

Draft Minutes

**Achievement First Rhode Island
Board of Directors**

Monday, December 6, 2021

5:00 - 6:30 pm

I. Call to order and attendance

The meeting was called to order at 6:05 pm by Mayor Jorge Elorza. The following board members, constituting a quorum, and AF Rhode Island staff were in attendance:

Mayor Jorge Elorza - Yes	Donavan Tracey, AFRI School Leadership (Zoom)
Macky McCleary - Yes	Aja Davis, AFRI School Leadership (Zoom)
Reshma Singh - No	Andrew Walker, AFRI School Leadership (Zoom)
John Igliazzi - No	Breonna Hudgins, AFRI School Leadership (Zoom)
James Wiley - Yes	Mindy Rice, AFRI School Leadership (Zoom)
Maryellen Butke - Yes	Cynthia Dale, AFRI School Leadership (Zoom)
Charles Lombardi - No	Joseph Fink, AFRI School Leadership (Zoom)
	Sophie Gibson, AFRI School Leadership (Zoom)
	Sal Pellerano, AFRI School Leadership (Zoom)
	Shawna Melton, AFRI School Leadership (Zoom)
	Christien Laible, AFRI School Leadership (Zoom)

Achievement First Network Support Staff in attendance: Sarah Blanton, Ken Paul, Elise Major, Claire Shin, Kiah Hufane, Kevin Lohela, Cassidy McKee, Ketki Harale, Neil Shah, Beth Cocuzza, Jillian Fain

II. Public Comment

There was no public comment.

III. Approve Minutes

Due to time constraints, Mayor Elorza requested that the board vote for several resolutions in one group. Those resolutions were unanimously approved following a motion by Macky McCleary and a second by Maryellen Butke.

RESOLVED, the AF Rhode Island Board of Directors hereby approves the meeting minutes from October 18, 2021.

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

IV. Set Number of Directors

RESOLVED, the AF Rhode Island Board of Directors accepts the resignations of Ms. Susan Curtis and Mr. Ben Smith, and does, pursuant to the bylaws of AF Rhode Island, effective December 6, 2021, set the number of members of the Board of Directors at seven (7).

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

V. Discussion and Possible Action

RESOLVED, the AF Rhode Island Board of Directors hereby elects the following leadership slate for the 2021-22 fiscal year:

Mayor Jorge Elorza, Chair
Maryellen Butke, Vice Chair
James Wiley, Treasurer
Reshma Singh, Secretary

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

RESOLVED, the AF Rhode Island Academy Board of Directors hereby approves the following individuals to serve as interim principal, as needed, for a term not to exceed two weeks, between December 6, 2021 and June 30, 2022.

Cynthia Dale and Joseph Fink, co-principals, AF Illuminar Elementary School
Kevin Lohela, AF Envision Elementary School
Jennifer Andrade, AF Promesa Elementary School
Dana Hurley, AF Providence Elementary School
Elizabeth Boyar, AF Providence Middle School
Nikki Souza and Faith Johnson, co-principals. AF Illuminar Middle School
Kimberly Kalenda, AF Providence High School

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

RESOLVED, the AF Rhode Island Board of Directors hereby approves Cynthia Dale and Joseph Fink, to serve as the co-Interim Principals of AF Illuminar Elementary School for the duration of Ms. Nicole Gugliuzzi's maternity leave.

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

WHEREAS, Achievement First Rhode Island, Inc., a Rhode Island nonprofit corporation (the "Institution"), has been assessing strategies to finance new capital projects and refinance existing indebtedness; and

WHEREAS, on October 18, 2021, the Board of Directors of the Institution (the "Board") adopted resolutions approving the issue of one or more series of bonds, loans or other indebtedness in an aggregate principal amount not to exceed \$75 million (the "Indebtedness") together or separately through the Rhode Island Health and Educational Building Corporation, in order to finance and refinance one or more of the projects of the Institution, as more particularly described therein (collectively, the "Project"), the refinancing of certain outstanding debt if deemed advisable, and the payment of costs associated with such financings; and

WHEREAS, prior to the issuance of the Indebtedness, the Institution desires to enter into a bridge loan in an amount not to exceed \$7,000,000 (the "Bridge Loan") to finance a portion of the Project consisting of the acquisition of real property located at 206 Elmwood Avenue, Providence, Rhode Island, which Bridge Loan will be repaid with proceeds of the Indebtedness once issued.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Approval of Bridge Loan. That the Board hereby authorizes the Institution to enter into the Bridge Loan in an amount not to exceed \$7,000,000 in order to finance a portion of the Project consisting of the acquisition of real property located at 206 Elmwood Avenue, Providence, Rhode Island, which Bridge Loan will be repaid with proceeds of the Indebtedness once issued.

Section 2. Authority to Approve Terms of the Bridge Loan. That the Chair and/or the Treasurer of the Institution (each, an "Authorized Officer" and together the "Authorized Officers"), be, and each of them singly is, hereby authorized to approve all terms of the Bridge Loan, including without limitation, the identity of the lender, the aggregate principal amount of the Bridge Loan (not in excess of the aggregate amount approved by this vote), the pledge of security as may be provided for in any agreement and all other terms of the Bridge Loan and related documents.

Section 3. Approval of Related Agreements. That any one or more of the Authorized Officers, be, and each of them singly is, hereby authorized, in the name and on behalf of the Institution, to execute, acknowledge and deliver in the name and on behalf of the Institution, any term sheet or commitment letter, loan agreement, promissory note, and/or any other agreements, certificates, instruments and documents that may be advisable, convenient or necessary to carry out the intent of these resolutions, including without limitation, mortgages and/or leasehold mortgages, security agreements (or such other named documents that are similar in scope and purpose to the aforementioned documents), the

execution thereof by such Authorized Officer or Officers shall be conclusive as to such determination, the approval of the terms thereof, and that the same was authorized by these resolutions.

Section 4. Additional Actions. That any one or more of the Authorized Officers be, and each of them singly is, hereby authorized, in the name and on behalf of the Institution, to execute, acknowledge and deliver in the name and on behalf of the Institution, any and all such additional agreements, instruments and documents and to take all actions, including amendments to existing agreements, instruments and documents related to the Bridge Loan, necessary or appropriate, in their discretion to consummate the transactions contemplated by the foregoing resolutions, the execution thereof by such Authorized Officer or Officers shall be conclusive as to such determination, the approval of the terms thereof, and that the same was authorized by these resolutions.

Section 5. Approval of Prior Actions. That all actions previously taken by any officer or employee of the Institution on behalf of the Institution with respect to the Bridge Loan are hereby approved, ratified and confirmed in all respects.

Section 6. Effective Date. That this resolution shall take effect immediately.

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

RESOLVED, that AF Rhode Island (AFRI) be, and hereby is, authorized and directed to purchase that certain real property and the improvements thereon commonly known as 85 Garfield Avenue, Cranston, Rhode Island (the "Property") from CP Associates, LLC, a Rhode Island limited liability company ("Seller") for a sum not to exceed Sixteen Million Dollars (\$16,000,000.00), subject to completion of due diligence to the reasonable satisfaction of the Board;

BE IT FURTHER RESOLVED, that AFRI be, and hereby is, authorized and directed, to execute and deliver that certain Purchase Agreement by and between AFRI and Seller, under terms substantially similar to those discussed with to the Board, with such changes thereto as deemed necessary or advisable by any officer of the Board (each an "Authorized Person") (such necessity advisability to be conclusively evidenced by the execution thereof);

BE IT FURTHER RESOLVED, that each Authorized Person, be, and hereby is, 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 including, without limitation, to execute and deliver any instruments and documents required in connection with the foregoing, in the name and on behalf of AFRI, 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

WHEREAS, Achievement First Rhode Island Inc., a Rhode Island nonprofit corporation (the "Institution"), has been assessing strategies to finance certain projects, including, but not limited to, those listed on Exhibit A hereto, and to refinance certain existing indebtedness, as more particularly described on Exhibit A hereto (collectively, the "Project"); and

WHEREAS, on May 17, 2021, the Board of Directors of the Institution (the "Board") adopted resolutions approving the Project and declaring the Institution's official intent to finance all or a portion of the costs of the Project (or reimburse itself for prior expenditures in an amount of up to \$3,000,000 with respect thereto) with proceeds of a subsequent borrowing in accordance with Section 1.150-2 of the Treasury Regulations (the "Reimbursement Resolution"); and

WHEREAS, on October 18, 2021, the Board adopted resolutions approving the issue of one or more series of bonds, loans or other indebtedness in an aggregate principal amount not to exceed \$75 million (the "Indebtedness") together or separately through the Rhode Island Health and Educational Building Corporation, in order to finance and refinance the Project, the refinancing of certain outstanding debt if deemed advisable, and the payment of costs associated with such financings; and

WHEREAS, concurrently at this meeting, the Board is reviewing a resolution that would authorize the Institution to purchase certain real property located at 206 Elmwood Avenue, Providence, Rhode Island with funds comprised of an equity contribution on behalf of the Institution in an amount equal to approximately \$3 million (the "Equity Contribution") and a bridge loan in an amount not to exceed \$7,000,000 (the "Bridge Loan"); and

WHEREAS, the Institution intends to reimburse itself for the Equity Contribution and repay the Bridge Loan with proceeds of the Indebtedness once issued; and

WHEREAS, the Board wishes to amend and restate the Reimbursement Resolution to provide for an increase in the amount of expenditures expected to be paid in connection with the Project prior to the issuance of the Indebtedness for the purpose of financing costs associated with the Project.

NOW, THEREFORE, BE IT

VOTED: That this Board hereby approves the Project through the issuance of the Indebtedness in an aggregate principal amount not to exceed \$75,000,000.

VOTED: That this Board approves the Institution making expenditures with respect to the Project, including, but not limited to, the Equity Contribution, prior to the issuance of the Indebtedness, in an aggregate amount of up to \$10,000,000 and reimbursing itself for such expenditures from the proceeds of the Indebtedness.

VOTED: This Resolution constitutes the Institution's declaration of official intent pursuant to the Treasury Regulation Section 1.150-2 to reimburse itself with the proceeds of the Indebtedness for certain capital expenditures for the Project paid on or after the date which is sixty (60) days prior to (a) May 17, 2021 (in an amount up to \$3,000,000) and (b) the date hereof (in an amount up to \$7,000,000), but prior to the issuance of the Indebtedness. Such amounts to be reimbursed shall not exceed \$10,000,000 and shall be reimbursed not later than eighteen (18) months after the later of (a) the date on which the expenditure is paid, or (b) the date the Project is placed in service or abandoned but in no event later than three (3) years after the date the expenditure is paid.

VOTED: All actions previously taken by the Institution to arrange the issuance of the Indebtedness and in connection with the financing are ratified, approved and confirmed.

VOTED: This Resolution amends and restates the Institution's resolution adopted on May 17, 2021 and shall take effect immediately.

Motion by Macky McCleary
Seconded by Maryellen Butke
All in favor

VI. Adjourn

The meeting was adjourned by Mayor Jorge Elorza at 6:08 pm.