation |                         | (2,764)     |
| Equipment, net                |                         | <u>\$ -</u> |

No depreciation expense was recorded for the year ended December 31, 2022.

#### Note 4 - Investments in Investee Entities

HRI has investments in 45 Investee Entities which range from 0.01% to 99%. HRI's investments in Investee Entities are summarized as follows:

|                                                                         |                   |
|-------------------------------------------------------------------------|-------------------|
| Investments in Investee Entities at January 1, 2022                     | \$ (4,879)        |
| Capital contributions paid to Investee Entities                         | 63                |
| Share of equity in excess of revenue over expenses of Investee Entities | 2,943             |
| Distributions received from Investee Entities                           | (2,301)           |
| Proceeds on disposition of investments                                  | (325)             |
| Gain on disposition of Investee Entities' interests                     | 670               |
| Investments in Investee Entities at December 31, 2022                   | <u>\$ (3,829)</u> |



**Historic Restoration, Incorporated**

**Notes to Financial Statements**  
**December 31, 2022**  
**(In Thousands)**

A gain in the amount of \$670 was recorded during 2022 as a result of writing off the investment balances in HRI McGuire, LLC, HRI New Iberia High School, LLC, School Days LimPar, LLC, SRLP GenPar, LLC and HRIP Shreveport Acquisition, LLC, Investee Entities of the Company. This gain is reflected as gain on disposition of investment in Investee Entities on the statement of revenue and expenses - income tax basis. Included in the gain are net proceeds of \$325 received in connection with the write-off of the investment in HRI McGuire, LLC.

The combined statement of assets, liabilities and partners' or members' equity - income tax basis of the Investee Entities as of December 31, 2022, and the combined statement of revenue and expenses - income tax basis for the year then ended are summarized as follows:

**Combined Statement of Assets, Liabilities and Partners' or  
Members' Equity - Income Tax Basis**

| <u>Assets</u>                                       |                          |
|-----------------------------------------------------|--------------------------|
| Property and equipment, net                         | \$ 432,334               |
| Investments in partnerships                         | 2,432                    |
| Other assets                                        | <u>48,004</u>            |
| Total assets                                        | <u><u>\$ 482,770</u></u> |
| <u>Liabilities and Partners' or Members' Equity</u> |                          |
| Liabilities                                         |                          |
| Notes payable and accrued interest                  | \$ 244,956               |
| Mortgages payable and accrued interest              | 100,796                  |
| Due to affiliates                                   | 7,163                    |
| Other liabilities                                   | <u>16,826</u>            |
| Total liabilities                                   | 369,741                  |
| Partners' or members' equity                        | <u>113,029</u>           |
| Total liabilities and partners' or members' equity  | <u><u>\$ 482,770</u></u> |

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2022 (In Thousands)

#### Combined Statement of Revenue and Expenses - Income Tax Basis

|                                 |                           |
|---------------------------------|---------------------------|
| Revenue                         |                           |
| Rental revenue                  | \$ 36,922                 |
| Other revenue                   | <u>17,356</u>             |
| Total revenue                   | <u>54,278</u>             |
| Expenses                        |                           |
| Operating expenses              | 35,040                    |
| Depreciation and amortization   | 22,047                    |
| Interest expense                | <u>8,721</u>              |
| Total expenses                  | <u>65,808</u>             |
| Excess of expenses over revenue | <u><u>\$ (11,530)</u></u> |

#### Note 5 - Notes payable

|                                                                                                                                  |                        |
|----------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Note payable to HRI ByArt II, LLC of \$1,200; noninterest-bearing; secured by the security agreement; matures December 21, 2050. | \$ 1,133               |
| Note payable to HRI Eleven37, LLC of \$1,500; noninterest-bearing; unsecured; matures October 23, 2044.                          | <u>1,457</u>           |
|                                                                                                                                  | <u><u>\$ 2,590</u></u> |

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2022 (In Thousands)

#### Note 6 - Commitments and contingencies

HRI entered into various agreements with certain Investee Entities whereby it has issued guarantees for financing, completion, tax credits invested during construction, tax credit recapture during the compliance period and operating deficits. The guarantees generally expire upon the completion of construction, stabilization of the asset and conversion to permanent debt, expiration of the tax credit compliance period and achievement of debt service coverage ratio requirements. HRI's current guarantees are expected to expire within 2023 to 2034. HRI's estimate of the maximum potential amount of future payments under the completion guarantees is zero at December 31, 2022, based upon the construction costs incurred and estimates to complete related to projects in development at December 31, 2022, as well as the available sources of funding to pay the construction costs. No payments have been required on these guarantees and no amounts have been accrued as a loss contingency related to these guarantees because no events have occurred requiring the guarantees to be funded. In addition to completion guarantees, the outstanding guarantees as of December 31, 2022 are as follows:

|                      |    |                       |
|----------------------|----|-----------------------|
| Financing            | \$ | 21,185                |
| Tax credit amount    |    | 74,211                |
| Tax credit recapture |    | 43,065                |
| Operating deficit    |    | <u>8,543</u>          |
| Total                | \$ | <u><u>147,004</u></u> |

From time to time, HRI is involved in litigation on various matters. Given the nature of HRI's business activities, these lawsuits are considered routine to conduct of its business. The result of any particular lawsuit cannot be predicted, because of the very nature of litigation, the litigation process and its adversarial nature and the jury system. HRI will establish reserves for specific legal proceedings when it determines that the likelihood of an unfavorable outcome is probable and when the amount of loss is reasonably estimable. HRI does not expect that the liabilities, if any, that may ultimately result from such legal actions will have a material adverse effect on the financial position, results of operations or cash flows.

**Historic Restoration, Incorporated**

**Notes to Financial Statements**  
**December 31, 2022**  
**(In Thousands)**

**Note 7 - Variable interest entities (unaudited)**

During the year ended December 31, 2022, HRI owned partnership interests ranging from 0.01% to 99% in 45 Investee Entities. It has been determined that the Investee Entities are variable interest entities ("VIEs") under the Financial Accounting Standards Board's Accounting Standards Codification Topic 810 and that HRI is the primary beneficiary. Accordingly, had these financial statements been prepared in accordance with GAAP, HRI would be required to consolidate the accounts of these VIEs into its financial statements.

The combined financial information of HRI and the Investee Entities under GAAP as of and for the year ended December 31, 2022 is summarized as follows:

**Combined Balance Sheet**

| <u>Assets</u>                                       |                          |
|-----------------------------------------------------|--------------------------|
| Property and equipment, net                         | \$ 460,633               |
| Other assets                                        | <u>56,057</u>            |
| Total assets                                        | <u><u>\$ 516,690</u></u> |
| <u>Liabilities and Partners' or Members' Equity</u> |                          |
| Liabilities                                         |                          |
| Notes payable and accrued interest                  | \$ 251,107               |
| Mortgages payable and accrued interest              | 100,671                  |
| Investments in partnerships                         | 1,397                    |
| Due to affiliates                                   | 8,299                    |
| Other liabilities                                   | <u>16,815</u>            |
| Total liabilities                                   | <u>378,289</u>           |
| Partners' or members' equity                        |                          |
| Controlling interest                                | 2,724                    |
| Noncontrolling interests                            | <u>135,677</u>           |
| Total partners' or members' equity                  | <u>138,401</u>           |
| Total liabilities and partners' or members' equity  | <u><u>\$ 516,690</u></u> |



**Historic Restoration, Incorporated**

**Notes to Financial Statements  
December 31, 2022  
(In Thousands)**

**Combined Statement of Operations**

|                                                   |           |
|---------------------------------------------------|-----------|
| Revenue                                           |           |
| Rental revenue                                    | \$ 36,611 |
| Other revenue                                     | 29,118    |
|                                                   | <hr/>     |
| Total revenue                                     | 65,729    |
|                                                   | <hr/>     |
| Expenses                                          |           |
| Operating expenses                                | 33,311    |
| Depreciation and amortization                     | 21,672    |
| Interest expense                                  | 8,747     |
|                                                   | <hr/>     |
| Total expenses                                    | 63,730    |
|                                                   | <hr/>     |
| Net income                                        | 1,999     |
| Net loss attributable to noncontrolling interests | (2,885)   |
|                                                   | <hr/>     |
| Net income attributable to controlling interest   | \$ 4,884  |
|                                                   | <hr/>     |

**Note 8 - Accounts payable (unaudited)**

As of December 31, 2022, HRI's accounts payable balance amounted to \$140 under GAAP.

**Note 9 - Asset management fees**

On March 18, 2021, effective January 1, 2021, HRI entered into an asset management agreement with HRI Communities, LLC ("HRIC"), an affiliate of the entity, under which HRI engaged HRIC to provide property management, acquisition, development, financing, construction, and other similar or related services set forth in the agreement. The agreement is for seven years with one option to extend. As compensation for the services provided, HRI has agreed to pay HRIC an asset management fee quarterly equal to the available cash flow of HRI as defined in the agreement. Additionally, HRIC will earn a project sale or refinancing fee for managing and facilitating any project sale or refinancing. During the year ended December 31, 2022, \$870 of fees were incurred and paid.

**Note 10 - Subsequent events**

Events that occur after the statement of assets, liabilities and stockholders' equity - income tax basis date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of assets, liabilities and stockholders' equity - income tax basis date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of assets, liabilities and stockholders' equity - income tax basis date require disclosure in the accompanying notes. Management evaluated the activity of HRI through June 29, 2023 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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**Historic Restoration, Incorporated**

**Financial Statements  
and Independent Auditor's Report**

**December 31, 2021**

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## Independent Auditor's Report

To the Board of Directors  
Historic Restoration, Incorporated

### *Opinion*

We have audited the accompanying financial statements of Historic Restoration, Incorporated, which comprise the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis as of December 31, 2021, and the related statements of revenue and expenses - income tax basis, changes in stockholders' equity (deficiency) - income tax basis and cash flows - income tax basis for the year then ended, and the related notes to the financial statements.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and members' equity - income tax basis of Historic Restoration, Incorporated as of December 31, 2021, and its revenue and expenses - income tax basis, changes in members' equity - income tax basis and its cash flows - income tax basis for the year then ended in accordance with the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, as described in Note 1.

We did not audit the financial statements of certain Investee Entities, the investments in which, as discussed in Note 1 to the financial statements, are accounted for by the equity method of accounting. The investments represent (\$2,851,191) of the total net investment in Investee Entities as of December 31, 2021 and \$931,920 of the total equity in excess of revenue over expenses in Investee Entities for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for those Investee Entities is based solely on the reports of the other auditors.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Historic Restoration, Incorporated and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, and for determining that the income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Historic Restoration, Incorporated's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Historic Restoration, Incorporated's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.



Bethesda, Maryland  
September 29, 2022

**Historic Restoration, Incorporated****Statement of Assets, Liabilities and Stockholders'  
Equity (Deficiency) - Income Tax Basis  
December 31, 2021  
(In Thousands)**

| <u>Assets</u>                                                                                                     |                 |
|-------------------------------------------------------------------------------------------------------------------|-----------------|
| Cash                                                                                                              | \$ 4,952        |
| Notes receivable from Investee Entities                                                                           | 2,604           |
| Advances due from Investee Entities                                                                               | <u>1,903</u>    |
| Total assets                                                                                                      | <u>\$ 9,459</u> |
| <u>Liabilities and Stockholders' Equity (Deficiency)</u>                                                          |                 |
| Liabilities                                                                                                       |                 |
| Investments in Investee Entities                                                                                  | \$ 4,879        |
| Notes payable                                                                                                     | <u>2,604</u>    |
| Total liabilities                                                                                                 | <u>7,483</u>    |
| Commitments and contingencies                                                                                     | -               |
| Stockholders' equity (deficiency)                                                                                 |                 |
| Common stock, no par value, 10,000,000 shares authorized,<br>of which 1,363,019 shares are issued and outstanding | -               |
| Additional paid-in capital                                                                                        | 1,517           |
| Retained earnings (deficit)                                                                                       | <u>459</u>      |
| Total stockholders' equity (deficiency)                                                                           | <u>1,976</u>    |
| Total liabilities and stockholders' equity (deficiency)                                                           | <u>\$ 9,459</u> |

See Notes to Financial Statements.

**Historic Restoration, Incorporated****Statement of Revenue and Expenses - Income Tax Basis**  
**Year Ended December 31, 2021**  
**(In Thousands)**

|                                                                |                         |
|----------------------------------------------------------------|-------------------------|
| Revenue                                                        |                         |
| Management fees                                                | \$ 507                  |
| Parking revenue                                                | 136                     |
| Interest income                                                | 65                      |
| Other revenue                                                  | 1,097                   |
| Equity in excess of revenue over expenses of Investee Entities | 3,133                   |
| Gain on disposition of investments in Investee Entities        | <u>20,035</u>           |
| Total revenue                                                  | <u>24,973</u>           |
| Expenses                                                       |                         |
| Asset management fee                                           | 1,961                   |
| General and administrative                                     | 514                     |
| Salaries and benefits                                          | <u>288</u>              |
| Total expenses                                                 | <u>2,763</u>            |
| Excess of revenue over expenses                                | <u><u>\$ 22,210</u></u> |

See Notes to Financial Statements.



**Historic Restoration, Incorporated**

**Statement of Changes in Stockholders' Equity (Deficiency) - Income Tax Basis**  
**Year Ended December 31, 2021**  
**(In Thousands)**

|                                            | <u>Common stock</u> | <u>Additional paid-<br/>in capital</u> | <u>Retained<br/>earnings (deficit)</u> | <u>Total</u>    |
|--------------------------------------------|---------------------|----------------------------------------|----------------------------------------|-----------------|
| Balance (deficiency),<br>January 1, 2021   | \$ -                | \$ 1,517                               | \$ (18,228)                            | \$ (16,711)     |
| Distributions                              | -                   | -                                      | (3,523)                                | (3,523)         |
| Excess of revenue<br>over expenses         | -                   | -                                      | 22,210                                 | 22,210          |
| Balance (deficiency),<br>December 31, 2021 | <u>\$ -</u>         | <u>\$ 1,517</u>                        | <u>\$ 459</u>                          | <u>\$ 1,976</u> |

See Notes to Financial Statements.

**Historic Restoration, Incorporated****Statement of Cash Flows - Income Tax Basis  
Year Ended December 31, 2021  
(In Thousands)**

|                                                                                                       |                        |
|-------------------------------------------------------------------------------------------------------|------------------------|
| Cash flows from operating activities                                                                  |                        |
| Excess of revenue over expenses                                                                       | \$ 22,210              |
| Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities |                        |
| Equity in excess of revenue over expenses of Investee Entities                                        | (3,133)                |
| Distributions received from Investee Entities                                                         | 4,499                  |
| Gain on disposition of Investee Entities' interests                                                   | <u>(20,035)</u>        |
| Net cash provided by operating activities                                                             | <u>3,541</u>           |
| Cash flows from investing activities                                                                  |                        |
| Advances made to Investee Entities                                                                    | (474)                  |
| Receipts on advances due from Investee Entities                                                       | 109                    |
| Receipts on notes receivable from Investee Entities                                                   | 43                     |
| Capital contributions paid to Investee Entities                                                       | <u>(154)</u>           |
| Net cash used in investing activities                                                                 | <u>(476)</u>           |
| Cash flows from financing activities                                                                  |                        |
| Payments on notes payable                                                                             | (43)                   |
| Distributions paid to stockholders                                                                    | <u>(3,523)</u>         |
| Net cash used in financing activities                                                                 | <u>(3,566)</u>         |
| Change in cash                                                                                        | (501)                  |
| Cash, beginning                                                                                       | <u>5,453</u>           |
| Cash, end                                                                                             | <u><u>\$ 4,952</u></u> |

See Notes to Financial Statements.

**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2021  
(In Thousands)****Note 1 - Organization and summary of significant accounting policies****Description of business**

Historic Restoration, Incorporated ("HRI") was formed on July 20, 1982 for the purpose of developing hotel and multi-family projects that generally qualify for rehabilitation, low-income housing, or other tax credit facilities under the U.S. Tax Code and various state regulations. The projects are structured where either HRI or a wholly-owned subsidiary has a variable interest and acts in the capacity of general partner or managing member, with one or more unrelated investor partners or members. HRI's responsibilities to the project may include funding certain operating deficits, if and when certain cash reserves have been depleted, and satisfying certain working capital requirements of the respective Investee Entity.

HRI Solar Solutions, LLC ("HRI Solar"), HRI On Iberville V, LLC ("Iberville 5") and HRI On Iberville VI, LLC ("Iberville 6") are three Investee Entities included in HRI's financial statements as disregarded entities for tax purposes. HRI Solar was created for the purpose of constructing and installing renewable energy production systems at various apartment complexes owned or operated by HRI. Iberville 5 and Iberville 6 were created for the purpose of managing and financing multifamily rental housing developments.

**Income tax basis of accounting**

The financial statements have been prepared on the basis of accounting used for federal income tax purposes. Under this basis of accounting, assets and liabilities, as well as revenue and expenses, are reported in accordance with the rules and regulations established under the U.S. Tax Code, which is a basis of accounting that differs from accounting principles generally accepted in the United States of America ("GAAP"). For tax purposes, HRI has elected the cash basis of accounting, while GAAP requires the accrual method of accounting. Additional differences from GAAP with respect to the financial statements of HRI include: (1) the methods and lives used for depreciation purposes; (2) not recognizing impairment losses and the related allowance for investments in limited partnerships, limited liability companies, and corporations ("Investee Entities") until the loss is realized, instead of when the carrying amount is greater than the fair value; (3) not recognizing impairment losses on property and equipment until the loss is realized, instead of when the carrying amount is greater than the fair value; (4) not recording liabilities related to guarantees; (5) not consolidating Investee Entities when required under GAAP; (6) not writing off notes receivable and advances due from Investee Entities until forgiven, instead of when deemed to be uncollectible; (7) not recording certain contingent liabilities until paid; (8) not deferring grant revenue and recognizing it over the life of the related asset and (9) recognizing forgiveness of related party debt as income, instead of an equity transaction. Because of these differences, readers should be familiar with the basis of accounting utilized in the preparation of these financial statements.

**Use of estimates**

The preparation of financial statements in conformity with the income tax basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Notes receivable and advances due from Investee Entities**

HRI agreed to fund operating deficits and satisfy working capital requirements of certain Investee Entities. Notes receivable and advances due from Investee Entities are unsecured and are reimbursed according to the respective Investee Entities' operating agreements. Balances are written off when the individual accounts are forgiven. Interest income on interest-bearing notes receivable and advances due from Investee Entities is recognized when payment is received.

**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2021  
(In Thousands)****Investments in Investee Entities**

HRI accounts for investments in Investee Entities using the equity method of accounting. Under the equity method, HRI records its initial investment at cost, and adjusts its investment for its share in each Investee Entity's taxable excess of revenue over expenses or excess of expenses over revenue, for contributions made and for distributions received. For tax purposes, investment balances are allowed to be reduced below zero.

HRI accounts for its investments in Investee Entities that have elected C corporation status for income tax reporting purposes under the cost method of accounting.

**Advertising expenses**

Advertising costs are expensed as incurred.

**Income taxes**

HRI elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions, and tax credits are passed through to and reported by its stockholders in their respective income tax returns. HRI's federal tax status as a pass-through entity is based on its legal status as an S corporation. Accordingly, HRI is not required to take any tax positions in order to qualify as a pass-through entity. HRI is required to file and does file tax returns with the Internal Revenue Service ("IRS") and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and HRI has no other tax positions which must be considered for disclosure. Disregarded entities of HRI are included as part of HRI's federal and state income tax returns; however, certain disregarded entities may file separate state income tax returns. Income tax returns filed by HRI and certain disregarded entities are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS for HRI and the disregarded entities that file separately, tax years since 2018 remain open.

**Concentration of risk**

HRI granted credit to certain Investee Entities. These entities are generally leveraged entities whose only assets are fixed assets. HRI typically does not require collateral for amounts due.

HRI maintains its cash balances in several banks located in Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$250 per bank. HRI has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.



**Historic Restoration, Incorporated**

**Notes to Financial Statements  
December 31, 2021  
(In Thousands)**

**Note 2 - Notes receivable and advances due from Investee Entities**

As of December 31, 2021, notes receivable and advances due from Investee Entities totaled \$4,507, of which \$1,903 is noninterest-bearing and \$2,604 bears interest at 1.0%. Of the \$2,604 notes receivable balance, \$1,457 and \$1,147 are due from Eleven37 Apartments, LLC and Bywater Art Lofts II, LLC, respectively, which was provided to the properties to purchase land for development. HRI has corresponding notes payable of \$1,457 and \$1,147 due to HRI Eleven37, LLC and HRI ByArt II, LLC, respectively, in which HRI is a majority shareholder (see Note 5). Of the notes receivable and advances balance, a portion is due on demand from available cash flow, and the other portion is due from available cash flow from sales or refinancing. Interest of \$27 was charged on the interest-bearing notes receivable and advances during the year ended December 31, 2021 under GAAP. During the year ended December 31, 2021, interest of \$62 was collected and is included in interest income under the income tax basis of accounting in relation to the interest-bearing notes receivable and advances.

**Note 3 - Equipment, net**

Equipment, net, consisted of the following at December 31, 2021:

|                               | Tax lives<br>(In years) | Total          |
|-------------------------------|-------------------------|----------------|
| Solar equipment               | 5                       | \$ 6,540       |
| Less accumulated depreciation |                         | <u>(6,540)</u> |
| Equipment, net                |                         | <u>\$ -</u>    |

No depreciation expense was recorded for the year ended December 31, 2021.

**Note 4 - Investments in Investee Entities**

HRI has investments in 48 Investee Entities which range from 0.01% to 99%. HRI's investments in Investee Entities are summarized as follows:

|                                                                         |                   |
|-------------------------------------------------------------------------|-------------------|
| Investments in Investee Entities at January 1, 2021                     | \$ (23,702)       |
| Capital contributions paid to Investee Entities                         | 154               |
| Share of equity in excess of revenue over expenses of Investee Entities | 3,133             |
| Distributions received from Investee Entities                           | (4,499)           |
| Gain on disposition of Investee Entities' interests                     | <u>20,035</u>     |
| Investments in Investee Entities at December 31, 2021                   | <u>\$ (4,879)</u> |

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2021 (In Thousands)

The combined statement of assets, liabilities and partners' or members' equity - income tax basis of the Investee Entities as of December 31, 2021, and the combined statement of revenue and expenses - income tax basis for the year then ended are summarized as follows:

#### Combined Statement of Assets, Liabilities and Partners' or Members' Equity - Income Tax Basis

##### Assets

|                             |            |
|-----------------------------|------------|
| Property and equipment, net | \$ 486,347 |
| Investments in partnerships | 7,609      |
| Other assets                | 59,056     |
|                             | <hr/>      |
| Total assets                | \$ 553,012 |
|                             | <hr/>      |

##### Liabilities and Partners' or Members' Equity

|                                                    |            |
|----------------------------------------------------|------------|
| Liabilities                                        |            |
| Notes payable and accrued interest                 | \$ 283,023 |
| Mortgages payable and accrued interest             | 101,614    |
| Due to affiliates                                  | 9,722      |
| Other liabilities                                  | 20,128     |
|                                                    | <hr/>      |
| Total liabilities                                  | 414,487    |
| Partners' or members' equity                       | 138,525    |
|                                                    | <hr/>      |
| Total liabilities and partners' or members' equity | \$ 553,012 |
|                                                    | <hr/>      |

#### Combined Statement of Revenue and Expenses - Income Tax Basis

|                                 |             |
|---------------------------------|-------------|
| Revenue                         |             |
| Rental revenue                  | \$ 41,767   |
| Other revenue                   | 9,498       |
|                                 | <hr/>       |
| Total revenue                   | 51,265      |
|                                 | <hr/>       |
| Expenses                        |             |
| Operating expenses              | 34,561      |
| Depreciation and amortization   | 22,380      |
| Interest expense                | 8,186       |
|                                 | <hr/>       |
| Total expenses                  | 65,127      |
|                                 | <hr/>       |
| Excess of expenses over revenue | \$ (13,862) |
|                                 | <hr/>       |

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2021 (In Thousands)

#### Note 5 - Notes payable

|                                                                                                                                        |    |              |
|----------------------------------------------------------------------------------------------------------------------------------------|----|--------------|
| Note payable to HRI ByArt II, LLC of \$1,200;<br>noninterest-bearing; secured by the security<br>agreement; matures December 21, 2050. | \$ | 1,147        |
| Note payable to HRI Eleven37, LLC of \$1,500;<br>noninterest-bearing; unsecured; matures December<br>24, 2044.                         |    | <u>1,457</u> |
|                                                                                                                                        | \$ | <u>2,604</u> |

#### Note 6 - Commitments and contingencies

HRI entered into various agreements with certain Investee Entities whereby it has issued guarantees for financing, completion, tax credits invested during construction, tax credit recapture during the compliance period and operating deficits. The guarantees generally expire upon the completion of construction, stabilization of the asset and conversion to permanent debt, expiration of the tax credit compliance period and achievement of debt service coverage ratio requirements. HRI's current guarantees are expected to expire within 2022 to 2034. HRI's estimate of the maximum potential amount of future payments under the completion guarantees is zero at December 31, 2021, based upon the construction costs incurred and estimates to complete related to projects in development at December 31, 2021, as well as the available sources of funding to pay the construction costs. No payments have been required on these guarantees and no amounts have been accrued as a loss contingency related to these guarantees because payment by HRI is not probable or because management determined there was no fair value associated with these guarantees. In addition to completion guarantees, the outstanding guarantees as of December 31, 2021 are as follows:

|                      |    |                |
|----------------------|----|----------------|
| Financing            | \$ | 25,332         |
| Tax credit amount    |    | 62,053         |
| Tax credit recapture |    | 44,281         |
| Operating deficit    |    | <u>7,475</u>   |
| Total                | \$ | <u>139,141</u> |

From time to time, HRI is involved in litigation on various matters. Given the nature of HRI's business activities, these lawsuits are considered routine to conduct of its business. The result of any particular lawsuit cannot be predicted, because of the very nature of litigation, the litigation process and its adversarial nature and the jury system. HRI will establish reserves for specific legal proceedings when it determines that the likelihood of an unfavorable outcome is probable and when the amount of loss is reasonably estimable. HRI does not expect that the liabilities, if any, that may ultimately result from such legal actions will have a material adverse effect on the financial position, results of operations or cash flows.

**Historic Restoration, Incorporated**

**Notes to Financial Statements**  
**December 31, 2021**  
**(In Thousands)**

**Note 7 - Variable interest entities**

During the year ended December 31, 2021, HRI owned partnership interests ranging from 0.01% to 99% in 48 Investee Entities. It has been determined that the Investee Entities are variable interest entities ("VIEs") under the Financial Accounting Standards Board's Accounting Standards Codification Topic 810 and that HRI is the primary beneficiary. Accordingly, had these financial statements been prepared in accordance with GAAP, HRI would be required to consolidate the accounts of these VIEs into its financial statements.

The combined financial information of HRI and the Investee Entities under GAAP as of and for the year ended December 31, 2021 is summarized as follows:

**Combined Balance Sheet**

| <u>Assets</u>                                       |                          |
|-----------------------------------------------------|--------------------------|
| Property and equipment, net                         | \$ 491,994               |
| Investments in partnerships                         | 2,730                    |
| Other assets                                        | <u>57,746</u>            |
| Total assets                                        | <u><u>\$ 552,470</u></u> |
| <u>Liabilities and Partners' or Members' Equity</u> |                          |
| Liabilities                                         |                          |
| Notes payable and accrued interest                  | \$ 279,147               |
| Mortgages payable and accrued interest              | 108,030                  |
| Due to affiliates                                   | 9,722                    |
| Other liabilities                                   | <u>20,129</u>            |
| Total liabilities                                   | <u>417,028</u>           |
| Partners' or members' equity                        |                          |
| Controlling interest                                | 1,348                    |
| Noncontrolling interests                            | <u>134,094</u>           |
| Total partners' or members' equity                  | <u>135,442</u>           |
| Total liabilities and partners' or members' equity  | <u><u>\$ 552,470</u></u> |



**Historic Restoration, Incorporated**

**Notes to Financial Statements  
December 31, 2021  
(In Thousands)**

**Combined Statement of Operations**

|                                                     |                           |
|-----------------------------------------------------|---------------------------|
| Revenue                                             |                           |
| Rental revenue                                      | \$ 41,848                 |
| Other revenue                                       | <u>13,184</u>             |
| Total revenue                                       | <u>55,032</u>             |
| Expenses                                            |                           |
| Operating expenses                                  | 10,348                    |
| Depreciation and amortization                       | 21,054                    |
| Interest expense                                    | <u>8,191</u>              |
| Total expenses                                      | <u>39,593</u>             |
| Net income                                          | 15,439                    |
| Net income attributable to noncontrolling interests | <u>30,118</u>             |
| Net loss attributable to controlling interest       | <u><u>\$ (14,679)</u></u> |

**Note 8 - Accounts payable (unaudited)**

As of December 31, 2021, HRI's accounts payable balance amounted to \$79 under GAAP.

**Note 9 - Asset management fees**

On March 18, 2021, effective January 1, 2021, HRI entered into an asset management agreement with HRI Communities, LLC ("HRIC"), an affiliate of the entity, under which HRI engaged HRIC to provide property management, acquisition, development, financing, construction, and other similar or related services set forth in the agreement. The agreement is for seven years with one option to extend. As compensation for the services provided, HRI has agreed to pay HRIC an asset management fee quarterly equal to the available cash flow of HRI as defined in the agreement. Additionally, HRIC will earn a project sale or refinancing fee for managing and facilitating any project sale or refinancing. During the year ended December 31, 2021, \$1,961 of fees were incurred and paid.

**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2021  
(In Thousands)****Note 10 - Other revenue**

On March 16, 2021, effective January 1, 2021, HRI entered into multiple agreements with HRI Properties, LLC ("HRIP"). As a result of these agreements, HRI assigned its ownership interest of approximately 7.67% in HRIP in exchange for (i) interests in the following (collectively, the "Service Companies"): HRI Management, LLC, HCI Design, LLC, and HRI Realty Services, LLC; (ii) 50% of the interest in National Cities Fund, L.L.C., and (iii) 99.99% of the interests in Shreveport Renewal Limited Partnership, that owns 100% of the interests in that certain project commonly known as the Lee Hardware Apartments and United Jewelers Apartments.

Additionally, HRI received a cash payment in the amount of \$800 from HRI Lodging, LLC, an affiliate, upon forgiveness of the U.S. Small Business Administration Paycheck Protection Program loan received on behalf of the Service Companies, which is included in the other revenue on the statement of revenue and expenses - income tax basis.

**Note 11 - Contingency**

The spread of a novel strain of coronavirus ("COVID-19") has caused significant business disruptions in the United States. The economic impact of the business disruptions caused by COVID-19 is uncertain. The extent of any effects these disruptions may have on the operations and financial performance of the Company will depend on future developments, including possible impacts on the operations of the underlying investments, which cannot be determined at this time. Management of the Company have been regularly evaluating the effects of the COVID-19 pandemic; however, the Company's strong financial position and additional resources have contributed to the Company's ongoing stability. The Company's main activities are from investments in properties that have government subsidies and have not seen a material negative impact since the beginning of COVID-19. At this time, it is not possible to reliably estimate the length or severity of this outbreak and hence its financial impact.

**Note 12 - Subsequent events**

Events that occur after the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis date require disclosure in the accompanying notes. Management evaluated the activity of HRI through September 29, 2022 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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**Historic Restoration, Incorporated**

**Financial Statements  
and Independent Auditor's Report**

**December 31, 2020**



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## Independent Auditor's Report

To the Board of Directors  
Historic Restoration, Incorporated

We have audited the accompanying financial statements of Historic Restoration, Incorporated, which comprise the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis as of December 31, 2020, and the related statements of revenue and expenses - income tax basis, changes in stockholders' equity (deficiency) - income tax basis and cash flows - income tax basis for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the income tax basis of accounting described in Note 1; this includes determining that the income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of certain investee entities, which investments represent \$23,009,788 of the total negative investment in Investee Entities as of December 31, 2020, and \$1,898,894 of the total equity in excess of revenue over expenses in Investee Entities for the year then ended. Those statements were prepared in accordance with accounting principles generally accepted in the United States of America and were audited by other auditors whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statement of the Investee Entity, which conform those financial statements to the income tax basis of accounting as described in Note 1. Our opinion, insofar as it relates to the amounts included for the Investee Entity, prior to these conversion adjustments, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and stockholders' equity (deficiency) of Historic Restoration, Incorporated as of December 31, 2020, and its revenue and expenses, changes in stockholders' equity (deficiency) and its cash flows for the year then ended in accordance with the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, as described in Note 1.

*Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting Historic Restoration, Incorporated uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.



Bethesda, Maryland  
December 1, 2021

**Historic Restoration, Incorporated****Statement of Assets, Liabilities and Stockholders'  
Equity (Deficiency) - Income Tax Basis  
December 31, 2020  
(In Thousands)**

| <u>Assets</u>                                                                                                     |                 |
|-------------------------------------------------------------------------------------------------------------------|-----------------|
| Cash                                                                                                              | \$ 5,453        |
| Notes receivable from Investee Entities                                                                           | 2,647           |
| Advances due from Investee Entities                                                                               | <u>1,538</u>    |
| Total assets                                                                                                      | <u>\$ 9,638</u> |
| <u>Liabilities and Stockholders' Equity (Deficiency)</u>                                                          |                 |
| Liabilities                                                                                                       |                 |
| Investments in Investee Entities                                                                                  | \$ 23,702       |
| Notes payable                                                                                                     | <u>2,647</u>    |
| Total liabilities                                                                                                 | <u>26,349</u>   |
| Commitments and contingencies                                                                                     | -               |
| Stockholders' equity (deficiency)                                                                                 |                 |
| Common stock, no par value, 10,000,000 shares authorized,<br>of which 1,363,019 shares are issued and outstanding | -               |
| Additional paid-in capital                                                                                        | 1,517           |
| Retained earnings (deficit)                                                                                       | <u>(18,228)</u> |
| Total stockholders' equity (deficiency)                                                                           | <u>(16,711)</u> |
| Total liabilities and stockholders' equity (deficiency)                                                           | <u>\$ 9,638</u> |

See Notes to Financial Statements.



**Historic Restoration, Incorporated****Statement of Revenue and Expenses - Income Tax Basis**  
**Year Ended December 31, 2020**  
**(In Thousands)**

|                                                                |                        |
|----------------------------------------------------------------|------------------------|
| Revenue                                                        |                        |
| Management fees                                                | \$ 232                 |
| Parking revenue                                                | 136                    |
| Development fees                                               | 227                    |
| Interest income                                                | 5                      |
| Other revenue                                                  | 47                     |
| Equity in excess of revenue over expenses of Investee Entities | 1,879                  |
| Gain on disposition of investments in Investee Entities        | <u>66</u>              |
| Total revenue                                                  | <u>2,592</u>           |
| Expenses                                                       |                        |
| General and administrative                                     | <u>467</u>             |
| Total expenses                                                 | <u>467</u>             |
| Excess of revenue over expenses                                | <u><u>\$ 2,125</u></u> |

See Notes to Financial Statements.

**Historic Restoration, Incorporated**

**Statement of Changes in Stockholders' Equity (Deficiency) - Income Tax Basis**  
**Year Ended December 31, 2020**  
**(In Thousands)**

|                                            | <u>Common stock</u> | <u>Additional paid-<br/>in capital</u> | <u>Retained<br/>earnings (deficit)</u> | <u>Total</u>       |
|--------------------------------------------|---------------------|----------------------------------------|----------------------------------------|--------------------|
| Balance (deficiency),<br>January 1, 2020   | \$ -                | \$ 1,517                               | \$ (20,353)                            | \$ (18,836)        |
| Excess of revenue<br>over expenses         | <u>-</u>            | <u>-</u>                               | <u>2,125</u>                           | <u>2,125</u>       |
| Balance (deficiency),<br>December 31, 2020 | <u>\$ -</u>         | <u>\$ 1,517</u>                        | <u>\$ (18,228)</u>                     | <u>\$ (16,711)</u> |

See Notes to Financial Statements.

**Historic Restoration, Incorporated****Statement of Cash Flows - Income Tax Basis**  
**Year Ended December 31, 2020**  
**(In Thousands)**

|                                                                                                       |          |
|-------------------------------------------------------------------------------------------------------|----------|
| Cash flows from operating activities                                                                  |          |
| Excess of revenue over expenses                                                                       | \$ 2,125 |
| Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities |          |
| Equity in excess of revenue over expenses of Investee Entities                                        | (1,879)  |
| Distributions received from Investee Entities                                                         | 108      |
| Gain on disposition of Investee Entities' interests                                                   | (66)     |
|                                                                                                       | <hr/>    |
| Net cash provided by operating activities                                                             | 288      |
|                                                                                                       | <hr/>    |
| Cash flows from investing activities                                                                  |          |
| Advances made to Investee Entities                                                                    | (152)    |
| Receipts on advances due from Investee Entities                                                       | 42       |
|                                                                                                       | <hr/>    |
| Net cash used in investing activities                                                                 | (110)    |
|                                                                                                       | <hr/>    |
| Change in cash                                                                                        | 178      |
|                                                                                                       | <hr/>    |
| Cash, beginning                                                                                       | 5,275    |
|                                                                                                       | <hr/>    |
| Cash, end                                                                                             | \$ 5,453 |
|                                                                                                       | <hr/>    |

See Notes to Financial Statements.

**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2020  
(In Thousands)****Note 1 - Organization and summary of significant accounting policies****Description of business**

Historic Restoration, Incorporated ("HRI") was formed on July 20, 1982 for the purpose of developing hotel and multi-family projects that generally qualify for rehabilitation, low-income housing, or other tax credit facilities under the U.S. Tax Code and various state regulations. The projects are structured where either HRI or a wholly-owned subsidiary ("Investee Entity") has a variable interest and acts in the capacity of general partner or managing member, with one or more unrelated investor partners or members. HRI's responsibilities to the project may include funding certain operating deficits, if and when certain cash reserves have been depleted, and satisfying certain working capital requirements of the respective Investee Entity.

HRI Solar Solutions, LLC ("HRI Solar"), HRI On Iberville V, LLC ("Iberville 5") and HRI On Iberville VI, LLC ("Iberville 6") are three Investee Entities included in HRI's financial statements as disregarded entities for tax purposes. HRI Solar was created for the purpose of constructing and installing renewable energy production systems at various apartment complexes owned or operated by HRI. Iberville 5 and Iberville 6 were created for the purpose of managing and financing multifamily rental housing developments.

On April 1, 2014, HRI entered into an Asset Management Agreement with HRI Properties, LLC ("HRIP"), under which HRI engaged HRIP and its subsidiaries to provide property management, development and certain other services set forth in the agreement. As compensation for the services provided, HRI has agreed to pay HRIP an asset management fee. On March 16, 2021, effective January 1, 2021, HRI and HRIP terminated the Asset Management Agreement as a result of the subsequent event discussed in Note 10.

**Income tax basis of accounting**

The financial statements have been prepared on the basis of accounting used for federal income tax purposes. Under this basis of accounting, assets and liabilities, as well as revenue and expenses, are reported in accordance with the rules and regulations established under the U.S. Tax Code, which is a basis of accounting that differs from accounting principles generally accepted in the United States of America ("GAAP"). For tax purposes, HRI has elected the cash basis of accounting, while GAAP requires the accrual method of accounting. Additional differences from GAAP with respect to the financial statements of HRI include: (1) the methods and lives used for depreciation purposes; (2) not recognizing impairment losses and the related allowance for investments in Investee Entities until the loss is realized, instead of when the carrying amount is greater than the fair value; (3) not recognizing impairment losses on property and equipment until the loss is realized, instead of when the carrying amount is greater than the fair value; (4) not recording liabilities related to guarantees; (5) not consolidating Investee Entities when required; (6) not writing off notes receivable and advances due from Investee Entities until forgiven, instead of when deemed to be uncollectible; (7) not recording certain contingent liabilities until paid; (8) not deferring grant revenue and recognizing it over the life of the related asset and (9) recognizing forgiveness of related party debt as income, instead of an equity transaction. Because of these differences, readers should be familiar with the basis of accounting utilized in the preparation of these financial statements.



**Historic Restoration, Incorporated****Notes to Financial Statements  
December 31, 2020  
(In Thousands)****Use of estimates**

The preparation of financial statements in conformity with the income tax basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Notes receivable and advances due from Investee Entities**

HRI agreed to fund operating deficits and satisfy working capital requirements of certain Investee Entities. Notes receivable and advances due from Investee Entities are unsecured and are reimbursed according to the respective Investee Entities' operating agreements. Balances are written off when the individual accounts are forgiven. Interest income on interest-bearing notes receivable and advances due from Investee Entities is recognized when payment is received.

**Investments in Investee Entities**

HRI accounts for investments in Investee Entities using the equity method of accounting. Under the equity method, HRI records its initial investment at cost, and adjusts its investment for its share in each Investee Entity's taxable excess of revenue over expenses or excess of expenses over revenue, for contributions made and for distributions received. For tax purposes, investment balances are allowed to be reduced below zero.

HRI accounts for its investments in Investee Entities that have elected C corporation status for income tax reporting purposes under the cost method of accounting.

**Income taxes**

HRI elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions, and tax credits are passed through to and reported by its stockholders in their respective income tax returns. HRI's federal tax status as a pass-through entity is based on its legal status as an S corporation. Accordingly, HRI is not required to take any tax positions in order to qualify as a pass-through entity. HRI is required to file and does file tax returns with the Internal Revenue Service ("IRS") and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and HRI has no other tax positions which must be considered for disclosure. Disregarded entities of HRI are included as part of HRI's federal and state income tax returns; however, certain disregarded entities may file separate state income tax returns. Income tax returns filed by HRI and certain disregarded entities are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS for HRI and the disregarded entities that file separately, tax years since 2017 remain open.

**Concentration of risk**

HRI granted credit to certain Investee Entities. These entities are generally leveraged entities whose only assets are fixed assets. HRI typically does not require collateral for amounts due.

HRI maintains its cash balances in several banks located in Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$250 per bank. HRI has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

**Historic Restoration, Incorporated**

**Notes to Financial Statements  
December 31, 2020  
(In Thousands)**

**Note 2 - Notes receivable and advances due from Investee Entities**

As of December 31, 2020, notes receivable and advances due from Investee Entities totaled \$4,185 of which \$1,538 is noninterest-bearing and \$2,647 bears interest at 1.0%. Of the \$2,647 notes receivable balance, \$1,500 and \$1,147 are due from Eleven37 Apartments, LLC and Bywater Art Lofts II, LLC, respectively, which was provided to the properties to purchase land for development. HRI has corresponding notes payable of \$1,500 and \$1,147 due to HRI Eleven37, LLC and HRI ByArt II, LLC, respectively, in which HRI is a majority shareholder (see Note 5). Of the notes receivable and advances balance, a portion is due on demand from available cash flow, and the other portion is due from available cash flow from sales or refinancing. Interest of \$27 was charged on the interest-bearing notes receivable and advances during the year ended December 31, 2020 under GAAP. During the year ended December 31, 2020, no interest was collected or included in interest income under the income tax basis of accounting in relation to the interest-bearing notes receivable and advances.

**Note 3 - Equipment, net**

Equipment, net, consisted of the following at December 31, 2020:

|                               | Tax lives<br>(In years) | (In thousands) |
|-------------------------------|-------------------------|----------------|
| Solar equipment               | 5                       | \$ 7,393       |
| Less accumulated depreciation |                         | <u>(7,393)</u> |
| Equipment, net                |                         | <u>\$ -</u>    |

No depreciation expense was recorded for the year ended December 31, 2020.

**Note 4 - Investments in Investee Entities**

HRI's investments in Investee Entities are summarized as follows:

|                                                                         | (In thousands)     |
|-------------------------------------------------------------------------|--------------------|
| Investments in Investee Entities at January 1, 2020                     | \$ (25,539)        |
| Share of equity in excess of revenue over expenses of Investee Entities | 1,879              |
| Distributions received from Investee Entities                           | (108)              |
| Gain on disposition of Investee Entities' interests                     | <u>66</u>          |
| Investments in Investee Entities at December 31, 2020                   | <u>\$ (23,702)</u> |

## Historic Restoration, Incorporated

**Notes to Financial Statements**  
**December 31, 2020**  
**(In Thousands)**

The combined statement of assets, liabilities and partners' or members' equity - income tax basis of the Investee Entities as of December 31, 2020, and the combined statement of revenue and expenses - income tax basis for the year then ended are summarized as follows:

**Combined Statement of Assets, Liabilities and Partners' or  
Members' Equity - Income Tax Basis**

(In thousands)

Assets

|                             |            |
|-----------------------------|------------|
| Property and equipment, net | \$ 509,999 |
| Other assets                | 92,106     |
|                             | <hr/>      |
| Total assets                | \$ 602,105 |
|                             | <hr/>      |

Liabilities and Partners' or Members' Equity

|                                                    |            |
|----------------------------------------------------|------------|
| Liabilities                                        |            |
| Notes payable and accrued interest                 | \$ 328,649 |
| Mortgages payable and accrued interest             | 64,691     |
| Due to affiliates                                  | 8,911      |
| Investments in partnerships                        | 23,198     |
| Other liabilities                                  | 20,717     |
|                                                    | <hr/>      |
| Total liabilities                                  | 446,166    |
| Partners' or members' equity                       | 155,939    |
|                                                    | <hr/>      |
| Total liabilities and partners' or members' equity | \$ 602,105 |
|                                                    | <hr/>      |

**Combined Statement of Revenue and Expenses - Income Tax Basis**

(In thousands)

|                                 |           |
|---------------------------------|-----------|
| Revenue                         |           |
| Rental revenue                  | \$ 25,254 |
| Other revenue                   | 61,946    |
|                                 | <hr/>     |
| Total revenue                   | 87,200    |
|                                 | <hr/>     |
| Expenses                        |           |
| Operating expenses              | 38,300    |
| Depreciation and amortization   | 19,052    |
| Interest expense                | 9,885     |
|                                 | <hr/>     |
| Total expenses                  | 67,237    |
|                                 | <hr/>     |
| Excess of revenue over expenses | \$ 19,963 |
|                                 | <hr/>     |

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2020 (In Thousands)

#### Note 5 - Notes payable

|                                                                                                                                  | <u>(In thousands)</u> |
|----------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Note payable to HRI ByArt II, LLC of \$1,200; noninterest-bearing; secured by the security agreement; matures December 21, 2050. | \$ 1,147              |
| Note payable to HRI Eleven37, LLC of \$1,500; noninterest-bearing; unsecured; matures December 24, 2044.                         | <u>1,500</u>          |
|                                                                                                                                  | <u>\$ 2,647</u>       |

#### Note 6 - Commitments and contingencies

HRI entered into various agreements with certain Investee Entities whereby it has issued guarantees for financing, completion, tax credits invested during construction, tax credit recapture during the compliance period and operating deficits. The guarantees generally expire upon the completion of construction, stabilization of the asset and conversion to permanent debt, expiration of the tax credit compliance period and achievement of debt service coverage ratio requirements. HRI's current guarantees are expected to expire within 2021 to 2034. HRI's estimate of the maximum potential amount of future payments under the completion guarantees is zero at December 31, 2020 based upon the construction costs incurred and estimates to complete related to projects in development at December 31, 2020, as well as the available sources of funding to pay the construction costs. No payments have been required on these guarantees and no amounts have been accrued as a loss contingency related to these guarantees because payment by HRI is not probable or because management determined there was no fair value associated with these guarantees. In addition to completion guarantees, the outstanding guarantees as of December 31, 2020 are as follows:

|                      | <u>(In thousands)</u> |
|----------------------|-----------------------|
| Financing            | \$ 6,173              |
| Tax credit amount    | 68,016                |
| Tax credit recapture | 46,768                |
| Operating deficit    | <u>6,302</u>          |
| Total                | <u>\$ 127,259</u>     |

From time to time, HRI is involved in litigation on various matters. Given the nature of HRI's business activities, these lawsuits are considered routine to conduct of its business. The result of any particular lawsuit cannot be predicted, because of the very nature of litigation, the litigation process and its adversarial nature and the jury system. HRI will establish reserves for specific legal proceedings when it determines that the likelihood of an unfavorable outcome is probable and when the amount of loss is reasonably estimable. HRI does not expect that the liabilities, if any, that may ultimately result from such legal actions will have a material adverse effect on the financial position, results of operations or cash flows.



**Historic Restoration, Incorporated**

**Notes to Financial Statements  
December 31, 2020  
(In Thousands)**

**Note 7 - Variable interest entities**

During the year ended December 31, 2020, HRI owned partnership interests ranging from 0.01% to 99% in 41 Investee Entities. It has been determined that the Investee Entities are variable interest entities ("VIEs") under the Financial Accounting Standards Board's Accounting Standards Codification Topic 810 and that HRI is the primary beneficiary. Accordingly, had these financial statements been prepared in accordance with GAAP, HRI would be required to consolidate the accounts of these VIEs into its financial statements.

The combined financial information of the Investee Entities and affiliates under GAAP as of and for the year ended December 31, 2020 is summarized as follows:

**Combined Balance Sheet**

(In thousands)

Assets

|                             |    |                |
|-----------------------------|----|----------------|
| Property and equipment, net | \$ | 431,539        |
| Other assets                |    | 49,745         |
|                             |    | <hr/>          |
| Total assets                | \$ | <u>481,284</u> |

Liabilities and Partners' or Members' Equity (Deficit)

|                                                              |    |                |
|--------------------------------------------------------------|----|----------------|
| Liabilities                                                  |    |                |
| Notes payable and accrued interest                           | \$ | 270,188        |
| Mortgages payable and accrued interest                       |    | 56,169         |
| Investments in partnerships                                  |    | 20,427         |
| Due to affiliates                                            |    | 8,911          |
| Other liabilities                                            |    | 10,105         |
|                                                              |    | <hr/>          |
| Total liabilities                                            |    | <u>365,800</u> |
| Partners' or members' equity (deficit)                       |    |                |
| Controlling interest                                         |    | (8,237)        |
| Noncontrolling interests                                     |    | 123,721        |
|                                                              |    | <hr/>          |
| Total partners' or members' equity (deficit)                 |    | <u>115,484</u> |
|                                                              |    | <hr/>          |
| Total liabilities and partners' or members' equity (deficit) | \$ | <u>481,284</u> |

**Historic Restoration, Incorporated**

**Notes to Financial Statements**  
**December 31, 2020**  
(In Thousands)

**Combined Statement of Operations**

(In thousands)

|                                                   |                 |
|---------------------------------------------------|-----------------|
| Revenue                                           |                 |
| Rental revenue                                    | \$ 25,336       |
| Other revenue                                     | <u>2,289</u>    |
| Total revenue                                     | <u>27,625</u>   |
| Expenses                                          |                 |
| Operating expenses                                | 20,467          |
| Depreciation and amortization                     | 18,390          |
| Interest expense                                  | <u>7,228</u>    |
| Total expenses                                    | <u>46,085</u>   |
| Net loss                                          | (18,460)        |
| Net loss attributable to noncontrolling interests | <u>(17,526)</u> |
| Net loss attributable to controlling interest     | <u>\$ (934)</u> |

**Note 8 - Accounts payable (unaudited)**

As of December 31, 2020, HRI's accounts payable balance amounted to \$13 under GAAP.

**Note 9 - Contingency**

The spread of a novel strain of coronavirus ("COVID-19") has caused significant business disruptions in the United States. The economic impact of the business disruptions caused by COVID-19 is uncertain. The extent of any effects these disruptions may have on the operations and financial performance of the Company will depend on future developments, including possible impacts on the operations of the underlying investments, which cannot be determined at this time. Management of the Company have been regularly evaluating the effects of the COVID-19 pandemic; however the Company's strong financial position and additional resources have contributed to the Company's ongoing stability. The Company's main activities are from investments in properties that have government subsidies and have not seen a material negative impact since the beginning of COVID-19. At this time, it is not possible to reliably estimate the length or severity of this outbreak and hence its financial impact.

**Note 10 - Subsequent events**

Events that occur after the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of assets, liabilities and stockholders' equity (deficiency) - income tax basis date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of

## Historic Restoration, Incorporated

### Notes to Financial Statements December 31, 2020 (In Thousands)

assets, liabilities and stockholders' equity (deficiency) - income tax basis date require disclosure in the accompanying notes. Management evaluated the activity of HRI through December 1, 2021 (the date the financial statements were available to be issued) and concluded that no subsequent events, other than disclosed below and Note 1, have occurred that require recognition in the financial statements.

On March 16, 2021, effective January 1, 2021, HRI entered into multiple agreements with HRIP. As a result of these agreements, HRI gave up its ownership interest of approximately 7.67% in HRIP in exchange for (i) 100% of the interests in the following (collectively, the "Service Companies"): HRI Management, LLC, HCI Design, LLC, and HRI Realty Services, LLC; (ii) 100% of the interests in HRIP NCF, LLC which in turn owns 50% of the interests in National Cities Fund, L.L.C., and (iii) 99.99% of the interests in Shreveport Renewal Limited Partnership, that owns 100% of the interests in that certain Project commonly known as the Lee Hardware Apartments and United Jewelers Apartments. Additionally, HRI will receive a cash payment in the amount of \$800 from HRI Lodging, LLC upon forgiveness of the U.S. Small Business Administration Paycheck Protection Program loan received on behalf of the Service Companies.

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## **6. FINANCIAL CAPABILITY**

### **6.ii. Current Financial Statement**

We have included the following unaudited financial statements for the Guarantor entities:

- HRI Communities, LLC: June 30, 2023
- Historic Restoration, Incorporated: June 30, 2023

**CONFIDENTIAL**

**HRI Communities, LLC**  
**Financial Statements**  
**June 30, 2023**  
(unaudited)

**CONFIDENTIAL**

**HRI Communities, LLC**  
**Balance Sheet**  
**June 30, 2023**  
(unaudited)

| <b>Assets</b>                                  |                     |
|------------------------------------------------|---------------------|
| Cash                                           | \$ 633,166          |
| Accounts receivable and other receivables      | 773,256             |
| Due from affiliates                            | 254,984             |
| Jobs in process                                | 2,692,519           |
| Investments in investee entities               | 276                 |
| <b>Total Assets</b>                            | <b>\$ 4,354,201</b> |
| <b>Liabilities &amp; Members' Equity</b>       |                     |
| Accounts payable                               | \$ 145,835          |
| Accrued expenses                               | 842,743             |
| <b>Total Liabilities</b>                       | <b>\$ 988,578</b>   |
| <b>Total Members' Equity</b>                   | <b>\$ 3,365,623</b> |
| <b>Total Liabilities &amp; Members' Equity</b> | <b>\$ 4,354,201</b> |

**CONFIDENTIAL**

**HRI Communities, LLC**  
**Statement of Operations**  
**For the six months ended June 30, 2023**  
(unaudited)

**Operating Revenue**

|                      |                  |
|----------------------|------------------|
| Development fees     | \$ 659,064       |
| Asset management fee | 1,135,584        |
| <b>Total revenue</b> | <u>1,794,648</u> |

**Operating Expenses**

|                                     |                  |
|-------------------------------------|------------------|
| Payroll expense                     | 1,395,410        |
| Job cost expense                    | 394,705          |
| General and administrative expenses | 184,915          |
| <b>Total operating expenses</b>     | <u>1,975,030</u> |

**Net loss**

\$ (180,382)



**CONFIDENTIAL**

**Historic Restoration, Incorporated**  
**Financial Statements**  
**June 30, 2023**  
(unaudited)

**CONFIDENTIAL**

**Historic Restoration, Incorporated**  
**Balance Sheet**  
**June 30, 2023**  
(unaudited)

| <b>Assets</b>                                       |                             |
|-----------------------------------------------------|-----------------------------|
| Cash                                                | \$ 5,054,581                |
| Accounts receivable                                 | 75,342                      |
| <b>Total current assets</b>                         | <u>\$ 5,129,923</u>         |
| Notes receivable from investee entities             | \$ 2,578,469                |
| Interest receivable from investee entities          | 37,411                      |
| Investments in investee entities                    | 10,912,556                  |
| Advances due from investee entities, net            | 235,540                     |
| Deposits                                            | 75,000                      |
| <b>Total other assets</b>                           | <u>\$ 13,838,976</u>        |
| <b>Total assets</b>                                 | <u><u>\$ 18,968,899</u></u> |
| <b>Liabilities &amp; Stockholders' Equity</b>       |                             |
| Accounts payable & accrued expenses                 | \$ 872,319                  |
| Notes payable to investee entities                  | 2,578,469                   |
| Due to affiliates                                   | 300,000                     |
| <b>Total liabilities</b>                            | <u>\$ 3,750,788</u>         |
| Common stock                                        | \$ 101                      |
| Paid-in-capital                                     | 1,516,589                   |
| Retained earnings                                   | 13,701,421                  |
| <b>Total stockholders' equity</b>                   | <u>\$ 15,218,111</u>        |
| <b>Total liabilities &amp; stockholders' equity</b> | <u><u>\$ 18,968,899</u></u> |

**CONFIDENTIAL**

**Historic Restoration, Incorporated**  
**Statement of Operations**  
**For the six months ended June 30, 2023**  
(unaudited)

**Revenue**

|                      |                |
|----------------------|----------------|
| Management fees      | \$ 338,341     |
| Parking revenue      | 68,154         |
| Interest income      | 63,661         |
| <b>Total revenue</b> | <u>470,157</u> |

**Expenses**

|                            |                  |
|----------------------------|------------------|
| Asset management fee       | 1,135,584        |
| General and administrative | 302,461          |
| Salaries and benefits      | 172,323          |
| <b>Total expenses</b>      | <u>1,610,367</u> |

|                 |                              |
|-----------------|------------------------------|
| <b>Net loss</b> | <u><u>\$ (1,140,211)</u></u> |
|-----------------|------------------------------|

## **6. FINANCIAL CAPABILITY**

### **6.iii. Financial Capacity to Complete Development Projects**

With a 41-year track record of developing 69 high-quality, housing projects totaling \$1.9 billion of total development costs, HRI and its affiliate, Historic Restoration, Incorporated, have the financial capacity to complete large-scale, mixed-income, mixed-use development projects. Our financial partners (both lenders and investors) typically accept Liquidity Covenants of \$3,500,000 and Net Worth Covenants of \$10,000,000 based on Fair Market Value as our guarantee capacity for development projects of this scale. We target a cash balance of approximately \$5,000,000, which meets the \$3,500,000 Liquidity Covenant and provides additional cushion. Based on the actual requirements of similarly scaled development projects, HRI confirms that its liquidity and guarantee capacity is more than sufficient to compel participation by even the more conservative standards of private debt and equity institutions.



A photograph of a two-story house with a light-colored exterior and dark shutters. The house features a full-width second-floor balcony with a white railing. Two dormer windows are visible on the roof. The front entrance has a small porch with steps. The entire image is overlaid with a semi-transparent blue filter.

## **7. CERTIFICATIONS & ADDITIONAL FORMS**

## **7. CERTIFICATIONS & ADDITIONAL FORMS**

### **7.i. Non-Collusive Affidavit**



New Braunfels Housing Authority

300 Laurel Ln, New Braunfels, TX 78130

Ph 830-625-6909 ■ Fax 830-625-6915 ■ [www.nbhatx.us](http://www.nbhatx.us)

NON-COLLUSIVE AFFIDAVIT

State of Louisiana

Orleans Parish

Chris Clement, being first duly sworn, deposes and says that:

He/She is Authorized Representative of HRI Communities, LLC  
(Partner or Officer of the Firm of, etc.)

is the party making the foregoing proposal/bid, that such proposal or bid is genuine and not collusive or sham; that said proposer/bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any other proposer/bidder or person, to put in a sham proposal/bid or to refrain from proposing/ bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to affix the proposal/bid price of affiant or of any other proposal/bidder, or to fix any overhead, profit or cost element of said proposal/bid price, or of that of any other proposer/bidder, or to secure any advantage against the Housing Authority of the City of New Braunfels or any person interested in the proposed contract; and that all statements in said proposal/bid are true.

Signature of: 

Name of Proposer/Bidder if Bidder is an Individual

\_\_\_\_\_  
Name of Partner if Proposer/Bidder is a Partnership  
HRI Communities, LLC

by: Chris Clement, Authorized Representative

12/7/2023



New Braunfels Housing Authority

300 Laurel Ln, New Braunfels, TX 78130

Ph 830-625-6909 ■ Fax 830-625-6915 ■ [www.nbhatx.us](http://www.nbhatx.us)

Name of Officer if Proposer/Bidder is a Corporation

State of Louisiana

Orleans Parish

Subscribed and sworn to before me Chris Clement this  
12th day of December 2023.

My commission expires at death 20    .

Sarah D. Hanauer  
Notary Public  
Bar Roll Number 33569  
My commission is issued for life.



## **7. CERTIFICATIONS & ADDITIONAL FORMS**

### **7.ii. Hold Harmless Agreement**



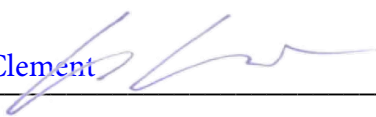
New Braunfels Housing Authority

300 Laurel Ln, New Braunfels, TX 78130

Ph 830-625-6909 ■ Fax 830-625-6915 ■ [www.nbhatx.us](http://www.nbhatx.us)

Hold Harmless Agreement

The Contractor/Vendor/Professional Service shall indemnify and hold harmless the Housing Authority of the City of New Braunfels (NBHA) and its Board, employees, agents and representatives from and against all claims for personal injury or property damage, including claims against the Housing Authority, its Board, employees, agents and representatives, and all losses and expenses, including reasonable attorney's fees that may be incurred by NBHA defending such claims, arising out of or resulting from the performance of the work to the extent in part by any negligent act or omission of the Contractor/Vendor/Professional Service, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, and not to the extent it is caused in part by any party indemnified hereunder. In any and all claims against NBHA or any of its Board, employees, agents and representatives by an employee of a Contractor/Vendor/Professional Service, any Subcontractor, anyone directly or indirectly employed by any of them for whose acts any of them are liable the indemnification obligation under this paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor/Vendor/Professional Service or Subcontractor under Workers' Compensation Acts, Disability Acts, or their Employee Benefit Act.

By:  Chris Clement Date: 12/7/2023

Title: Authorized Representative Company: HRI Communities, LLC

Street Address:

812 Gravier Street, Suite 200

City, State, & Zip Code:

New Orleans, Louisiana 70112

## **7. CERTIFICATIONS & ADDITIONAL FORMS**

### **7.iii. Representations, Certifications, & Other Statements of Bidders**



New Braunfels Housing Authority

300 Laurel Ln, New Braunfels, TX 78130

Ph 830-625-6909 ■ Fax 830-625-6915 ■ [www.nbhatx.us](http://www.nbhatx.us)

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

Representations, Certifications, and  
Other Statements of Bidders  
Public and Indian Housing Programs



# Representations, Certifications, and Other Statements of Bidders Public and Indian Housing Programs

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## 1. Certificate of Independent Price Determination

### (a) The bidder certifies that--

(1) The prices in this bid have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to (i) those prices, (ii) the intention to submit a bid, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid have not been and will not be knowingly disclosed by the bidder, directly or indirectly, to any other bidder or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a competitive proposal solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder to induce any other concern to submit or not to submit a bid for the purpose of restricting competition.

### (b) Each signature on the bid is considered to be a certification by the signatory that the signatory--

(1) Is the person in the bidder's organization responsible for determining the prices being offered in this

bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

Chris Clement for HRI Communities, LLC [insert full name of person(s) in the bidder's organization responsible for (iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder deletes or modifies subparagraph (a)2 above, the bidder must furnish with its bid a signed statement setting forth in detail the circumstances of the disclosure.

[ ] [Contracting Officer check if following paragraph is applicable]

(d) Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding \$50,000)

(1) Each bidder shall execute, in the form provided by the PHA/ IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.

(2) A fully executed "Non-collusive Affidavit" ☒ is, [ ] is not included with the bid.

## 2. Contingent Fee Representation and Agreement

### (a) Definitions. As used in this provision:

"Bona fide employee" means a person, employed by a bidder and subject to the bidder's supervision and control as to time, place, and manner of performance, who neither exerts, nor proposes to exert improper influence to solicit or obtain contracts nor holds out as being able to obtain any contract(s) through improper influence.

"Improper influence" means any influence that induces or tends to induce a PHA/IHA employee or officer to give consideration or to act regarding a PHA/IHA contract on any basis other than the merits of the matter.

(b) The bidder represents and certifies as part of its bid that, except for full-time bona fide employees working solely for the bidder, the bidder:

(1) [ ] has, ☒ has not employed or retained any person or company to solicit or obtain this contract; and

(2) [ ] has, ☒ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(c) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder shall make an immediate and full written disclosure to the PHA/IHA Contracting Officer.

- (d) Any misrepresentation by the bidder shall give the PHA/IHA the right to (1) terminate the contract; (2) at its discretion, deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take determining the prices offered in this bid or proposal, and the title of his or her position in the bidder's organization];

3. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (applicable to (ii) As an authorized agent, does certify that the principal's contracts exceeding \$100,000) named in subdivision (b)(2)(i) above have not participated, and will

- (a) The definitions and prohibitions contained in Section 1352 of not participate, in any action contrary to subparagraphs (a)(1) title 31, United States Code, are hereby incorporated by reference through (a)(3) above; and in paragraph (b) of this certification.

other remedy pursuant to the contract.

- (b) The bidder, by signing its bid, hereby certifies to the best of his or her knowledge and belief as of December 23, 1989 that:

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract resulting from this solicitation;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the bidder shall complete and submit, with its bid, OMB standard form LLL, "Disclosure of Lobbying Activities;" and

(3) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

- (c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

- (d) Indian tribes (except those chartered by States) and Indian organizations as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B) are exempt from the requirements of this provision.

#### 4. Organizational Conflicts of Interest Certification

The bidder certifies that to the best of its knowledge and belief and except as otherwise disclosed, he or she does not have any

organizational conflict of interest which is defined as a situation in which the nature of work to be performed under this proposed contract and the bidder's organizational, financial, contractual, or other interests may, without some restriction on future activities:

- (a) Result in an unfair competitive advantage to the bidder; or,  
(b) Impair the bidder's objectivity in performing the contract work.

☒ In the absence of any actual or apparent conflict, I hereby certify that to the best of my knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement.

#### 5. Bidder's Certification of Eligibility

- (a) By the submission of this bid, the bidder certifies that to the best of its knowledge and belief, neither it, nor any person or firm which has an interest in the bidder's firm, nor any of the bidder's subcontractors, is ineligible to:

(1) Be awarded contracts by any agency of the United States Government, HUD, or the State in which this contract is to be performed; or,

(2) Participate in HUD programs pursuant to 24 CFR Part 24.

- (b) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making award. If it is later determined that the bidder knowingly rendered an erroneous certification, the contract may be terminated for default, and the bidder may be debarred or suspended from participation in HUD programs and other Federal contract programs.

#### 6. Minimum Bid Acceptance Period

- (a) "Acceptance period," as used in this provision, means the number of calendar days available to the PHA/IHA for awarding a contract from the date specified in this solicitation for receipt of bids.  
(b) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

- (c) The PHA/IHA requires a minimum acceptance period of [Contracting Officer insert time period] calendar days.
- (d) In the space provided immediately below, bidders may specify a longer acceptance period than the PHA's/IHA's minimum requirement. The bidder allows the following acceptance period: calendar days.
- (e) A bid allowing less than the PHA's/IHA's minimum acceptance period will be rejected.
- (f) The bidder agrees to execute all that it has undertaken to do, in compliance with its bid, if that bid is accepted in writing within (1) the acceptance period stated in paragraph (c) above or (2) any longer acceptance period stated in paragraph (d) above.

#### 7. Small, Minority, Women-Owned Business Concern Representation

The bidder represents and certifies as part of its bid/ offer that it --

- (a) [ ] is, [X] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.
- (b) [ ] is, [X] is not a women-owned business enterprise. "Women owned business enterprise," as used in this provision, means a business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.
- (c) [ ] is, [X] is not a minority business enterprise. "Minority business enterprise," as used in this provision, means a business which is at least 51 percent owned or controlled by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals. For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- |                        |                              |
|------------------------|------------------------------|
| [ ] Black Americans    | [ ] Asian Pacific Americans  |
| [ ] Hispanic Americans | [ ] Asian Indian Americans   |
| [ ] Native Americans   | [ ] Hasidic Jewish Americans |

#### 8. Indian-Owned Economic Enterprise and Indian Organization Representation (applicable only if this solicitation is for a contract to be performed on a project for an Indian Housing Authority)

The bidder represents and certifies that it:

- (a) [ ] is, [X] is not an Indian-owned economic enterprise. "Economic enterprise," as used in this provision, means any commercial, industrial, or business activity established or organized for the purpose of profit, which is at least 51 percent Indian owned. "Indian," as used in this provision, means any person who is a member of any tribe, band, group, pueblo, or community which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs and any "Native" as defined in the Alaska Native Claims Settlement Act.
- (b) [ ] is, [X] is not an Indian organization. "Indian organization," as used in this provision, means the governing body of any Indian

tribe or entity established or recognized by such governing body. Indian "tribe" means any Indian tribe, band, group, pueblo, or community including Native villages and Native groups (including corporations organized by Kenai, Juneau, Sitka, and Kodiak) as defined in the Alaska Native Claims Settlement Act, which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

#### 9. Certification of Eligibility Under the Davis-Bacon Act (applicable to construction contracts exceeding \$2,000)

- (a) By the submission of this bid, the bidder certifies that neither it nor any person or firm who has an interest in the bidder's firm is a person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (b) No part of the contract resulting from this solicitation shall be subcontracted to any person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (c) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

#### 10. Certification of No segregated Facilities (applicable to contracts exceeding \$10,000)

- (a) The bidder's attention is called to the clause entitled Equal Employment Opportunity of the General Conditions of the Contract for Construction.
- (b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.
- (c) By the submission of this bid, the bidder certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The bidder agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the contract.
- (d) The bidder further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed \$10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will:
- (1) Obtain identical certifications from the proposed subcontractors;
  - (2) Retain the certifications in its files; and
  - (3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

## Notice to Prospective Subcontractors of Requirement for Certifications of No segregated Facilities

A Certification of No segregated Facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

Note: The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

### 11. Clean Air and Water Certification (applicable to contracts exceeding \$100,000)

The bidder certifies that:

(a) Any facility to be used in the performance of this contract [ ] is, [X] is not listed on the Environmental Protection Agency List of Violating Facilities:

(b) The bidder will immediately notify the PHA/IHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the bidder proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and,

(c) The bidder will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

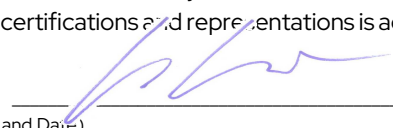
### 12. Previous Participation Certificate (applicable to construction and equipment contracts exceeding \$50,000)

(a) The bidder shall complete and submit with his/her bid the Form HUD-2530, "Previous Participation Certificate." If the successful bidder does not submit the certificate with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the certificate by that date may render the bid nonresponsive. No contract award will be made without a properly executed certificate.

(b) A fully executed "Previous Participation Certificate" [X] is, [ ] is not included with the bid.

### 13. Bidder's Signature

The bidder hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

 12/7/2023 (Signature and Date)

Chris Clement (Typed or Printed Name)

Authorized Representative (Title)

HRI Communities, LLC (Company Name)

812 Gravier Street, Suite 200, New Orleans, LA 70112 (Company Address)



**US Department of Housing and Urban Development**  
Office of Housing/Federal Housing Commissioner

**US Department of Agriculture**  
Farmers Home Administration

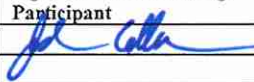
|                                                                                                                                 |                                   |                                                                                                       |                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I to be completed by Controlling Participant(s) of Covered Projects</b><br>(See instructions)<br>Reason for submission: |                                   | <b>For HUD HQ/FmHA use only</b>                                                                       |                                                                                                                                                                |
| 1. Agency name and City where the application is filed<br>US Department of Housing and Urban Development                        |                                   | 2. Project Name, Project Number, City and Zip Code<br>Lloyd Oaks, LA004000003, Lake Charles, LA 70601 |                                                                                                                                                                |
| 3. Loan or Contract amount \$<br>40,000,000                                                                                     | 4. Number of Units or Beds<br>562 | 5. Section of Act<br>Section 8                                                                        | 6. Type of Project (check one)<br><input type="checkbox"/> Existing <input type="checkbox"/> Rehabilitation <input checked="" type="checkbox"/> Proposed (New) |

**7. List all proposed Controlling Participants and attach complete organization chart for all organizations showing ownership %**

| Name and address ( Last, First, Middle Initial) of controlling participant(s) proposing to participate | 8 Role of Each Principal in Project | 9. SSN or IRS Employer Number (TIN) |
|--------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| HRI Communities, LLC. 812 Gravier Street, Suite 200. New Orleans, LA 70112                             | General Partner & Developer         | 82-3290500                          |
| Historic Restoration, Incorporated                                                                     | Guarantor                           | 72-0945019                          |
|                                                                                                        |                                     |                                     |
|                                                                                                        |                                     |                                     |

Certifications: The controlling participants(s) listed above hereby apply to HUD or USDA FmHA, as the case maybe, for approval to participate as controlling participant(s) in the role(s) and project listed above. The controlling participant(s) certify that the information provided on this form and in any accompanying documentation is true and accurate. I/we acknowledge that making, presenting, or submitting a false, fictitious, or fraudulent statement, representation, or certification may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and imprisonment. The controlling participants(s) further certify to the truth and accuracy of the following:

- Schedule A contains a listing, for the last ten years, of every project assisted or insured by HUD, USDA FmHA and/or State and local government housing finance agencies in which the controlling participant(s) have participated or are now participating.
- For the period beginning 10 years prior to the date of this certification, and except as shown on the certification:
  - No mortgage on a project listed has ever been in default, assigned to the Government or foreclosed, nor has it received mortgage relief from the mortgagee;
  - The controlling participants have no defaults or noncompliance under any Conventional Contract or Turnkey Contract of Sale in connection with a public housing project;
  - There are no known unresolved findings as a result of HUD audits, management reviews or other Governmental investigations concerning the controlling participants or their projects;
  - There has not been a suspension or termination of payments under any HUD assistance contract due to the controlling participant's fault or negligence;
  - The controlling participants have not been convicted of a felony and are not presently the subject of a complaint or indictment charging a felony. (A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less);
  - The controlling participants have not been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of a State Government from doing business with such Department or Agency;
  - The controlling participants have not defaulted on an obligation covered by a surety or performance bond and have not been the subject of a claim under an employee fidelity bond;
- All the names of the controlling participants who propose to participate in this project are listed above.
- None of the controlling participants is a HUD/FmHA employee or a member of a HUD/FmHA employee's immediate household as defined in Standards of Ethical Conduct for Employees of the Executive Branch in 5 C.F.R. Part 2635 (57 FR 35006) and HUD's Standard of Conduct in 24 C.F.R. Part 0 and USDA's Standard of Conduct in 7 C.F.R. Part 0 Subpart B.
- None of the controlling participants is a participant in an assisted or insured project as of this date on which construction has stopped for a period in excess of 20 days or which has been substantially completed for more than 90 days and documents for closing, including final cost certification, have not been filed with HUD or FmHA.
- None of the controlling participants have been found by HUD or FmHA to be in noncompliance with any applicable fair housing and civil rights requirements in 24 CFR 5.105(a). (If any controlling participants have been found to be in noncompliance with any requirements, attach a signed statement explaining the relevant facts, circumstances, and resolution, if any).
- None of the controlling participants is a Member of Congress or a Resident Commissioner nor otherwise prohibited or limited by law from contracting with the Government of the United States of America.
- Statements above (if any) to which the controlling participant(s) cannot certify have been deleted by striking through the words with a pen, and the controlling participant(s) have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances.

|                                                             |                                                                                       |                                        |                               |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------|-------------------------------|
| <b>Name of Controlling Participant</b>                      | <b>Signature of Controlling Participant</b>                                           | <b>Certification Date (mm/dd/yyyy)</b> | <b>Area Code and Tel. No.</b> |
| HRI Communities, LLC (Joshua D. Collen, President)          |  | 01/09/2023                             | (504) 566-0204                |
|                                                             |                                                                                       |                                        |                               |
| <b>This form prepared by (print name)</b> Dimitria Williams | <b>Area Code and Tel. No.</b> (504) 566-0204                                          |                                        |                               |

**Schedule A: List of Previous Projects and Section 8 Contracts.** Below is a complete list of the controlling participants' previous participation projects and participation history in covered projects as per 24 CFR, part 200 §200.214 and multifamily Housing programs of FmHA, State and local Housing Finance Agencies, if applicable. **Note:** Read and follow the instruction sheet carefully. Make full disclosure. Add extra sheets if you need more space. Double check for accuracy. If no previous projects, write by your name, "No previous participation, First Experience".

| 1. Controlling Participants' Name (Last, First) | 2. List of previous projects (Project name, project ID and, Govt. agency involved) | 3. List Participants' Role(s) (indicate dates participated, and if fee or identity of interest participant) | 4. Status of loan (current, defaulted, assigned, foreclosed) | 5. Was the Project ever in default during your participation<br>Yes No If yes, explain |   | 6. Last MOR rating and Physical Insp. Score and date |
|-------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------------------------|---|------------------------------------------------------|
| Lower Garden District Development, LLC          | River Garden CSI, LA-03-050, LHC, HUD                                              | Developer/GP, 9/2004 - 7/2022                                                                               | Paid off                                                     |                                                                                        | X | N/A                                                  |
| Redemptorist MM, LLC                            | Redemptorist Elderly Apts, LA-06-294                                               | Developer/GP, 10/2007 - Current                                                                             | Current                                                      |                                                                                        | X | N/A                                                  |
| HFG Development, LLC                            | Flint Goodridge Apts, LA-06-260, LHC                                               | Developer/GP, 11/2007 - Current                                                                             | Current                                                      |                                                                                        | X | N/A                                                  |
| Lower Garden District Development II, LLC       | River Garden CSII, LA-07-042, LHC                                                  | Developer/GP, 12/2008 - Current                                                                             | Current                                                      |                                                                                        | X | REAC:9/22 89b                                        |
| LGDE Development, LLC                           | River Garden Elderly Apts, LA-06-258, LHC<br><br>CONTINUED ON ATTACHMENT           | Developer/GP, 8/2009-Current                                                                                | Paid off                                                     |                                                                                        | X | N/A                                                  |
| +                                               |                                                                                    |                                                                                                             |                                                              |                                                                                        |   |                                                      |

**Part II- For HUD Internal Processing Only**

Received and checked by me for accuracy and completeness; recommend approval or refer to Headquarters after checking appropriate box.

|                                  |                        |                                                                                                                                             |  |                                                                                                                          |                   |
|----------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------|-------------------|
| Date (mm/dd/yyyy)                | Tel No. and area code  | <input type="checkbox"/> A. No adverse information; form HUD-2530 approval recommended.<br><input type="checkbox"/> B. Name match in system |  | <input type="checkbox"/> C. Disclosure or Certification problem<br><input type="checkbox"/> D. Other (attach memorandum) |                   |
| Staff                            | Processing and Control |                                                                                                                                             |  |                                                                                                                          |                   |
| Signature of authorized reviewer |                        | Signature of authorized reviewer                                                                                                            |  | Approved<br><input type="checkbox"/> Yes <input type="checkbox"/> No                                                     | Date (mm/dd/yyyy) |

US Department of Housing and Urban Development  
Office of Housing/Federal Housing Commissioner

HUD-2530

ATTACHMENT

| 1.Controlling Participants' Name   | 2.List of projects                                          | 3.List of Participants' Role(s)                | 4.Status of loan | 5.Was the Project ever in default during your participation |    |                 | 6.Last MOR Rating |
|------------------------------------|-------------------------------------------------------------|------------------------------------------------|------------------|-------------------------------------------------------------|----|-----------------|-------------------|
|                                    |                                                             |                                                |                  | Yes                                                         | No | If yes, explain |                   |
| Baronne Development, LLC           | Gravier Place Apts., FHA #800232966, HUD                    | Developer/General Partner<br>8/1996 – Current  | Current          |                                                             | X  |                 | REAC: 8/22 37c    |
| Nissen Manager, LLC                | Nissen Apts., FHA #053-35805, HUD                           | Developer/General Partner<br>9/2004 – 2019     | Paid Off         |                                                             | X  |                 | N/A               |
| HRI Shreveport Acquisition, LLC    | Shreveport Apartments, FHA #064-35448, HUD                  | Developer/General Partner<br>10/1999 -2020     | Paid Off         |                                                             | X  |                 | N/A               |
| HRI Cupples Residential I, LLC     | Cupples Apartments, 03-402-TE, Missouri Housing Corporation | Developer/General Partner<br>3/2006 – Current  | Current          |                                                             | X  |                 | N/A               |
| LGDHA Development, LLC             | River Garden Historic, LA-06-259, LHC, HUD                  | Developer/General Partner<br>12/2006 – Current | Current          |                                                             | X  |                 | N/A               |
| HRI Nine27, LLC                    | Nine27 Apts., LA-07-040, LHC                                | Developer/General Partner<br>2007 – Current    | Current          |                                                             | X  |                 | N/A               |
| HRI Byart, LLC                     | Bywater Art Lofts 1, LA-06-303, LHC                         | Developer/General Partner<br>12/2008 – Current | Current          |                                                             | X  |                 | N/A               |
| HRI Bonne Terre II, LLC            | Bonne Terre 2, LA-08-065, LHC                               | Developer/General Partner<br>5/2010 – Current  | Current          |                                                             | X  |                 | N/A               |
| HRI Eleven37, LLC                  | Aloysius Apts., LA-08-066, LHC                              | Developer/General Partner<br>8/2010 - Current  | Current          |                                                             | X  |                 | N/A               |
| HRI Revitalization Company II, LLC | Barataria Station 1, LA-09-046, LHC                         | Developer/General Partner<br>12/2011 - Current | Current          |                                                             | X  |                 | N/A               |
| HRI Byart II, LLC                  | Bywater Art Lofts 2, LA-10-071                              | Developer/General Partner<br>3/2012 – Current  | Current          |                                                             | X  |                 | N/A               |
| BP Manager, LLC                    | Blue Plate, LA-10-001, LHC                                  | Developer/General Partner<br>3/2012 – Current  | Current          |                                                             | X  |                 | N/A               |
| HRI BSAIL, LLC                     | Barataria Station 2, LA-10-070, LHC                         | Developer/General Partner<br>10/2012 – Current | Current          |                                                             | X  |                 | N/A               |
| 1501 Manager, LLC                  | Marais Apts., LA-10-004, LHC,                               | Developer/General Partner<br>5/2014 – Current  | Current          |                                                             | X  |                 | N/A               |



|                                              |                                                                 |                                                |         |  |   |  |                |
|----------------------------------------------|-----------------------------------------------------------------|------------------------------------------------|---------|--|---|--|----------------|
| HRI On Iberville I, LLC                      | Bienville Basin Phase 1, LA-11-074, LHC, HUD                    | Developer/General Partner<br>4/2015 – Current  | Current |  | X |  | REAC: 2019 97b |
| HRI On Iberville II, LLC                     | Bienville Basin Phase 2, LA-13-038, LHC, HUD                    | Developer/General Partner<br>5/2015 - Current  | Current |  | X |  | REAC: 2019 95b |
| HRI On Iberville III, LLC                    | Bienville Basin Phase 3, LA-14-033, LHC, HUD                    | Developer/General Partner<br>5/2016 – Current  | Current |  | X |  | REAC:9/22 65c  |
| HRI On Iberville IV, LLC                     | Bienville Basin Phase 4, LA-14-105, LHC, HUD                    | Developer/General Partner<br>3/2017-Current    | Current |  | X |  | REAC: 9/22 79c |
| Capitol Art MM, LLC                          | Capitol Art Lofts, MS 13-1-050, Mississippi Housing Corporation | Developer/General Partner<br>11/2017 – Current | Current |  | X |  | N/A            |
| HRI On Iberville V, LLC                      | Bienville Basin Phase 5, LA-15-015, LHC, HUD                    | Developer/General Partner<br>6/2018 – Current  | Current |  | X |  | REAC: 9/22 85b |
| HRI On Iberville VI, LLC                     | Bienville Basin Phase 6, LA-15-016, LHC, HUD                    | Developer/General Partner<br>5/2018 – Current  | Current |  | X |  | REAC: 9/22 82c |
| HRI New Hammond Eastside, LLC                | New Hammond Eastside, LA-17-119, LHC                            | Developer/General Partner, 1/2019 – Current    | Current |  | X |  | N/A            |
| HRI On Iberville VII, LLC                    | Bienville Basin Phase 7, LA-17-109BF, LHC,HUD                   | Developer/General Partner<br>4/2019 – Current  | Current |  | X |  | REAC: 9/22 96b |
| HRI New Shreveport Renewal, LLC              | New Shreveport Renewal, LLC, LA-2019-102BF                      | Developer/General Partner<br>2020 – Current    | Current |  | X |  | N/A            |
| HRI Lafayette Bottle Art Lofts, LLC          | Bottle Art Lofts I, LA2020-100BF                                | Developer/General Partner<br>5/2021 – Current  | Current |  | X |  | N/A            |
| HRI Lafayette Bottle Art Lofts Phase II, LLC | Bottle Art Lofts II, LA2020-117BF, LHC                          | Developer/General Partner<br>1/2022 – Current  | Current |  | X |  | N/A            |
| HRI Hammond Station Apartments, LLC          | Hammond Station Apartments, LA2020-121BF, LHC                   | Developer/General Partner<br>7/2022 – Current  | Current |  | X |  | N/A            |
| HRI New Bonne Terre Village I, LLC           | New Bonne Terre 1, LA-94-024, LHC                               | Developer/General Partner<br>12/2022 – Current | Current |  | X |  | N/A            |
| HRI New LGD Rental I, LLC                    | New LGD Rental 1, LA-2021-024, LHC                              | Developer/General Partner<br>09/2022 – Current | Current |  | X |  | N/A            |
| HRI New School Days Apartments, LLC          | New School Days Apts., LA – Pending, LHC                        | Developer/General Partner<br>2022 – Current    | Current |  | X |  | N/A            |



## **7. CERTIFICATIONS & ADDITIONAL FORMS**

### **7.iv. Instructions to Offerors Non-Construction**

# Instructions to Offerors Non-Construction

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing



- 03291 -

## 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

## 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

## 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

## 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

## 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

(2) Have a satisfactory performance record;

(3) Have a satisfactory record of integrity and business ethics;

(4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and

(5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

## 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

(1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);

(2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;

(3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or

(4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

## **7. Contract Award**

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

## **8. Service of Protest**

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

## **9. Offer Submission**

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

## **7. CERTIFICATIONS & ADDITIONAL FORMS**

### **7.v. General Conditions for Non-Construction Contracts**



12/7/2023

## General Conditions for Non-Construction

U.S. Department of Housing and Urban

## Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/01/2014)

## Contracts

## Section I – (With or without Maintenance Work)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

## 2. Changes

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) Non-construction contracts (without maintenance) greater than \$100,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and 3)  
Maintenance contracts (including nonroutine maintenance), greater than \$100,000 - use Sections I and II.

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= Section I - Clauses for All Non-Construction Contracts greater than \$100,000

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## 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

## 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.

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- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
  - (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
  - (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
  - (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

#### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as

#### 5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

#### 6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

#### 7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision

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form HUD-5370-C (10/2006)

paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.

- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to: (i) appeals under the clause titled Disputes; (ii) litigation or settlement of claims arising from the performance of this contract; or, (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

shall be final and conclusive.

- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or

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conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.

- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

## **8. Contract Termination; Debarment**

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

## **9. Assignment of Contract**

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

## **10. Certificate and Release**

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

## **11. Organizational Conflicts of Interest**

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description

of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.

- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

## **12. Inspection and Acceptance**

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.
- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

## **13. Interest of Members of Congress**

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

## **14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees**

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who

exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

**15. Limitation on Payments to Influence Certain Federal Transactions**

**(a) Definitions.** As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

**(b) Prohibition.**

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (ii) The prohibition does not apply as follows:
  - (1) Agency and legislative liaison by Own Employees.
  - (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and



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legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to

law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

#### 16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### 17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

#### 18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

#### 19. Other Contractors

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HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

**20. Liens**

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

**21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)**

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the

regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

**22. Procurement of Recovered Materials**

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

12/7/2023

## General Conditions for Non-Construction

### Contracts

#### Section II – (With Maintenance Work)

U.S. Department of Housing and Urban

Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/01/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) Non-construction contracts (without maintenance) greater than \$100,000 – use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 – use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.

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Section II – Labor Standard Provisions for all Maintenance Contracts greater than \$2,000

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#### 1. Minimum Wages

- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its

- subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
    - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
    - (2) The classification is utilized in the area by the industry; and
    - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.
  - (ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work in the classification under this Contract from the first day on which work is performed in the classification.

#### 2. Withholding of funds

The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. The Public Housing Agency or HUD may, after written notice to the Contractor, disburse such amounts withheld for and on



account of the Contractor or subcontractor to the respective employees to whom they are due.

### 3. Records

- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
- (i) Name, address and Social Security Number;
  - (ii) Correct work classification or classifications;
  - (iii) Hourly rate or rates of monetary wages paid; (iv) Rate or rates of any fringe benefits provided;
  - (v) Number of daily and weekly hours worked;
  - (vi) Gross wages earned;
  - (vii) Any deductions made; and (viii) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or the HA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds.

### 4. Apprentices and Trainees

- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
- (i) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of  
  
form HUD-5370-C (10/2006)  
  
Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice;
  - (ii) A trainee program which has received prior approval, evidenced by formal certification by the

U.S. Department of Labor, ETA; or

- (iii) A training/trainee program that has received prior approval by HUD.
- (b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.
- (c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.
- (d) Any worker employed at an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.
- (e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

### 5. Disputes concerning labor standards

- (a) Disputes arising out of the labor standards provisions contained in Section II of this form HUD-5370-C, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and the HA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of the HA, or upon request of the Contractor or subcontractor(s).
- (i) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by the HA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by the HA or HUD. The request shall set

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forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD).

- (ii) The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations.

- (iii) The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to the District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (a) of this clause.

- (c) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the U.S. Department of Labor withhold or cause to be withheld,

- (b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this form HUD-5370C. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and the HA, HUD, the U.S. Department of Labor, or the employees or their representatives.

## 6. Contract Work Hours and Safety Standards Act

The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" includes watchmen and guards.

- (a) Overtime requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (b) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

form HUD-5370-C (10/2006)

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from any moneys payable on account of work performed by the Contractor or subcontractor under any such Contract or any federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

**7. Subcontracts**

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

**8. Non-Federal Prevailing Wage Rates**

Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.

form HUD-5370-C (10/2006)



## **7. CERTIFICATIONS & ADDITIONAL FORMS**

### **7.vi. Certification for a Drug-Free Workplace**

# Certification for a Drug-Free Workplace

U.S. Department of Housing  
and Urban Development

HRI Communities, LLC

by: 

Chris Clement, Authorized Representative

Applicant Name

Request for Qualifications for Development Partner for Housing Authority of the City of New Braunfels, Texas RFQ# 2023-0001

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above-named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above-named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the un-lawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1)The dangers of drug abuse in the workplace;

(2)The Applicant's policy of maintaining a drug-free workplace;

(3)Any available drug counseling, rehabilitation, and employee assistance programs; and

(4)The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by para-graph a. that, as a condition of employment under the grant, the employee will ---

Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

(1)Abide by the terms of the statement; and

(2)Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction; e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

It is anticipated that the proposed Development Partner services will be provided by the Applicant as follows:

HRI Communities, LLC  
812 Gravier Street, Suite 200  
New Orleans, LA 70112

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

## Equal Employment Opportunity Certification

U.S. Department of Housing

Development

Office of Housing

Federal Housing Commissioner

Department of Veterans Affairs and Urban

OMB Control No. 2502-0029

(exp. 9/30/2016)

Name of Authorized Official **Chris Clement**

Title **Authorized Representative**

Signature

X

Date

12/7/2023

form **HUD-50070** (3/98)  
ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

### Excerpt From 41 CFR §60-1.4(b)

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin, such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor,

state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

- (3) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction

contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to

administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally-assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the

Firm Name and Address

HRI Communities, LLC  
812 Gravier Street, Suite 200  
New Orleans, LA 70112

By

Chris Clement

Title

Authorized Representative

form HUD-92010 (3/2006)

VA form 26-421

section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work:

Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the

Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings. Excerpt from HUD Regulations

200.410 Definition of term "applicant".

- (a) In multifamily housing transactions where controls over the mortgagor are exercised by the Commissioner either through the ownership of corporate stock or under the provisions of a regulatory agreement, the term "applicant" as used in this subpart shall mean the mortgagor.
- (b) In transactions other than those specified in paragraph(a) of this section, the term "applicant" as used in this subpart shall mean the builder, dealer or contractor performing the construction, repair or rehabilitation work for the mortgagor or other borrower.

200.420 Equal Opportunity Clause to be included in contracts and subcontracts.

- (a) The following equal opportunity clause shall be included in each contract and subcontract which is not exempt:



During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of the nondiscrimination clause.

(2) The contractor will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 10925 of March 6, 1961, as amended, and of the regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(5) The contractor will furnish all information and reports required by Executive Order 10925 of March 6, 1961, as amended, and by the regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by HUD and the Committee for purposes of investigation to ascertain compliance with such regulations, and orders.

(6) In the event of the contractor's non-compliance with the nondiscrimination clause of this contract or with any of the said regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in

Executive Order 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by regulations, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to Section 303 of Executive Order 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase orders as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by HUD, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

(b) Except in subcontracts for the performance of construction work at the site of construction, the clause is not required to be inserted in subcontracts below the second tier. Subcontracts may incorporate by reference to the equal opportunity clause.

200.425 Modification in and exemptions from the regulations in this subpart.

(a) The following transactions and contracts are exempt from the regulations in this subpart:

(1) Loans, mortgages, contracts and subcontracts not exceeding \$10,000.

(2) Contract and subcontracts not exceeding \$100,000 for standard commercial supplies or raw material;

(3) Contracts and subcontracts under which work is to be or has been performed outside the United States and where no recruitment of workers within the United States is involved. To the extent that work pursuant to such contracts is done within the United States, the equal opportunity clause shall be applicable;

(4) Contracts for the sale of Government property where no appreciable amount of work is involved; and

(5) Contracts and subcontracts for an indefinite quantity which are not to extend for more than one year if the purchaser determines that the amounts to be ordered under any such contract or subcontract are not

reasonably expected to exceed \$100,000 in the case of  
contracts or subcontracts for standard commercial

supplies and raw materials, or \$10,000 in the case of all  
other contracts and subcontracts.



812 Gravier Street, Suite 200  
New Orleans, Louisiana 70112