

Rhode Island Housing and Mortgage Finance Corporation
Minutes of the Meeting of the Management Committee
January 6, 2025

A meeting of the Management Committee of the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Board of Commissioners was held on Monday, January 6, 2025, at 1:00 p.m. The meeting was held at the main office of the Corporation, 44 Washington Street, Providence, RI 02903, Conference Boardroom, and via telephone conference call.

Carol Ventura, Executive Director, opened the meeting and introduced Val Lingasami, Assistant Director of Information Technology, who outlined the parameters of the meeting.

Ms. Lingasami stated that (i) this meeting would be recorded and available for review on the RIHousing website within 3-5 business days after the meeting and (ii) except for specific RIHousing staff participating telephonically in the meeting, all callers would be muted during the meeting. Ms. Lingasami also asked that to prevent any feedback or background noise, telephone participants to please mute the telephone if not speaking. Additionally, Ms. Lingasami announced that if during the meeting anyone had technical difficulties with audio or accessing the call, they should call (401) 429-1430.

Next, Corinne Myers, General Counsel provided additional guidance for the meeting. Ms. Myers stated that the meeting was being held in person with all members of the Management Committee appearing in person. Members of the public were invited to access the meeting in person or via teleconference according to their preference. Additionally, members of the public could visit the RIHousing website to view the agenda and information on the actions being taken, and in the event, that the teleconference was interrupted, staff would stop the meeting until audio was restored.

Ms. Myers also stated that Chairman Pryor would preside over the meeting and requested that any Commissioner or staff member state their name prior to speaking for the benefit of listeners and to mute the phone when not speaking. She then invited Chairman Pryor to call the meeting to order.

A quorum being present, Chairman Pryor introduced himself and officially called the meeting to order at approximately 1:11 p.m. Chairman Pryor then invited Ms. Ventura to proceed with the roll call of Commissioners in attendance.

Ms. Ventura conducted a roll call of Commissioners participating in the meeting. Commissioners participating were: Chairman Pryor; Robert Craven, Designee for General Treasurer James Diossa and Sara Cabral, Designee for Elizabeth Dwyer, Director of the Department of Business Regulation. Jonathan Womer, Director of the Department of Administration, and Stephen P. McAllister were absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Christine Hunsinger, Chief Strategy and Innovation Officer; Bernadette MacArthur, Director of Finance; Brett Pelletier, Chief Operating Officer; Corinne Myers, General Counsel; and Val Lingasami, Assistant Director of Information Technology.

Members of the public were also present.

The following matters were then discussed by the Committee.

1. Approval of Minutes of the Management Committee Meeting Held on December 18, 2024.

Chairman Pryor asked for a motion and a second for the approval of the minutes of the Management Committee meeting held on December 18, 2024. A motion was made by Commissioner Designee Cabral and seconded by Commissioner Designee Craven.

There being no discussion, Corinne Myers, General Counsel conducted a voice vote of the Commissioners for the approval of the minutes of the Management Committee Meeting held on December 18, 2024.

The Commissioners unanimously voted to approve the minutes.

Ms. Myers then officially stated for the record that the following was adopted:

VOTED: That the minutes of the Management Committee Meeting held on December 18, 2024, are hereby approved.

2. Recommendation for Approval of Amendment to LeadSafe Homes Consulting and Training Services Engagement (Residential Construction Workforce Partnership (RCWP))

Chairman Pryor announced that Christine Hunsinger, Chief Strategy and Innovation Officer would report on this request.

Ms. Hunsinger stated that the request was for approval to amend the existing engagement with Residential Construction Workforce Partnership (RCWP) (“RCWP”) to provide consulting services and a training program to build the capacity of contractors working with the LeadSafe Homes Program (“LSHP”) administered by RIHousing.

The LSHP provides financial assistance to eligible homeowners across the state to remediate their properties of lead-based paint hazards. RIHousing oversees and coordinates all activities around this remediation, including engaging and approving contractors who are eligible to conduct lead paint remediation. The LSHP is funded through a 2019 U.S. Department of Housing and Urban Development (“HUD”) High Impact Neighborhood Grant that targets properties in Central Falls, East Providence, Pawtucket, and Newport, as well as state funding that serves households in other parts of the state.

Due to the challenges of lead remediation work, which requires special licenses and training, RIHousing has found it difficult to attract and retain contractors. In February 2023, a Request for Proposals (“RFP”) was issued seeking proposals from qualified firms to provide worker training and contractor capacity-building training.

In November 2023, the Board approved the engagement of RCWP to provide such services. RCWP is a Rhode Island non-profit corporation affiliated with the Rhode Island Builders Association. Since December 2023, RCWP has been (i) providing consulting services that assist in recruiting and retaining contractors, (ii) providing job site mentoring to new contractors, and (iii) helping develop and implement a training program to ensure contractors have the skills and knowledge to successfully

work with RIHousing and complete lead-remediation projects. RCWP has also been providing training to current and prospective LSHP contractors on how to properly install windows and doors, how to apply vinyl siding and paint, and how to address other areas of concern.

RCWP's current agreement for services includes an option to renew the initial one-year engagement for up to three additional one-year terms; however, the Board authorized a maximum contract value of \$120,000, which does not accommodate any of these additional terms. RIHousing staff is recommending an amendment to the current agreement for services to increase the maximum contract amount to \$300,000, inclusive of the \$120,000 expended in 2024. With this \$180,000 increase, RCWP could continue to provide consulting services to RIHousing, to provide mentoring to new contractors, and it would allow RCWP to further implement the training program that has been developed.

Chairman Pryor thanked Ms. Hunsinger for the presentation and asked for a motion and a second to recommend to the Board of Commissioners Approval of Amendment to LeadSafe Homes Consulting and Training Services Engagement (Residential Construction Workforce Partnership (RCWP)).

A motion was duly made by Commissioner Designee Craven and seconded by Commissioner Designee Cabral.

Commissioner Designee Craven asked if the additional \$120,000 is for each year and if that price will increase. Ms. Hunsinger said that it varies. There is a monthly fee for training and recruitment services. RCWP offers in-person hands-on training sessions for window and door installation which is a separate fee. Depending on the number of sessions needed for incoming contractors which determines the price of those services. Combined, it's a total of \$180,000 spread across those activities. Furthermore, there is an additional hourly charge for a trainer to provide onsite mentoring. If another extension is required, staff would return to the Board for an additional year's approval. After the end of the three (3) year period, RIHousing would need to issue another RFP for a variety of services.

Commissioner Designee Craven inquired about the level of service provided by RCWP. Ms. Hunsinger confirmed that the firm has been excellent. RIHousing started the program with zero contractors and now the Corporation has six (6) fully licensed quality contractors that are constantly occupied. RIHousing is excited about that situation. Additionally, there are 10 contractors in various stages of training: whether getting their certification or training for window and door installation. Ms. Hunsinger said that she hopes that RIHousing can do more training in the coming year.

Commissioner Designee Craven then asked if the six additional contractors were local or out of state. Ms. Hunsinger responded that five (5) are local and one (1) contractor is from out of state. Moreover, five (5) of the firms are minority-owned enterprises.

Chairman Pryor asked Ms. Hunsinger what RIHousing originally anticipated at the time of the contract for the price of \$120,000. Ms. Hunsinger explained that the original contract was for \$5,000 per month for consulting services for RCWP to work with RIHousing to identify the training needs and flush out the program on how to run a business and process paperwork. Also, it costs \$10,000 to build out each module of the program. This way, when a contractor goes to the training, the doors and windows are in place for the individual to practice installing, removing, etc. A fee is also included for the actual classes. RIHousing typically refers 10 workers and RCWP walks them through the installation and removal process.

Ms. Hunsinger said that staff anticipates requiring a few more of those classes, therefore the request for the increase to \$180,000 for the year. Moreover, Ms. Hunsinger anticipates that there will be a need for additional services.

Following the questions, Ms. Myers then conducted a voice vote of the Commissioners for Approval of Amendment to LeadSafe Homes Consulting and Training Services Engagement (Residential Construction Workforce Partnership (RCWP)).

The Commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Amendment to LeadSafe Homes Consulting and Training Services Engagement (Residential Construction Workforce Partnership (RCWP)) was unanimously approved.

3. Recommendation for Approval of Maine Legal Counsel

Chairman Pryor recognized Corinne Myers, General Counsel who gave the presentation.

Ms. Myers said that the request seeks authorization from the Board of Commissioners of RIHousing to engage outside legal counsel for Mortgage Servicing Solutions (“MSS”), acting as the mortgage loan sub-servicer for Maine State Housing Authority (“MSHA”).

Under its enabling act (R.I. Gen. Laws §42-55-2), RIHousing was created to address the housing needs of low- to moderate-income Rhode Islanders by encouraging the investment of private capital to stimulate the construction, rehabilitation, operation, retention, and maintenance of residential housing through the use of public financing, providing construction and mortgage loans to eligible homebuyers, and making provision for the purchase of mortgage loans. To accomplish these goals, RIHousing periodically engages a roster of outside legal counsel to provide legal services categorized according to the diverse legal needs of the corporation.

In Autumn 2024, RIHousing issued a Request for Proposals (“RFP”) seeking qualified firms to provide legal services in some or all of the following areas of representation in the State of Maine, where RIHousing, doing business as Mortgage Servicing Solutions, performs mortgage loan sub-servicing for MSHA, the Maine housing finance agency:

- General Litigation
- Bankruptcy/Creditor’s Rights, Foreclosure and Eviction

Notice of the RFP was posted on the MSHA, RIHousing, and R.I. Division of Purchases websites. In addition, the RFP was emailed to multiple attorneys and law firms that have expressed an interest in providing legal services to RIHousing in Maine, and Maine legal professional networks.

In response to the RFP, RIHousing received proposals from two (2) firms of varying sizes, geographic coverage, and experience, both applying for both areas of legal representation. A selection committee comprised of RIHousing staff (the “Selection Committee”) reviewed and evaluated the written proposals in accordance with the criteria outlined in the RFP, such as the law firm’s experience, capacity to undertake the work, fee structure, experience with RIHousing programs, and determined that both proposals provided favorable responses and met the requirements outlined in the RFP.

The Selection Committee recommends engaging the firms listed in an attachment that was included as part of the January 6, 2025, Management Committee package. The selected firms will be placed on the RIHousing outside legal counsel roster and be engaged for three (3) years with an option to extend for an additional two (2) year term if determined to be in the corporation's best interests. The roster is not meant to replace, supplement, or supersede any existing engagement of law firms that provide RIHousing with public finance counsel, corporate and litigation services, or other specialized representation. This roster will supersede legal engagements entered in 2019 for substantially similar legal counsel services.

Following the presentation, Chairman Pryor asked motion and a second to recommend to the Board of Commissioners Approval of Maine Legal Counsel.

A motion was duly made by Commissioner Designee Cabral and seconded by Commissioner Designee Craven.

Commissioner Designee Craven referenced the litigation counsel and asked if the counsel selected is a past but not the immediately preceding counsel. Ms. Myers agreed saying that in a previous RFP for Maine legal counsel, RIHousing had engaged Perkins Thompson. The primary attorney at Perkins Thompson, P.A. ultimately moved her practice to Eaton Peabody. Eaton Peabody has been the Corporation's provider for all services. However, an attorney with RIHousing who had a separate relationship with Preti Flaherty advising on construction contracts has since moved to Perkins Thompson and will be the principal on the engagement. That attorney is someone staff has previously worked with. Additionally, the firm is an entity that RIHousing has worked with in the past and is familiar with its billing practices. However, the attorney who was the Corporation's advisor is now at Eaton Peabody.

Continuing, Ms. Myers stated that staff was gratified that RIHousing received more than one (1) application for the RFP. Staff performed extensive outreach through the Bar Association to various industry groups and reached out to every minority affiliation group within the Bar Association.

Chairman Pryor referenced the selection process and asked if that was staffed completely by RIHousing members and if Maine Housing does not have a role in that process.

Ms. Myers confirmed that fact, saying that the Corporation is a sub-servicer and has a list of tasks that are provided by Maine Housing. Maine establishes maximum fees, but the rest of the tasks fall to the Corporation.

There being no further questions, Ms. Myers then conducted a voice vote of the Commissioners for Approval of Maine Legal Counsel.

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Maine Legal Counsel was unanimously approved.

4. Discussion:

- a. Authority to Issue Homeownership Opportunity Bonds - \$600,000,000

Chairman Pryor noted that the agenda item was posted as a discussion but will be presented at the January 16, 2025, Board meeting for approval. Chairman Pryor then introduced Bernadette MacArthur, Director of Finance, and asked her to proceed with the presentation.

Ms. MacArthur began by noting that the request was a discussion topic instead of an agenda item for approval because the bond resolutions were not finalized when the Management Committee meeting packages were distributed. However, the resolutions are in final form and ready for approval at the Board meeting.

Ms. MacArthur then said that staff continuously monitors single-family loan origination activity; prepayment speeds of existing mortgages; refunding, recycling, and optional redemption opportunities for existing bond offerings; bond market tone; short and long interest rates, and available tax-exempt volume cap. All the activities have the objective of maximizing our lending flexibility and minimizing the net interest costs in order to provide mortgages to low- and moderate-income homebuyers.

The single-family bonding program provides funding for first-time homebuyers. At the same time, the program strengthens the future financial sustainability of the corporation by increasing the balance sheet and creating a reliable future annuity stream.

Ms. MacArthur said that RIHousing's last single-family bond issue was executed in November 2024 with proceeds expected to be utilized by the end of February 2025. Based on the current pipeline of registrations and production estimates, staff anticipates issuing approximately \$600 million of single-family bonds to fund new first-time homebuyer mortgages and/or refund existing bonds to lower interest costs over the next 12-18 months.

In closing, Ms. MacArthur said that staff plans to ask the Board of Commissioners next week for approval to issue the Homeownership Opportunity Bonds for \$600,000,000. The authority expires on September 30, 2026, and will allow RIHousing to continue to fund the single-family government-insured program and related downpayment assistance programs.

Ms. MacArthur then welcomed questions from the Committee.

Chairman Pryor inquired what the pattern is for issuing the bonds. Ms. MacArthur stated that the Corporation goes out three (3) times a year. Staff reviews the pipeline and endeavors to issue bonds when the Corporation is halfway reserved to approximately \$175 million. When staff has 50% of that amount, then staff will issue the bond, which typically occurs three (3) times a year.

No votes were taken on this agenda item.

Prior to adjournment, Chairman Pryor mentioned that he had requested that the February 10, 2025, Management Committee meeting be rescheduled to 1:00 p.m. He asked Marilena Dicristofano, Assistant to the Executive Director, if that was correct.

Ms. DiCristofano confirmed that she polled the Committee members and as the members were amiable to the time change, the February Management Committee meeting was officially changed to convene at 1:00 p.m. on Monday, February 10, 2025.

Adjournment

There being no further business to discuss, Chairman Pryor asked for a motion to adjourn the meeting. A motion was duly made by Commissioner Designee Craven and seconded by Commissioner Designee Cabral to adjourn the meeting.

Ms. Myers then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to adjourn the meeting.

The meeting was adjourned at approximately 1:28 p.m.

In closing, Chairman Pryor thanked everyone for participating.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director