

**MINUTES OF MEETING
OF THE TRUSTEES OF THE
AFFORDABLE HOUSING TRUST FUND**

A meeting of the Trustees of the Affordable Housing Trust Fund (the “AHT”) of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing” or “Corporation”) was held on Thursday, August 19, 2021 at 10:00 a.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, stated that this was an in-person meeting of the Affordable Housing Trust Fund with additional access being provided by teleconference. She then introduced Carl Rotella, Director of Information Technology, who summarized the logistics of the meeting.

Mr. Rotella stated that (i) the meeting would be recorded and available for review on the RIHousing website within 3-5 business days after the meeting, (ii) except for specific RIHousing staff participating telephonically, all callers would be muted during the meeting. Additionally, Mr. Rotella said that to prevent any feedback or background noise, telephone participants should mute the telephone if not speaking. If during the meeting anyone is having technical difficulties with audio or accessing the call, they should call (401) 457-1240.

Ms. Ventura then recognized Corinne Myers, Acting General Counsel, who provided additional information for those participating in the meeting. Ms. Myers stated that the meeting was being held in hybrid fashion with all Trustees of the Affordable Housing Trust Fund appearing in person and specific RIHousing staff participating via teleconference. Members of the public were invited to access the meeting in person or via teleconference according to their preference. Ms. Myers said that members of the public could visit the RIHousing website to view the agenda and information on the actions being taken and in the event the teleconference was interrupted, staff would stop the meeting until audio was restored.

Ms. Myers also stated that Ms. Ventura would preside over the Trustee meeting and requested that any Commissioner or staff member state their name prior to speaking and mute their telephone when not speaking. She then invited Ms. Ventura to call the meeting to order.

A quorum being present, Ms. Ventura introduced herself and officially called the meeting to order at approximately 11:10 a.m. Ms. Ventura then conducted a roll call attendance of the Trustees, RIHousing Board of Commissioners (in attendance) and RIHousing staff. Trustees present were: Nicolas P. Retsinas, Kara Lachapelle, and Carol Ventura.

Other RIHousing Board of Commissioners and staff participating in-person or via teleconference were: Commissioner Kevin Orth; LeeAnn Byrne, Designee for General Treasurer Seth Magaziner; Commissioner Steven McAllister; Anne Berman, Director of Real Estate Development; Peter Pagonis, Director of Homeownership; Corinne Myers, Acting General Counsel; and Carl Rotella, Director of Information Technology.

Steven Richard, Counsel to the Corporation, was present on the call as were members of the public.

Following the roll call attendance, Ms. Ventura requested that Trustees, Commissioners, and staff members state their names prior to speaking.

Approval of Minutes of the Affordable Housing Trust Fund Meeting of June 17, 2021

Ms. Ventura entertained a motion and a second for the approval of the minutes of the Affordable Housing Trust Fund meeting held on June 17, 2021.

A motion was duly made by Ms. Lachapelle and seconded by Mr. Retsinas. There being no discussion, Corinne Myers, Acting General Counsel, conducted a roll call vote of the Trustees. The Trustees voted as follows:

Trustee Ventura	Aye
Trustee Retsinas	Aye
Trustee Lachapelle	Aye

Ms. Myers then stated that the following was unanimously approved:

VOTED: That the minutes of the Affordable Housing Trust Fund Meeting held on June 17, 2021, hereby are approved.

Approval of Preservation Loan Program Fund Financing for Braeburn Chatham Apartments (Providence)

Ms. Ventura introduced Anne Berman, Director of Real Estate Development, who gave this presentation.

Ms. Berman said that this request was for approval of financing approval of financing under the Preservation Loan Program Fund (“PLPF”) for Braeburn Chatham Apartments located in Providence, Rhode Island (“Braeburn Chatham” or the “Development”). The PLPF was created to provide a flexible source of capital to be utilized for the preservation of existing affordable housing with priority given to developments previously financed by RIHousing.

RIHousing’s portfolio includes approximately 13,000 affordable apartments. In addition, more than 1,430 affordable residential homes have been financed under the state’s HOME Investment Partnerships Program. Many of these affordable apartments need improvements. These apartments were constructed and/or rehabilitated in the 1990s and are beyond the initial 15-year tax credit compliance term. Several developments lack adequate reserves to conduct necessary improvements to ensure that residents are housed in a safe and healthy environment. In addition, there are opportunities for developers to acquire, rehabilitate, and deed-restrict market-rate apartments in Rhode Island to ensure long term affordability. Thus, there is a need for funding to upgrade these homes to meet health and safety standards, make necessary improvements, address physical deterioration due to wear and tear, and promote long-term affordability.

The AHT has designated \$16,000,000 for the PLPF. In March 2018, RIHousing issued Program Guidelines and an RFP for PLPF financing. Applications are accepted on a rolling basis.

This firm approval would support the acquisition and rehabilitation of two existing Section 8 developments known as Braeburn Apartments (“Braeburn”) and Chatham Village (“Chatham”), which are both located in Providence, and which will be combined into a single asset entity with 91

units. BLVD Capital is the developer (“BLVD”). Braeburn, developed as affordable housing in the late 1970s, is comprised of 51 units in four buildings and Chatham, built in 1997, is comprised of 40 units in seven buildings. Both sites were purchased by entities related to BLVD in 2016. Each property benefits from a project-based housing assistance payments (“HAP”) contract for 100% of the units. RIHousing is the HAP contract administrator. Both properties are in fair condition with some deferred maintenance.

BLVD will undertake substantial renovation of both properties. The scope of work for the renovation includes new roofs, windows, siding, entry doors and exterior lighting. Additionally, the mechanical, electrical (including fire alarm), and plumbing systems will be replaced or upgraded. Finally, all of the units will be completely renovated with new kitchen cabinets, plumbing fixtures, flooring, paint, and appliances.

Staff from the Development Division, including the Design and Construction team and Asset Management Department, have reviewed the application for eligibility in accordance with the Program Guidelines and determined that BLVD’s proposal is consistent with the requirements of the PLPF Program. Staff recommends approval of PLPF financing for Braeburn Chatham subject to the conditions set forth in the attached Resolution.

After the presentation, Ms. Ventura asked for a motion and second for the Approval of Preservation Loan Program Fund Financing for Braeburn Chatham Apartments (Providence).

A motion was made by Ms. Lachapelle and seconded by Mr. Retsinas. Following the motion and second, Ms. Ventura opened the meeting for questions or discussion. She respectfully requested that the Trustees state their name prior to speaking.

Trustee Retsinas asked Ms. Berman what characteristics qualify a project or developer to be eligible for this funding source. Ms. Berman explained that the program’s criteria is flexible to allow for the preservation of as many affordable units as possible. These funds are generally provided in small amounts, up to a maximum of \$1.5 million per project.

The Trustee also wanted to know if there is a specific cycle for funding rounds for the program. Ms. Berman said that RIHousing has an RFP in place for applications that is on a rolling basis. This way staff can review the applications to determine the best method to preserve as many units as possible. Ms. Ventura also noted that during these challenging times of COVID it’s been difficult for developers to rehab properties as they would need to displace tenants to accomplish the work. She felt that once the COVID situation has been successfully addressed, developers will be looking to renovate more properties.

Following the comments, Ms. Ventura asked Ms. Myers, Acting General Counsel, to conduct a roll call vote of the Trustees eligible to vote. The Trustees voted as follows:

Trustee Ventura	Aye
Trustee Retsinas	Aye
Trustee Lachapelle	Aye

Ms. Myers, Acting General Counsel, then stated that the following resolution was unanimously approved:

Resolution of the Board of Trustees

of The Affordable Housing Trust Fund

WHEREAS: the Affordable Housing Trust Fund (the “AHT”) was created by Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) for the sole purpose of making homeownership to low- and moderate-income residents of the State of Rhode Island more affordable; and

WHEREAS: one of the purposes of the AHT is to assist in the preservation of affordable housing throughout the State of Rhode Island; and

WHEREAS: the AHT has increased its investment portfolio over the last several years through its preservation related activities; and

WHEREAS: the AHT created the Preservation Loan Program Fund and has set aside \$16,000,000 to assist in the preservation of affordable housing.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that subject to the special conditions listed below, the AHT, acting by and through its Trustees, be and is hereby authorized to commit up to \$490,000 in funding to Braeburn Chatham, LP (“Braeburn Chatham”) to finance the rehabilitation of the multi-family development known as Braeburn Chatham Apartments located in Providence, Rhode Island.

RESOLVED: that the foregoing resolution is subject to the following conditions:

- Approval and closing of financing from RIHousing and any other lender.
- Final approval by RIHousing of construction plans, specifications, and supporting construction documentation.
- Execution and delivery by the developer, BLVD Capital, of a construction completion guaranty in form and substance satisfactory to RIHousing.
- Completion of all items required for closing of the PLPF loan in accordance with normal underwriting and processing requirements.

RESOLVED: that the Executive Director, Deputy Executive Director, and Chief Financial Officer of RIHousing, each acting singly, be and hereby are authorized and directed to take any and all actions they deem necessary and appropriate to carry out the foregoing resolutions.

Approval of Fund Transfer for Homeownership Subordinate Financing Program

Ms. Ventura recognized Peter Pagonis, Director of Homeownership who presented this request.

Mr. Pagonis began by saying that the request was for approval of a transfer of funds in the amount of \$1,000,000 from the Affordable Housing Trust Fund to RIHousing for purposes of funding a

down payment and closing cost pilot program. With a goal of promoting sustainable homeownership, the program aims to provide funds to assist low-to-moderate borrowers with the acquisition of their first home. Eligibility requirements include mortgage revenue bond income limits, first-time homebuyer, and residence in “low opportunity legacy” census tracts located in the following cities: Central Falls, East Providence, Newport, Pawtucket, Providence, Warwick, and Woonsocket. Draft program guidelines describing the program in further detail are outlined in an attachment to the August 19, 2021 Affordable Housing Trust package.

Mr. Pagonis said staff requests the approval for authorization of a transfer of funds in the amount of \$1,000,000 to finance the program.

After the presentation, Ms. Ventura asked for a motion and second for the Approval of Fund Transfer for Homeownership Subordinate Financing Program.

A motion was duly made by Mr. Retsinas and seconded by Ms. Lachapelle.

A very brief conversation ensued with Commissioner Orth commenting that this program is the opposite of redlining. He stated that this endeavor is beneficial in reversing the harmful practices of the past and applauded the effort.

Mr. Pagonis remarked that staff plans to market to the specific geographic tracts to draw interest in the program and initiate a grassroots, on-the-ground homebuyer education campaign once the pandemic situation is resolved.

There being no further discussion Ms. Ventura instructed Ms. Myers, Acting General Counsel, to conduct a roll call vote of the Trustees, eligible to vote. The Trustees voted as follows:

Trustee Ventura	Aye
Trustee Retsinas	Aye
Trustee Lachapelle	Aye

Ms. Myers, Acting General Counsel, then stated that the following resolution was unanimously approved:

**Resolution of the Board of Trustees
of The Affordable Housing Trust Fund**

WHEREAS: The Affordable Housing Trust Fund (“AHT”) was created by Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) for the sole purpose of making homeownership more affordable to low- and moderate-income residents of the State of Rhode Island; and

WHEREAS: RIHousing staff has established a subordinate financing program to provide down payment and closing cost assistance in accordance with the program guidelines set forth in Attachment B (the “Program”); and

WHEREAS: funding of the Program in an amount not to exceed \$1,000,000 will assist in promoting sustainable homeownership for low- and moderate-income persons in Rhode Island.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that the Affordable Housing Trust Fund, acting by and through its Trustees, be, and is hereby authorized, to (i) commit up to \$1,000,000 to the Program described at Attachment B and (ii) transfer such funds to RIHousing for purposes of funding the Program;

RESOLVED: that the Executive Director and the Chief Financial Officer of RIHousing, each acting singly, be and hereby are authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions.

There being no further business, Ms. Ventura asked for a motion to adjourn the meeting.

A motion was made by Ms. Lachapelle and seconded by Mr. Retsinas to adjourn the meeting.

Ms. Ventura then asked Corinne Myers, Acting General Counsel, to conduct the roll call vote. Ms. Myers conducted a roll call of the Trustees.

The Trustees voted as follows:

Trustee Ventura	Aye
Trustee Retsinas	Aye
Trustee Lachapelle	Aye

Ms. Myers then stated that the motion to adjourn the meeting was unanimously approved. Ms. Ventura thanked everyone for participating and the meeting was adjourned at 11:22 a.m.

Respectfully submitted,

Carol Ventura,
Secretary and Executive Director