

**Achievement First Rhode Island
Board of Directors Meeting**

September 14, 2018, 11:30 Am

370 Hartford Avenue, Providence

I. Call to Order & Attendance

The meeting was called to order at 11:29 am by Brian Gallogly. The following board members, constituting a quorum, and Achievement First Staff were in attendance:

Jorge Elorza, AFRI Board - No

Brian Gallogly, AFRI Board - Yes

Macky McCleary, AFRI Board - Yes

Reshma Singh, AFRI Board - No

John Igliazzi, AFRI Board - No

Soraida Morales, AFRI Board - Yes

Ben Smith, AFRI Board - Yes

Maryellen Butke, AFRI Board - Yes

James Wiley, AFRI Board - Yes

Robert Luciano, AFRI Board - Yes

Percy Ballah, AFRI Board - No

Jorge Cardenas, AFRI Board - Yes

Cassidy McKee, AF Network Support - Yes

Sarah Blanton, AF Network Support - Yes (phone)

Elizabeth Winangun, AF Network Support - Yes

II. Open Session for Public Comment

There was no public comment.

III. Approve Loan Term Sheet

Cassidy McKee gave an overview of the term sheet that the board is voting on and took questions from board members before the board voted on the following resolutions.

WHEREAS, AFRI has an existing credit facility for an original principal balance of \$3,500,000 with Local Initiatives Support Corporation (“LISC”), and an existing credit facility for an original principal balance of \$3,500,000 with Low Income Investment Fund (“LIIF”), for combined total credit facilities of \$7,000,000, that were originally used to fund capital improvements at 370 Hartford Avenue in Providence, Rhode Island;

WHEREAS, AFRI will need to refinance the balance remaining on the LIIF and LISC loans (approximately \$6.5 million currently) by the end of the loan term in June 2020;

WHEREAS, AFRI invested \$1.6 million of improvements to the property located at 370 Hartford Avenue in Providence Rhode Island for the purposes of additional classrooms and the bus dropoff loop, which were approved through resolutions adopted by the Board on May 16, 2018 with the anticipated sources of funds being philanthropy, some cash on hand, and approximately \$1 million in new permanent financing;

WHEREAS, Achievement First Rhode Island is in the process of negotiating additional space to house its educational program for the 2019/20 school year and anticipates that at least \$2 million in capital funds will be required to prepare the additional space for educational use;

WHEREAS, four lending institutions were approached to discuss financing options for AFRI; exploratory conversations took place with all four institutions, and two lending institutions declined interest in the opportunity while two lending institutions provided term sheets; and

WHEREAS, the most competitive terms and conditions were offered through a Direct Purchase Tax-Exempt Bond issued by The Rhode Island Health and Educational Building Corporation (“RIHEBC”) from The Washington Trust Company, (“Washington Trust”) with sufficient capacity for a \$9.5 million credit facility (the “Bond Issuance”), which would include refinancing the existing LISC and LIIF Loans with significantly more favorable financial terms, and extending approximately \$3 million in additional credit to pay for the recently completed improvements at 370 Hartford Avenue, Providence, Rhode Island and improvements to the future expansion space for AFRI;

NOWHEREFORE, BE IT RESOLVED, that AFRI is hereby authorized and directed to negotiate those agreements and documents necessary to consummate the Bond Issuance on the terms and subject to the conditions set forth in the Term Sheet attached hereto as Exhibit A, and to use the proceeds toward the repayment of the LISC and LIIF Loans, and to fund capital improvements at 370 Hartford Avenue, Providence, Rhode Island and future expansion space for AFRI;

BE IT FURTHER RESOLVED, that AFRI is hereby directed to seek additional approval from the Board of Directors prior to entering into any final agreements necessary to consummate the Bond Issuance, as described herein;

BE IT FURTHER RESOLVED, that the Chair and the Treasurer of AFRI (each an “Authorized Person”) be, and hereby are, jointly or severally, authorized and directed, at any time and from time to time, to do all such things and acts and to execute and deliver all such applications, documents and instruments in writing and to expend such fees for and on behalf of AFRI as may be necessary or advisable in order to give effect to and, generally, carry out the intent of these resolutions on such terms and conditions and in such form deemed necessary or desirable and approved by such Authorized Person with such changes, modifications and amendments thereto as such Authorized Person may in such person’s discretion approve, which approval shall be conclusively evidenced by the execution and delivery of such applications, documents and instruments in writing; and

BE IT FURTHER RESOLVED, that all actions previously taken by any Authorized Person in furtherance of the foregoing resolutions are hereby ratified and confirmed.

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

IV. **Adjourn**

The meeting was adjourned at 11:32 am by Brian Gallogly.

Motion by Macky McCleary

Seconded by James Wiley

All in favor