

**MINUTES OF MEETING
OF THE
BOARD OF COMMISSIONERS**

August 18, 2022

The Regular Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Thursday, August 18, 2022 at 9:30 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, opened the meeting and introduced Carl Rotella, Director of Information Technology, who summarized the parameters of the meeting.

Mr. Rotella 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. Mr. Rotella also asked that to prevent any feedback or background noise, telephone participants to please mute their telephone if not speaking. Additionally, Mr. Rotella announced that if during the meeting anyone had technical difficulties with audio or accessing the call, they should call (401) 457-1240.

Corinne Myers, General Counsel, then provided additional guidance for the meeting. Ms. Myers stated that the meeting was being held in hybrid fashion with all members of the Board of Commissioners 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. Furthermore, 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 stated that Vice Chairman Thorsen would preside over the meeting and requested that any Commissioner or staff wishing to comment state their name prior to speaking and telephone participants to mute their phone when not speaking. She then invited Vice Chairman Thorsen to call the meeting to order.

A quorum being present, Vice Chairman Thorsen introduced himself and officially called the meeting to order at approximately 9:32 a.m. The Vice Chairman then invited Ms. Ventura to proceed with the roll call of Commissioners in attendance.

Ms. Ventura conducted a roll call vote of Commissioners participating in the meeting. Commissioners participating were: James Thorsen, Director of the Department of Administration; Josh Saal, Secretary of Housing; LeeAnn Byrne, Designee for General Treasurer Seth Magaziner; Elizabeth Dwyer, Interim Director of the Department of Business Regulation; Kevin Orth; and Maria Barry. Stephen P. McAllister was absent.

Elizabeth Tanner, Commerce Secretary was also present.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Lisa Primiano, Chief Operating Officer;

Leslie McKnight, Assistant Deputy Director of Loan Servicing; Peter Pagonis, Director of Homeownership; Anne Berman, Director of Real Estate Development; Amy Rainone, Director of Government Relations and Policy; Corinne Myers, General Counsel; and Carl Rotella, Director of Information Technology.

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

Approval of Minutes of Board Meeting held on June 16, 2022

Vice Chairman Thorsen asked for a motion and a second for the approval of the minutes of the Board of Commissioners meeting held on June 16, 2022. A motion was duly made by Commissioner Designee Byrne and seconded by Commissioner Dwyer.

Commissioner Barry abstained from voting due to the fact that she was not present at the June 16, 2022 meeting.

There being no discussion, Corinne Myers, General Counsel, conducted a voice vote of the Commissioners.

The commissioners voted to approve the minutes with five (5) votes in favor, Commissioner Barry abstaining, and zero (0) nay votes. Ms. Myers then officially stated for the record that the following was adopted:

VOTED: That the minutes of the Board Meeting held on June 16, 2022 hereby are approved.

Remarks of Presiding Commissioner

Vice Chairman Thorsen welcomed everyone to the meeting and took a few moments to recognize Elizabeth Tanner, former Director of Business Regulation and outgoing member of RIHousing Board of Commissioners. The Vice Chairman also congratulated Ms. Tanner on her appointment as Secretary of Commerce. On behalf of RIHousing's Board of Commissioners and staff, Vice Chairman Thorsen thanked Ms. Tanner for her years of service on the Board and for her invaluable contributions. He wished her continued success in her new position.

Carol Ventura, Executive Director, reiterated the Vice Chairman's sentiments and also personally expressed her appreciation for Ms. Tanner's guidance and willingness to furthering RIHousing's initiatives. The Executive Director also presented Ms. Tanner with a token of RIHousing's appreciation for her service on the Board of Commissioners.

Ms. Tanner thanked the Board and staff for the well wishes. She said that she wanted to attend the meeting to formally thank the Board and staff for their dedication and expertise. Ms. Tanner stated that she thoroughly enjoyed her tenure as a Commissioner. She remarked that RIHousing is highly organized, dedicated, efficient and one of the best run Boards that she has ever served on. Staff is responsive, supportive and she has learned a lot from the experience. She thanked everyone not only for the educational opportunity but also for friendships fostered.

Executive Director's Review of Recent Activities and Trends

Carol Ventura, Executive Director, greeted everyone and proceeded with an update on the Corporation's activities.

Homeownership. Ms. Ventura began by announcing that that single-family mortgage demand has increased successively since April. Even in challenging times, RIHousing continues to originate loans. Furthermore, market demand to partner with Homeownership has been strong as demonstrated by the addition of six (6) new lender partners.

Ms. Ventura was pleased to share that RIHousing has been nominated as one of the top three lenders in the Mortgage Lender category through the Providence Journal Readers' Choice Awards. This is the first year that RIHousing has been nominated. She congratulated Mr. Pagonis and the Homeownership division on the nomination.

Loan Servicing. Ms. Ventura commended Loan Servicing on performing an outstanding job mitigating delinquencies and keeping residents in their homes. She said that Loan Servicing continues to register a decrease in overall delinquencies in all categories. Ms. Ventura was especially happy to report that the 90+ day delinquencies have decreased by 50%.

Development. Ms. Ventura then informed the Board that Treasury announced new guidance that will significantly increase the ability of state and local governments to use Coronavirus State and Local Fiscal Recovery Funds to support the development of affordable housing. The new guidance allows states and localities to use recovery funds to make long-term loans to affordable housing developments, as long as units are targeted to tenants earning 65 percent of area median income or lower for a minimum of 20 years. This new guidance will allow the Corporation to use RI Rebounds funds in both 4% and 9% transactions based on standard practice. Prior to this, staff's ability to use recovery funds in LIHTC deals was severely restrained.

Next, Ms. Ventura remarked that in early August 13 team members spent the day working on a South County Habitat project for a family in South County. Staff insulated, installed siding, completed the shed, and received a lot of satisfaction contributing to the mission of providing affordable housing in a different way.

Leased Housing and Rental Services. The Executive Director announced that on July 27th, HUD released a draft solicitation for Housing Assistance Payments Contract Support Services (HAPSS), which apparently will substantially replace the Performance-Based Contract Administrator (PBCA) Program. The release opens a 30-day comment period on a proposed solicitation for service-providers to carry various HAP contract administrative responsibilities across five regions, each with three sub-regions, while bringing critical contract administration services in-house at HUD. New England would be one sub-region within the Northeast region. Staff in the Leased Housing and Rental Services Division currently administer these HUD contracts that support approximately 16,000 affordable rental units in the State.

Continuing, Ms. Ventura said that RIHousing is very concerned about the proposed structure which would remove state-based administration of the Section 8 portfolio in favor of performance by HUD with regional subcontracting servicers. Staff is engaging with the Congressional delegation, the Governor's office, NCSHA, other HFAs and key local and regional partners to extend the comment period and share concerns about the solicitation.

Ms. Ventura next referenced the numerous ribbon cuttings, including an event for Fernwood II in the media coverage in her report and invited the Commissioners to review them at their convenience.

The Executive Director informed the Commissioners that on June 29th, Finance successfully executed a new bond issuance for the Multi Family Development Bond Program. The bond sale provides \$28 million to fund the acquisition and rehabilitation or construction of three affordable housing developments, providing 186 total units for renters making below 60% of area median income.

The issuance was again marketed on RIHousing's investor web page, rihousingbonds.com and as part of the transaction Moody's Rating Services reaffirmed the ratings on the bonds at Aa2.

Finally, Ms. Ventura said that Commissioner Saal previously questioned how the FY 2023 budget advanced the initiatives prioritized in RIHousing's Strategic Plan. Ms. Ventura stated that since the Board approved the Strategic Plan in February, 14 committees were formed to address the initiatives. Therefore, it's a bit premature to have a number of programs addressed in this budget. However, the initiatives for Diversity, Equity, Inclusion, and Belonging (DEIB) and technology are a priority of the FY 2023 budget with the others forthcoming next year. Ms. Ventura said she would keep the Board informed on the progress of the Strategic Plan initiatives.

Ms. Ventura then asked if anyone had any questions.

Vice Chairman Thorsen thanked Ms. Ventura for the report and asked if it was possible to have an update on the 2022 Legislative session.

Ms. Ventura acknowledged that Amy Rainone, Director of Government Relations and Policy was present at the meeting and invited her to furnish a recap of the 2022 legislative session.

Ms. Rainone introduced herself and gave a brief overview of the key elements of the legislative season.

Ms. Rainone commenced by saying that the General Assembly session recessed on June 24th, concluding a year of historic investments in housing and homelessness programs including \$250 million in federal State and Fiscal Recovery Funds, of which RIHousing will be administering \$220 million through a variety of programs.

Ms. Rainone acknowledged that Housing was a key focus for legislative action, including a package of bills introduced by the Speaker of the House which dealt with a wide range of housing issues from creating a new Department of Housing to streamlining the process for development of accessory dwelling units (ADUs) and restructuring the State Housing Appeals Board (SHAB).

In closing, Ms. Rainone distributed a detailed memo on the wrap-up of the session that listed pertinent legislation and actions taken. She encouraged the Commissioners to review the memo at their leisure.

Ms. Rainone then welcomed questions from the Commissioners.

Commissioner Dwyer mentioned that the Department of Business Regulation also was involved in a related bill to effect changes to the process for mortgage loan originators. DBR was instrumental in implementing changes that would allow for greater flexibility for originators.

Commissioner Saal also expressed his appreciation to Ms. Rainone and thanked her for her support, guidance and partnership to his office.

Commissioner Designee Byrne referenced Treasury's new guidance for the Emergency Rental Assistance (ERA) program that enumerates flexibilities provided under the American Rescue Plan Act for ERA 2 dollars that are unobligated as of October 1, 2022. She noted that the RentReliefRI program closed in June and wondered if the new flexibility will allow RIHousing to offer additional rental assistance. Ms. Ventura explained that the remaining balance of approximately \$28 million will be allocated to the State, specifically the Office of Housing for housing stability efforts.

On a related note, Ms. Ventura mentioned that Vice Chairman Thorsen previously requested a breakdown of new programs administered by RIHousing and said that she provided the Commissioners with a summary of those programs. Vice Chairman Thorsen thanked Ms. Ventura for the report.

Commissioner Barry referenced the Executive Director's report and asked if staff expects to meet the 2022 construction production goal. Ms. Ventura confirmed that RIHousing expects to meet, if not exceed that goal.

Approval of Housing Production Fund Extremely Low-Income Operating Reserve (HPF-ELI) Awards

Vice Chairman Thorsen introduced Anne Berman, Director of Real Estate Development, who gave the presentation.

Ms. Berman began by saying that the Housing Production Fund ("HPF") was established by the State of Rhode Island General Assembly in June 2021 by amendment to Rhode Island General Laws Section 42-128, known as the Housing Resources Act of 1998, to provide funding for the planning, production, and preservation of affordable housing. RIHousing was authorized by the General Assembly to administer HPF program funds for a range of housing production initiatives. The enabling legislation for the HPF specifically establishes a priority for households either exiting homelessness or earning not more than thirty percent (30%) of area median income.

In conjunction with the Rhode Island Housing Resources Commission Coordinating Committee, RIHousing has established program guidelines for the Housing Production Fund - Extremely Low-Income Operating Reserve ("HPF-ELI") Program to support units serving households earning 30% AMI or below; and the General Assembly has appropriated \$10,000,000 for this purpose. Under the HPF-ELI, funds will be awarded to capitalize a project operating reserve to ensure that developers can create and preserve affordable rental housing for families and individuals with very low income including those who are homeless or at risk of being homeless. These funds will bridge the gap between residents' ability to pay 30% of their gross household income toward rent and the established 50% Low-Income Housing Tax Credit rents for the applicable unit size.

In March 2022, RIHousing issued a Request for Proposals ("RFP") for HPF-ELI funds from qualified applicants. In response, RIHousing received four proposals requesting \$2,927,212 in HPF-ELI funds. Staff from the Development and Leased Housing and Rental Services Divisions reviewed applications in accordance with the published program review criteria.

Of the four proposals received, staff recommends funding for three HPF-ELI proposals in the amount of \$1,004,880. HPF-ELI awards will support 15 residential units for 10 years.

Finally, Ms. Berman said that staff recommends authorizing the allocation of up to \$1,004,880 in HPF-ELI funds for approval, contingent on (i) receipt of the HPF-ELI funds from the State of Rhode Island; (ii) the availability of all other funding for transactions that have not yet closed; and (iii) compliance with HPF-ELI guidelines.

Vice Chairman Thorsen thanked Ms. Berman for the presentation and asked for a motion and a second for Approval of Housing Production Fund Extremely Low-Income Operating Reserve (HPF-ELI) Awards.

A motion was duly made by Commissioner Orth and seconded by Commissioner Barry.

Vice Chairman Thorsen mentioned that four (4) proposals were received and three (3) recommended for approval. He wanted to know why the fourth was not approved. Ms. Berman responded that the request was for \$1.7 million for existing units in multiple properties. After reviewing the application staff determined that all the properties have surplus cash to cover the request. As the owner could afford to fund the project; it was determined that the application was not totally in the spirit of the program. James Comer, Deputy Executive Director, also confirmed that the operating budget exhibited sufficient cash flow that the development could easily implement the renovations without additional financing.

Commissioner Orth remarked that the Credit Committee discussed the appropriation of meal subsidy for residents at Forest Farm as an allowable expense under the guidelines and staff was going to research the matter to confirm that fact. The Commissioner asked if staff had information to share.

Corinne Myers, General Counsel stated that she re-examined the statute that established the housing production fund program. The General Counsel noted that the guidelines are broadly defined and include financial assistance for the planning, production, or preservation of affordable housing for households earning not more than eighty percent 80% of area median income (AMI) with preference given to projects that serve individuals exiting homelessness or earning less than 30% AMI. The relevant guidelines identify eligible expenditures to include direct subsidy to offset operating costs for units serving households earning 30% of AMI. Operating costs are defined as costs associated with the day-to-day operation of a Development. Meal subsidy is an acceptable day-to-day expense of an assisted living, therefore is an allowable expense.

Continuing, Ms. Myers felt that there is no need for the HPF-ELI funding to be tied to a particular operating cost so long as the funds can be said to cover a shortfall between residents' ability to pay 30% of their income toward rent and the established rent level.

Commissioner Saal expressed his appreciation to Ms. Myers and staff for the research along with the assistance RIHousing provides to the Housing Resources Commissions (HRC) in its efforts to aid the extremely vulnerable and homeless population.

There being no further discussion, Corinne Myers, General Counsel, conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the action.

Ms. Myers then announced that the following resolution was unanimously adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

- WHEREAS, Pursuant to title 42, chapter 128, section 2.1 of the Rhode Island General Laws, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the Rhode Island General Assembly to administer a Housing Production Fund (“HPF”) to assist in the development of new affordable housing and the preservation of existing affordable units, with priority given to households exiting homelessness or earning not more than thirty percent (30%) of area median income;
- WHEREAS, the State of Rhode Island General Assembly passed a state budget bill authorizing the appropriation of \$10,000,000 to support HPF housing production initiatives for extremely low-income families and individuals (the “HPF-ELI Funds”);
- WHEREAS, the applicants listed in Attachment A have submitted applications that meet the requirements set forth in HPF-ELI program guidelines duly established by RIHousing with the collaboration of the Rhode Island Housing Resources Commission Coordinating Committee;
- WHEREAS, staff of RIHousing have reviewed each of the eligible applications and recommend that HPF-ELI Funds be committed to the proposals listed in Attachment A; and
- WHEREAS, RIHousing staff have determined that the recommended proposals qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies.
- NOW, THEREFORE, IT IS HEREBY:
- RESOLVED, that RIHousing is authorized to commit up to \$1,004,880 in HPF-ELI Funds in compliance with HPF-ELI program guidelines and subject to certain conditions, as set forth in Attachment A.
- RESOLVED, that the Executive Director, Deputy Executive Director, and Director of Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolution.

**Attachment A
Summary of Recommendations**

HPF-ELI Funds Recommended for Approval	\$ 1,004,880
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213 Garden Street

Pawtucket Central Falls Development Corporation (“PCFDC”) is requesting operating support for two units in this six-unit building originally developed in 2007, supporting formerly homeless individuals. The property is currently supported by a Neighborhood Opportunities Program escrow that is likely to be depleted within 18 months. The proposed operating expenses are reasonable and

the proforma reflects positive cash flow for 30 years. HPF-ELI funding for support of two units for 10 years computes to an award of \$134,160.

Looking Upwards Apartments (“LUA”)

LUA is the conversion of an existing building currently used by Looking Upwards, Inc. for storage and offices and one private commercial tenant, who is moving. Working with S.W.A.P., Inc. (STOP WASTING ABANDONED PROPERTY) (“SWAP”) as their developer, the new development will provide 12 affordable apartments in Jamestown to create independent homes, eight of which will be designated for individuals with intellectual and developmental disabilities who are at risk of homelessness. The projected sizing of the HPF-ELI award is computed as the projected rent of the restricted units less the minimum tenant rent. HPF-ELI funding for support of eight units for 10 years computes to an award of \$510,720.

Forest Farm Assisted Living (“FFAL”)

FFAL is a 49 unit assisted living facility in Middletown. Thirty-five (35) of the units are currently restricted to households below 60% of Area Median Income and 30 of the restricted units are supported by a Project Based Voucher (“PBV”) contract which defers some of the costs associated with the room and board for these units. FFAL was refinanced by RIHousing in December 2021 and at that time, it was understood that five units were unsubsidized and would not be able to fully support the meal expenses. The developer, Church Community Housing (“CCHC”) has now requested \$600 per month to defer the expense of resident meals for these five units. The underwriting projections are consistent with the proforma used in the recently approved transaction from December 2021. HPF-ELI funding for support for five units for 10 years computes to an award of \$360,000.

Approval of Approval of Capital Magnet Fund Awards

Vice Chairman Thorsen announced that Anne Berman would give the presentation.

Ms. Berman stated that RIHousing has received three awards of Capital Magnet Funds (“CMF”) from the Community Development Financial Institutions Fund, an arm of the U.S. Department of Treasury. The 2020 CMF Grant award was \$5,000,000 and was received in May 2021. Pursuant to program requirements the 2020 CMF Grant Award must be fully committed by May of 2023. There is approximately \$1,776,000 in CMF available.

In March 2022, RIHousing issued a Request for Proposals (“RFP”) for CMF funds from qualified applicants as part of a consolidated application for a number of funding sources. In response, RIHousing received 25 proposals requesting \$19,127,064 in CMF funds. After an initial review of the applications, Development Division staff requested clarifying information regarding apparent deficiencies. Program Review Criteria to evaluate whether the applications contained the required threshold criteria for awards as follows:

1. Applicant must demonstrate ability to proceed to closing on all financing and begin construction within nine months of commitment.
2. Applicant must demonstrate that the development is financially feasible for (i) the overall development costs of the project and (ii) the long-term operation of the proposal.
3. Applicant must demonstrate that the development has a reasonable likelihood that it will

achieve sustainable occupancy of 95% within six months of construction completion. For mixed income proposals that meet the 20% at 50% or 40% at 60% set asides, the applicant must submit a third-party market study that includes an absorption schedule, lease-up reserve and identifies the timeline for achieving 95% occupancy.

4. The developer must have experience in the successful development and operation of affordable housing of similar scope and complexity.

Those applications that passed threshold were further reviewed by Development staff in accordance with the program criteria to evaluate whether the applications met the required CMF priorities for awards as follows:

- Proposals that provide for the highest leveraging of other federal, state and private resources.
- Proposals located in Areas of Economic Distress and Qualified Census Tracts.
- Proposals that require at least 40% of the units to provide housing for households with incomes below 50% of AMI.
- Proposals that address critical housing needs that includes addressing housing obsolescence.
- Preservation of existing affordable housing stock

RIHousing program staff met with senior staff and reviewed the applications based on threshold and scoring criteria. As a result of that review, four CMF proposals seeking program resources in the amount of \$1,776,001 are being recommended for preliminary reservation at this time. The recommended developments will help build or preserve 325 units, 308 of which will be CMF assisted.

Next, Ms. Berman noted that the preliminary reservation of up to \$1,776,001 in CMF is contingent upon completion of the capital stack and final approval of all financing for each project. Project-specific requests for firm approval will be presented to the Board of Commissioners upon completion of final underwriting.

Following the presentation, Vice Chairman Thorsen asked for a motion and a second for Approval of Capital Magnet Fund Awards.

Commissioner Designee Byrne recused from the discussion or vote of this item as the Treasurer serves on the Board of Directors of Crossroads RI.

A motion was duly made by Commissioner Orth and seconded by Commissioner Barry.

Vice Chairman Thorsen observed that Bernon Mill has previously appeared before the Board for a variety of other funding sources and pondered the need for additional financing. Ms. Berman acknowledged the long capital stack. She mentioned that the developer has struggled with cost overrun issues and explained that this financing is the final funding required to complete the capital stack. Staff is working diligently to bring the project for final commitment this fall.

Corinne Myers, General Counsel, then conducted a voice vote of the Commissioners. The commissioners voted to approve the motion with five (5) votes in favor, Commissioner Designee Byrne recusing and zero (0) nay votes.

Ms. Myers then announced that the following resolution was adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

- Whereas,** Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has entered into an agreement with the U.S. Department of Treasury Community Development Financial Institutions Fund to administer the FY 2020 Capital Magnet Fund Award (“CMF”);
- Whereas,** RIHousing is authorized to make investments of CMF proceeds to promote the acquisition, rehabilitation, creation or preservation of affordable housing;
- Whereas,** the applicants listed in Attachment A have submitted applications, which meet the requirements of the CMF Program;
- Whereas,** staff of RIHousing have reviewed each of the eligible applications submitted and recommend that CMF resources be preliminarily reserved to the proposals listed in Attachment A;
- Whereas,** staff of RIHousing have determined that the recommended proposals may qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies; and
- Whereas,** RIHousing finds:
- (1) that there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons and families of low or moderate income can afford within the general housing market area to be served by the proposed housing development;
 - (2) that private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe, and sanitary housing in the general housing market area at prices which persons or families of low and moderate income can afford or to provide sufficient mortgage financing for residential housing for occupancy by those persons or families;
 - (3) that the housing sponsors undertaking the proposed housing developments in this state will supply well-planned, well-designed housing for persons or families of low and moderate income and that those sponsors are financially responsible;
 - (4) that the proposed housing developments to be assisted will be of public use and will provide a public benefit; and
 - (5) that the proposed housing developments will be undertaken, and the housing sponsors regulated pursuant to the authority and within the restrictions provided

for by the Rhode Island Housing and Mortgage Finance Corporation Act, Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED, that RIHousing is authorized to commit up to \$1,776,001 in CMF proceeds in compliance with CMF program guidelines and subject to certain conditions and the receipt of other sources of funds for the projects set forth in Attachment A; and

RESOLVED, that the Executive Director, Deputy Executive Director, and Director of Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolution.

Attachment A Summary of Recommendations

CMF recommended for preliminary reservation	\$1,776,001
Distribution of recommended funds	
Nonprofit Organizations	\$1,476,001
For Profit Organizations	\$300,000

Recommendations include:

Summer Street Phase I & II (9% and 4%): Summer Street is the proposed development of 176 new units in Providence, R.I. which will serve as replacement units for the SROs at 160 Broad Street (commonly known as the Tower), and the rehabilitation of 160 Broad Street, whereby 176 SROs will become 32 one-bedroom and 52 studio apartments. The proposal assumes that both a 9% transaction with 87 units and a 4% transaction with 89 units will close simultaneously. All units will be rented to tenants at or below 30% AMI and are supported by (i) a Project Based Rental Assistance contract through a RAD 2 Conversion; (ii) a Section 811 voucher; (iii) Continuum of Care (“CoC”) program assistance; or (iv) self-pay. Each Phase is being allocated \$500,000 of CMF and the awards are contingent on completion of standard underwriting and the simultaneous closing of both transactions.

Bernon Mill (“BM”): BM, located in Woonsocket, is the redevelopment of a historic mill into 60 units of rental housing. Utilizing income averaging, all units will be restricted to households with incomes at or below 80% of Area Median Income (“AMI”). There will be a mix of efficiency, one-bedroom, and two-bedroom units. The Developer is seeking eight project-based vouchers from the Woonsocket Housing Authority and has secured five HUD Section 811 vouchers. The developer received BHRI funds and preliminary approval of the tax-exempt financing, 4% LIHTC, RI Rebounds Production Funds, and a permanent loan. This \$300,000 of CMF completes the capital stack and is contingent on completion of standard underwriting.

The Avenue: The Avenue is a proposed 85-unit housing development combining 39 mixed-income apartments in a new building at 434 Atwells Avenue in the Federal Hill neighborhood in Providence, and the renovation and preservation of 46 existing affordable apartments known as Elmwood

Neighborhood Revitalization II (ENR II) in the Elmwood neighborhood of Providence. The project has a mix of efficiency and 1–4-bedroom units. Nine units will be set aside for individuals at 30% AMI, 59 at 60% AMI, and 17 market rate units. The \$476,001 CMF award is one of the first funding commitments for this development.

Approval of Prepayment for Georgiaville Manor (Smithfield)

Vice Chairman Thorsen once again instructed Anne Berman to present the request.

Ms. Berman began by noting that the request is purely an administrative action. Ms. Berman then said that the request was for approval of the prepayment of the existing first mortgage loan of Georgiaville Manor (the “Development”), an affordable housing development for elderly and disabled households situated in Smithfield.

The Development consists of 54 apartment units with 50 one-bedroom and 4 two-bedroom units. All units receive project-based Section 8 rental assistance. The Development was most recently refinanced in 2007 with financing from Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”). The Development’s 40-year Regulatory Agreement expires in 2047.

Under RIHousing’s Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, 825-RICR-30-00-3 (as amended, the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets and prepayment of the mortgage before conveying, assigning, or transferring any ownership interest in a multifamily housing project.

The owner of the Development is Georgiaville Apartments, L.P. (the “Owner”). The Owner is refinancing the property with Rockport Mortgage Corporation using an FHA Section 223(f) insured loan. The proceeds from the refinancing will be used to pay off the existing first mortgage. RIHousing has determined there is no prepayment penalty associated with the loan payoff. No changes to the term or substance of the existing RIHousing Regulatory Agreements are contemplated.

The current property manager is KCEE Property Management, LLC (“KCEE”). The Owner and management company are affiliated entities. No change in the management agent is contemplated. The Development received an 88 on its most recent REAC score and KCEE provided a list of capital improvements made over the past few years.

Following the presentation, Vice Chairman Thorsen asked for a motion and a second for Approval of Prepayment for Georgiaville Manor (Smithfield).

A motion was duly made by Commissioner Orth and seconded by Commissioner Barry.

Commissioner Dwyer asked if the regulatory agreement specifies parameters on how the units can be rented depending on income qualifications. Ms. Berman confirmed the regulatory agreement is a recorded instrument and the owners must be in compliance.

Following the comment, Corinne Myers, General Counsel, then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Ms. Myers then announced that the following resolution was unanimously adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS: under Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, 825-RICR-30-00-3 (as amended from time to time, the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets before conveying, assigning, or transferring any ownership interest in a multifamily housing project; and

WHEREAS: Georgiaville Apartments, L.P., the owner of Georgiaville Manor (the “Development”), seeks approval of the prepayment of the existing first mortgage; and

WHEREAS: staff has reviewed this request under the TPA Regulations and determined that the proposed transaction complies with the regulatory requirements; and

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that the prepayment of the existing first mortgage currently encumbering Georgiaville Manor be, and hereby is, approved, subject to the following terms and conditions:

1. Receipt by RIHousing of all application materials required in Phases 2 and 3 of the TPA Regulations (see § 3.4 of the TPA Regulations) except for such requirements as may be waived or modified by the Executive Director, consistent with the nature of this transaction and protection of the interests of RIHousing;
2. Receipt by RIHousing of the Processing Fee, as defined in § 3.4 of the TPA Regulations; and
3. Satisfaction of any additional requirements that the Executive Director believes to be necessary or advisable to protect the interests of RIHousing with respect to the Development.

RESOLVED: that the Executive Director, Deputy Executive Director, and Director of Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolutions.

Approval of Transfer of Physical Assets (TPA) for Westfield Lofts (Providence)

Vice Chairman Thorsen stated that Anne Berman would also present this request.

Ms. Berman said this transaction was also an administrative matter. Ms. Berman then remarked that the request was for firm approval of the transfer of the limited partnership interest in Westfield Lofts Apartments (the “Development”), a mixed-income housing development for families located in Providence.

The owner of the Development is Westfield Development Associates, L.P. The current general partner of the development is Rau Development Corporation which holds a .01% interest in the partnership. The current investor limited partner in the Development is Santander Bank, N.A. (the “Limited Partner”). The Limited Partner holds a 99.99% limited partner interest. The Limited Partner intends to withdraw and sell its partnership interest to Hope Renewed Realty Corporation (the “Transferee”) Both the current general partner and the Transferee are affiliated with West Elmwood Housing Development Corporation (“WEHDC”), the developer.

The current property manager is First Realty Management Corporation. The owner and management company are not affiliated entities. No change in the management agent is contemplated. Westfield Lofts has been well maintained and, 17 years following syndication, remains an attractive place to live with 22 affordable units and 47 market rate units. WEHDC has indicated that they plan a resyndication in the future; however, for the foreseeable future, they will continue to operate the building consistent with current operations.

The Transferee will assume all existing obligations encumbering the Development. Bank of America, N.A. (“BOA”) is the current permanent lender for this transaction and their loan matures this year. The initial compliance period expired in 2020. RIHousing has a Targeted Loan in second position. WEHDC is working on a refinance with Greystone Servicing Company, LLC that is expected to occur in the next several months. Our Targeted Loan will remain in second position.

After the presentation, Vice Chairman Thorsen asked for a motion and a second for Approval of Transfer of Physical Assets (TPA) for Westfield Lofts (Providence).

A motion was duly made by Commissioner Orth and seconded by Commissioner Saal.

Commissioner Barry announced that she would recuse herself from the discussion and vote as her employer is Bank of America who is the permanent lender for Westfield Lofts.

Commissioner Saal asked Ms. Berman when the regulatory agreement expires. Ms. Berman stated the regulatory agreement expires in 2035.

There being no other comments, Corinne Myers, General Counsel, conducted a voice vote of the Commissioners. The commissioners voted to approve the motion with five (5) votes in favor, Commissioner Barry recusing and zero (0) nay votes.

Ms. Myers then announced that the following resolution was adopted:

**Resolution of the Board of Commissioners
of Rhode Island Housing and Mortgage Finance Corporation**

Whereas, under Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, 825-RICR-30-00-3 (as amended from time to time, the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets before conveying, assigning or transferring any ownership interest in a multifamily housing project;

Whereas, West Elmwood Housing Development Corporation seeks approval of the transfer of the limited partnership interest in Westfield Development Associates, L.P., the owner of Westfield Lofts Apartments (the “Development”), from Santander Bank, N.A. to Hope Renewed Realty Corporation; and

Whereas, staff has reviewed this request under the TPA Regulations and determined that the proposed transaction complies with the regulatory requirements.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that the transfer of the limited partnership interest in the Development from Santander Bank, N.A. be, and hereby is, approved, subject to the following terms and conditions:

1. Receipt by RIHousing of all application materials required in Phases 2 and 3 of the TPA Regulations (see §3.4 of the TPA Regulations) except for such requirements as may be waived or modified by the Executive Director, consistent with the nature of this transaction and protection of the interests of RIHousing;
2. Receipt by RIHousing of the transfer Processing Fee, as defined in §3.4 of the TPA Regulations; and
3. Satisfaction of any additional requirements that the Executive Director believes to be necessary or advisable to protect the interests of RIHousing with respect to the Development.

Resolved, that the Executive Director, the Deputy Executive Director, or the Director of Development each acting singly, be and hereby are authorized to execute and deliver on behalf of RIHousing all documents necessary or advisable to consummate such transfer and to take such further actions as he or she shall deem necessary or advisable in connection therewith.

Approval of Final 2023 Qualified Allocation Plan (QAP)

Vice Chairman Thorsen stated that Ms. Berman would report on the recommendation for the 2023 Qualified Allocation Plan.

Ms. Berman commenced by reminding the Commissioners that at the June 16, 2022 meeting, the RIHousing Board of Commissioners preliminarily approved a proposed draft and authorized publication of RIHousing’s intent to adopt the 2023 Qualified Allocation Plan (the “2023 QAP”), which governs the allocation of low-income housing tax credits (“LIHTC”). On June 20, 2022, RIHousing published notice of a public hearing on the proposed draft of the 2023 QAP in the Providence Journal and Noticias Rhode Island, and on June 20, 2022, notice was posted on RIHousing’s website.

A public hearing was held on July 13, 2022 via video conference with approximately 10 attendees. Written comments were received from three parties.

Staff proposes additional changes to the proposed draft of the 2023 QAP as summarized below to address public and Credit Committee comments and to correct some clerical errors.

Section III (pages 28 and 31 of blackline)	Restore Total Development Cost (“TDC”) cap
Section III(A) (page 31 of blackline)	Add language referring applicants with hybrid transactions (4%/9%) to a Program Bulletin outlining hybrid transaction requirements
Section III(A) (page 31 of blackline)	Add specific reference to the use of gap financing in mixed income LIHTC transactions
Section III(B) (page 32)	Updated Scoring Summary
Section III(B) – Financing Points (page 34 of blackline)	Increase points for TDC efficiency from 20 to 25 points
Section III(B) – Financing Points (page 36 of blackline)	Modify the points for leveraging hard debt or non-state housing resources
Section III(B) – Financing Points (page 36 of blackline)	Add points for the creation of 3 bedroom or larger units
Section III(C) – (page 44 of blackline)	Clarify the Walk-Score criteria to reflect updated conditions as applicable

An attachment provided to the June 18, 2022 Board package sets forth the final 2023 QAP. The 2023 QAP will become effective upon (i) final approval by the Board of Commissioners; (ii) approval by the Governor; and (iii) posting to the RIHousing website as a guidance document.

2. Summary of Public Comments

Comment 1

RIHousing received several comments from the public and one from the RIHousing Credit Committee regarding elimination of the absolute Total Development Cost (TDC) per unit limit.

Three written and two verbal comments were received voicing approval of the recommendation in the Draft 2023 QAP to eliminate absolute TDC caps. Respondents pointed to both Connecticut and Massachusetts which have eliminated TDC per unit caps and the volatile construction market which has driven up construction costs over the past 24 months. These four respondents also requested that should TDC caps be reinstated extraordinary conditions should be excluded from the TDC per unit cap, similar to the exclusions allowed under the weighted average score. The respondents’ list went beyond the current extraordinary costs in the QAP and sought to include ledge removal and historic preservation costs. Conversely, the Credit Committee voiced concern about the elimination of TDC caps due to national concerns related to cost containment.

Staff has (i) analyzed transactions that have either closed recently or have recent pricing and (ii) reviewed national data related to construction costs to better understand actual costs for recent transactions. Staff also reviewed both the Connecticut and Massachusetts QAPs to understand their approach to cost effectiveness. While the Massachusetts QAP doesn’t have a TDC cap, they do have per unit subsidy limits and LIHTC limits, and the Connecticut QAP has construction cost per square foot limitations. In review of actual costs for RIHousing funded projects, there is variance in the percentage increase from 3% to 12% in cost based on the type of construction.

Therefore, as requested by the Credit Committee of the Board of Commissioners, staff is reinstating the TDC cap from the previous QAP and increasing it by 10%. The new unweighted absolute TDC per unit will be \$429,000 net of reserves. The TDC per building types used to determine the weighted average for scoring purposes are also being modified. To incentivize developers to be considerably lower than the caps, we are simultaneously increasing points for cost effectiveness using the weighted average TDC.

Comment 2

The commenter Messoella Development Corp. provided 8 written comments, one of which included TDC caps and was addressed in Comment 1.

- a. **The commenter suggests that “projects in cities and towns that are not at the 10% levels should be given first priority when awarding credits regardless of project scoring.”**

The QAP is a statewide document with “dual and equal goals of (a) increasing the supply of affordable housing in communities that have traditionally had a lack of such housing; and (b) reinvesting in urban neighborhoods where housing may be substandard, blight is common, and the housing is part of an overall neighborhood revitalization strategy.” The current QAP scoring allocates 10 points to communities with less than 10% affordable housing.

Over the past several years, the scoring has resulted in a fairly even allocation of awards between urban, suburban and rural communities, including communities with less than 10% affordable housing. Given the statewide mandate of the QAP and the diversity of points included within the current scoring, staff does not recommend allowing lower scoring proposals in communities with less than 10% affordable housing be given priority in awarding LIHTC allocations.

- b. **The Commenter questioned the allocation of 3 points for non-profit developers**

In the 2021 QAP the criterion for non-profit developers was tightened to require incorporation in the state and a track record of community engagement. The points associated with this category was increased from 1 to 3 because RIHousing recognizes the value of mission-based organizations, their commitment to the communities within which they work, and their long-term commitment to affordability and community revitalization regardless of whether they are in urban or non-urban communities. No change is recommended.

- c. **Commenter suggests that points be given for applicants that have fee simple interest in a property since it demonstrates commitment to the project.**

The current QAP requires Readiness to Proceed as one Threshold Criteria. Incumbent within this criterion is Site Control, which can be demonstrated through either a deed, Purchase and Sale Agreement or Option to Purchase. Additionally, given Choice Limiting Actions associated with certain federal funding, developers may be prohibited from purchasing a property until certain federally mandated environmental reviews are completed. Therefore, no change is recommended.

- d. **Commenter does not feel that the Walk Score metric accurately reflects access to goods, services and amenities since it is not updated on a regular basis.**

Staff has reviewed the criteria within Walk-Score and other similar applications. Walk Score is the most comprehensive application to evaluate “walkability” but is not always updated to reflect recent improvements to an area. Therefore, we agree with the commenter and have added the following language: “consideration will be given to proposed developments where the Walk-Score information does not reflect recent changes to the area surrounding the proposed development.”

- e. **Commenter believes that the cost of Passive Housing construction methodologies outweighs the benefits but has a significant effect on weight of the scoring as it affects TDC.**

Energy efficiency is a statewide goal and is included in several gubernatorial and legislative policies and priorities. The cost of the technology required to meet passive house specifications varies considerably. In several recent projects the additional cost was less than 5% of the total construction budget. Therefore, no change is recommended.

- f. **Commenter is questioning the points for provision of Supportive Services given that not all residents need or want services.**

RIHousing firmly believes that its mission is both to provide housing and serve communities. The Corporation’s mission statement is “RIHousing strives to ensure that all people who live in Rhode Island can afford a healthy, attractive home that meets their needs. A good home provides the foundation upon which individuals and families thrive, children learn and grow, and communities prosper.” Part and parcel to this is incentivizing developers to partner with service providers to support residents in a wide variety of ways. RIHousing does not dictate what services should be provided or require residents to use these services. The maximum number of points in this category is 4. Therefore, no change is recommended.

- g. **Commenter believes that subsidizing internet access for LIHTC eligible residents should be eliminated due to the financial burden on the project.**

The provision of internet in the QAP has been modified this year to meet the requirements of the Affordable Connectivity Program included in the 2021 Federal Infrastructure Bill which requires resident participation. Should a developer choose to participate, the cost of providing internet service to residents is less than in the 2022 QAP. In addition, the number of points allocated to the provision of internet has been reduced from 5 to 3 points. Therefore, no change is recommended.

Comment 3

The commenter S.W.A.P. provided 5 written comments, one of which included TDC caps and is addressed in Comment 1 above.

- a. **Commenter believes the points associated with graduation rates should be eliminated since it favors suburban towns that receive 10 points for less than 10% LMI units.**

Points associated with education were added last year to recognize that access to a good education can lead to lower poverty rates, increased college attendance and earning power. The previous metric was difficult to understand and measure. Graduation rates are published annually and easy to measure. The current list of graduation rates illustrates that some urban communities would receive points in this category and some non-urban communities would not earn points. We also note that there are other scoring metrics in

the QAP that favor urban communities over non-suburban communities, and this is part of the balance between meeting our twin goals as outlined above in Comment 2 (a). Therefore, no change is recommended.

- b. **Commenter suggests that if we want to incentivize broadband, we should simply require it and not include in the scoring.**

Because there is a cost associated with the provision of broadband and it can have an impact on a developer's operating budget, staff believes that it should not be mandated but rather an option that is incentivized through the scoring. Therefore, no change is recommended.

- c. **Commenter questioned allocating points for the provision of mixed income units.**

Studies have shown that in Rhode Island, housing units are needed across all income bands, not just for those below 60% of area median income. In addition, studies have shown that mixed income communities can alleviate the harms of concentrated poverty, and improve services and neighborhood conditions, particularly for lower income residents. Language has been added to the QAP to ensure that for any project proposing market rate units, the gap funding request must be used to primarily support the development of the affordable units, not the market rate units. Therefore, with this additional language, staff recommends no additional changes.

- d. **Commenter wants to ensure that with the elimination of in-person presentations, applicants have an opportunity to clarify questions that a reviewer may have.**

Staff agrees with this comment. As part of staff review, all applicants will be provided a written list of questions or clarifications and will have an opportunity to respond accordingly.

Comment 4

The commenter Barbara Sokoloff Associates provided 4 written comments, one of which included TDC caps and is addressed in Comment 1 above.

- a. **Leveraging other financing: With the inclusion of hard debt as other financing, and the prevalence of mixed income projects, many projects maximize the points in this category with hard debt only. A project with hard debt that also leverages historic tax credits, FHLB, other innovative financing, etc. scores the same as a project with hard debt only. That seems to defeat the intent of this category.**

Staff has reviewed the scoring from the last two funding rounds and agrees that there should be an opportunity to differentiate non-hard debt sources and incentivize other sources of financing. Therefore, we recommend modifying the scoring to provide a broader opportunity to leverage points in this section.

- b. **Energy efficiency/sustainability and rehab: The energy efficiency points may be disadvantaging rehab projects vs. new construction. It is much more feasible for new construction to achieve Tier III / Net Zero / Passive House; in many cases, it is impossible for rehab to achieve Tier III / Net Zero / Passive House. Maybe a point offset elsewhere for rehab using less construction materials than new construction?**

The QAP covers a broad number of categories and policy goals. There are points in the QAP that are more geared to rehabilitation than new construction (e.g., rehabilitation of blighted buildings and preservation of green fields) that balance points for passive housing. Therefore, staff does not recommend a change in this category.

- c. **Special populations: We would like to see some point consideration for housing for special populations, beyond a general family/elderly population. Not households below 30% AMI or with supportive services (those are already addressed in the QAP), but populations that are not currently served / struggle to find housing, such as LGBTQ, etc.**

Currently the QAP awards points for serving people “(i) who have income at or below 30% of median income, (ii) are homeless and coming from the Coordinated Entry List or (iii) have special needs.” Many demographic groups including LGBTQ people experience challenges identifying affordable housing, such that it would be difficult to support prioritizing any one over another. Furthermore, preferences for certain classes could raise fair housing implications. Staff does not recommend a change in this category.

Comment 5

The RIHousing Credit Committee had several comments upon approval of the draft QAP, including the elimination of TDC caps which was discussed in Comment 1.

- a. **Develop a policy for hybrid (4%/9%) deals and reference hybrid deals in the QAP.**

Staff has prepared a Program Bulletin outlining requirements for hybrid transactions and added language to the QAP referencing these requirements. The requirements will also be included in the Developer’s Handbook. Two requirements of note are:

- To the extent feasible, units must be prorated across each project (tranche) by bedroom size based on the percentage of unit sizes in each tranche (e.g., all the 1-bedroom units cannot be in one project, while 2-bedroom units are in the other project).
- The gap funding request (i.e., non-equity) must be used primarily to support the development of the affordable units, not the market rate units.

- b. **Given the disproportionate number of one- and two-bedroom units approved over the past several years, consider points for larger bedroom units**

Staff agrees that the scoring as currently written appears to disincentivize larger units, and while demographic data suggests that families are getting smaller, developers have conveyed that they have long waiting lists for three-bedroom units and larger. We also note that the Massachusetts QAP requires at least 10% of the units in a development to have three bedrooms. Therefore, we have added points for the provision of larger bedroom units.

- c. **Look at mixed income deals and the amount of subsidy per affordable unit**

The Credit Committee had concerns that in certain situations it appears that market rate units are not wholly self-sustaining and are being partially subsidized with the gap financing allocated to the affordable units. Therefore, as noted in Comment 3(c) language has been added to address this concern.

In closing, Ms. Berman said that a blacklined copy of the draft Plan and a clean copy of the final proposed 2023 QAP were included as part of the August 18, 2022 Board of Commissioners package.

Following the presentation, Vice Chairman Thorsen asked for a motion and a second for Approval of the Final 2023 Qualified Allocation Plan (QAP).

A motion was duly made by Commissioner Orth and seconded by Commissioner Barry.

Vice Chairman Thorsen then invited Commissioner Orth, Chairman of the Credit Committee to share comments addressed at the meeting regarding the revisions to the QAP.

Commissioner Orth expressed his appreciation to Ms. Berman and thanked staff for the wholesome and thoughtful conversations held not only during the public comment period, but through discussions with developers and recommendations from the Credit Committee. The Commissioner applauded staff for actively listening to the comments presented and consideration of the suggestions.

Commissioner Orth said that the Credit Committee spent time evaluating and assessing the merit of total development costs. Staff and the Committee deliberated on the concept and agreed that it's advantageous to keep that guideline but increase the total cap. Especially with the constricted labor market and increasing costs, establishing a higher level is prudent. However, that does not mean that developers should strive to those caps. In that effort, staff has incentivized developers to keep costs down.

Commissioner Orth said that the Committee also considered the situation of smaller sized units such as studios and one-and two-bedroom apartments and the need for larger, three-bedroom units. Developers have conveyed that they have observed a need for three-bedroom and larger units and staff has taken that into consideration by allocating additional points for larger units.

The Committee also took a few moments reviewing previous transactions to evaluate various components of the financing structure. Many of the recently funded projects incorporated mixed income units and though those units convey a high public value, the Committee wanted to ensure that the Corporation is not subsidizing market rate units but that the resources are targeted for the development of affordable units. Commissioner Orth felt that instituting a cap would be beneficial for the Corporation.

Vice Chairman Thorsen commended the vigorous process involved in evaluating the QAP and said he is confident that that the Plan is solid. He also thanked staff for their work.

There being no other comments, Corinne Myers, General Counsel, conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Ms. Myers then announced that the following resolution was unanimously adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the Governor as the Tax Credit Allocating Agency for the State of Rhode Island (the “State”);

WHEREAS, the Revenue Reconciliation Act of 1989, as amended, requires tax credit allocating agencies to allocate low-income housing tax credits (“LIHTC”) according to a Qualified Allocation Plan (the “Plan”);

WHEREAS, the Plan must establish priorities and criteria for allocating the tax credits that best meet the housing needs of residents of the State of Rhode Island and must be adopted pursuant to a public hearing and comment period; and

WHEREAS, housing needs for the State of Rhode Island have been established pursuant to the Rhode Island Consolidated Plan: 2020-2024 and are incorporated into the 2023 Qualified Allocation Plan (the “2023 Plan”).

NOW, THEREFORE, BE IT:

RESOLVED, that RIHousing adopt the 2023 Plan for the State of Rhode Island in substantially the form attached hereto at Attachment C, and hereby recommends the 2023 Plan be approved and endorsed by the Governor of the State of Rhode Island; and

RESOLVED, that RIHousing develop and distribute a Request for Proposals soliciting applications for 2023 Low-Income Housing Tax Credits pursuant to the 2023 Plan; and

RESOLVED, that the Executive Director, Deputy Executive Director, and Director of Development, each acting singly, be, and hereby are, authorized and empowered and directed to take such action as she or he, in her or his sole discretion, shall deem necessary or desirable to effectuate the foregoing resolutions.

Approval of Engagement of Firms to Conduct Planning Activities for the Youth Homelessness Demonstration Program

Vice Chairman Thorsen invited James Comer, Deputy Executive Director, to give the presentation.

Mr. Comer said the request was the request was for approval to engage Youth in Action (“YIA”) and the Rhode Island Coalition to End Homelessness (“RICEH”) to conduct planning activities associated with the Youth Homelessness Demonstration Program (“YHDP”) awarded to RIHousing in its role as the Collaborative Applicant for the Rhode Island Continuum of Care (“RICoC”). The planning activities will support RIHousing’s administration of YHDP, an initiative of the U.S. Department of Housing and Urban Development (“HUD”) that is charged with addressing and ending youth homelessness.

In September 2021, following application by the RICoC, Rhode Island was selected as a YHDP community. YHDP is an initiative of HUD that aligns with the RICoC’s goal to end Youth

Homelessness. The goal of YHDP is to support selected communities in the development and implementation of a coordinated community approach to prevent and end youth homelessness for young people up to age twenty-five (25). The initial award includes \$3.5M over two years to create a Coordinated Community Plan (“CCP”) and fund the implementation of the plan to end youth homelessness.

In June 2022, RIHousing issued a Request for Proposals (“RFP”) seeking proposals from qualified firms to conduct the following planning activities associated with the YHDP grant as described in the CCP:

1. Support the RICoC’s Youth Action Board (“YAB”)
2. YHDP Lead activities, including oversight of the YHDP operations on behalf of the RICoC and the YAB
3. Training for YHDP Committees and YHDP Provider Agencies on YHDP Guiding Principles and best practices in accordance with the CCP

Two proposals were submitted and reviewed by a selection committee consisting of RIHousing staff. An attachment outlining the scoring and evaluation criteria was provided as part of the August 18, 2022 Board of Commissioners package.

Continuing, Mr. Comer said that at this time staff is recommending funding Youth in Action to continue their work supporting the RICoC YAB and training for YHDP stakeholders on the Guiding Principles and Best Practices in accordance with the CCP (activities 1 and 3). Staff is also recommending funding the Rhode Island Coalition to End Homelessness to conduct YHDP lead activities on behalf of the RICoC and the YAB (activity 2). The engagements are expected to last until September 30, 2023.

Following the presentation, Vice Chairman Thorsen entertained a motion and a second for Approval of Engagement of Firms to Conduct Planning Activities for the Youth Homelessness Demonstration Program.

A motion was duly made by Commissioner Designee Byrne and seconded by Commissioner Dwyer.

There being no discussion, Corinne Myers, General Counsel, then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Ms. Myers then announced that the following resolution was unanimously adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

Whereas: the enabling act of the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) provides the agency with all the powers to make and execute contracts necessary for the exercise of its functions under the Rhode Island Housing and Mortgage Finance Corporation Act, R.I. Gen. Laws §42-55-5(6); and

Whereas: RIHousing was awarded \$137,264.00 in planning funds as part of the \$3.5M Youth Homelessness Demonstration Program (“YHDP”) award; and

Whereas: RIHousing wishes to engage Youth in Action (“YIA”) and the Rhode Island Coalition to End Homelessness (“RICEH”) to assist the agency in the implementation of the Youth Homelessness Demonstration Program (the “Program”) by providing YHDP planning activities; and

Whereas: YIA and RICEH have submitted proposals for the performance of professional services that are acceptable to staff;

NOW, THEREFORE, IT IS HEREBY:

Resolved: that RIHousing be, and hereby is authorized, to engage Youth in Action and the Rhode Island Coalition to End Homelessness for total fees not to exceed \$137,264.00 to provide implementation in support of the Youth Homelessness Demonstration Program; and

Resolved: that the Executive Director, Deputy Executive Director, Chief Financial Officer and Chief Operating Officer, each acting singly, be, and hereby are, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolution, including without limitation the authority to negotiate such terms of the engagement as he or she may determine are in the best interests of RIHousing, to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing.

Approval of FY 2023 Michael S. Van Leesten Memorial Awards Program Funding

Vice Chairman Thorsen remarked that Mr. Comer would also give the presentation for the Michael S. Van Leesten Awards.

Mr. Comer stated that the request was for approval to fund the Fiscal Year 2023 Michael S. Van Leesten Memorial Awards Program. The Michael S. Van Leesten Memorial Awards support students from diverse backgrounds to pursue academic fields or careers related to the housing industry.

This awards program honors the life and work of Michael S. Van Leesten. Born and raised in Providence, Van Leesten was dedicated to improving the lives of Rhode Islanders through his business leadership, civil rights activism, and public service. He was the founder and Executive Director of Opportunities Industrialization Center of Rhode Island, a non-profit offering career coaching, job training, and support for small businesses in urban communities. Van Leesten previously served as the Chairman of RIHousing, and also held leadership positions with the NAACP, Urban League, and the Black Heritage Society.

This awards program consists of a \$5,000 scholarship for a student pursuing building construction or a related field and a \$5,000 scholarship for a student pursuing an academic degree related to the housing field; and a summer fellowship for a student to develop professional experience in housing policy, research and analysis through an in-depth project.

In order to attract a greater number of diverse applicants, RIHousing desires to provide funding to the Rhode Island College Foundation and New England Institute of Technology (the “Institutions”). The Institutions will each create a Michael S. Van Leesten scholarship fund from which to make

awards to eligible students. The Institutions will administer their scholarship applications in the fall, with awards made around November or December 2022.

The funding provided to Rhode Island College Foundation will be assessed a 5% gift fee, in accordance with the Gift Policy as set forth in an attachment to the August 18, 2022 Board package. To ensure that the student receives a \$5,000 scholarship, staff recommends making a donation in the amount of \$5265.00 to the Rhode Island College Foundation.

Staff recommends approval of the funding of the Fiscal Year 2023 Michael S. Van Leesten Memorial Awards Program in partnership with the aforementioned Institutions.

Following the presentation, Vice Chairman Thorsen asked for a motion and a second for Approval of FY 2023 Michael S. Van Leesten Memorial Awards Program Funding.

A motion was duly made by Commissioner Designee Byrne and seconded by Commissioner Barry.

Commissioner Orth commented that he believes the awards were approved earlier in the year. Mr. Comer explained that is correct, but it's a timeline issue for the colleges as they allocate their scholarship awards in September. Therefore, it's a compressed cycle for this year.

Ms. Ventura further elaborated by saying that it's wonderful that the awards are housed with educational institutions. The educational institutions have direct access to the students achieving a greater pool of applicants.

Corinne Myers, General Counsel, then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Ms. Myers then announced that the following resolution was unanimously adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS: Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) created the Michael S. Van Leesten Memorial Awards Program in memory of Michael S. Van Leesten; and

WHEREAS: RIHousing desires to partner with Rhode Island College Foundation and New England Institute of Technology (the “Institutions”) to increase the number of qualified and diverse applicants.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that funding for scholarships under the Michael S. Van Leesten Memorial Awards Program is hereby approved in the amounts and to the Institutions specified at Attachment A.

RESOLVED: that all funds provided hereunder shall be funded out of the FY 2023 budget of RIHousing.

RESOLVED: that the Executive Director and the Chief Strategy and Innovation Officer, 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, including the negotiation of terms and conditions of contracts, instruments, and other documents to effectuate the foregoing.

Attachment A
Proposed FY2023 Michael S. Van Leesten Memorial Awards Program Funding

Institution	Scholarship Funding
Rhode Island College Foundation	\$5,265
New England Institute of Technology	\$5,000

Approval of a Contract for Information Technology Equipment and Services

Vice Chairman Thorsen introduced and invited Lisa Primiano, Chief Operating Office to give the presentation.

Ms. Primiano said the request was for approval of a contract to purchase equipment, installation, and support services from Dell Marketing Limited Partnership to replace the current on-premises Nutanix servers, which are at the end of life. The replacement servers will consist of four Azure Stack HCI servers, a Microsoft product.

In January of 2018, RIHousing purchased Nutanix servers with a life expectancy of four to five years. As RIHousing has significantly expanded its use and reliance of technology and data throughout every business area over the past five years, it is vitally important to business operations to maintain up to date technology equipment and software. The new Azure Stack HCI servers will provide increases in processing speed and memory and have a life expectancy of approximately eight years.

RIHousing is utilizing the State of Rhode Island’s Master Price Agreement–345, Computer Equipment, Peripherals and Related Supplies (“MPA-345”) for this purchase. RIHousing obtained three quotes from vendors authorized to provide servers under MPA-345. A list illustrating the pricing quoted by the individual firms was included as part of the August 18, 2022 Board of Commissioners package.

Dell Marketing Limited Partnership provided the best pricing for the purchase. Pricing includes equipment, data migration, server installation, a 5-year technical service and support contract for hardware and software, and configuration and team training. The contract will also include 4-hour critical emergency response services.

After the presentation, Vice Chairman Thorsen asked for a motion and a second for the Approval of a Contract for Information Technology Equipment and Services

A motion was duly made by Commissioner Dwyer and seconded by Commissioner Designee Byrne.

A brief dialogue followed with Commissioner Dwyer inquiring if staff has explored utilizing cloud based services. Carl Rotella, Director, Information technology confirmed that RIHousing’s platform is primarily cloud based. The Corporation’s information and applications are automatically transferred to cloud servers.

There being no additional comments, Corinne Myers, General Counsel, conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Ms. Myers then announced that the following resolution was unanimously adopted:

**Resolution of the Board of Commissioners
Of Rhode Island Housing and Mortgage Finance Corporation**

Whereas: Rhode Island Housing and Mortgage Finance Corporation’s (“RIHousing’s”) enabling act provides it with all the power and authority to make and execute contracts necessary to exercise the powers and functions provided to it under the act (R.I. Gen. Laws §42-55-5(6)); and

Whereas: Staff of RIHousing has identified a need to replace and upgrade its current end-of-life Nutanix servers with four Azure Stack HCI servers, a Microsoft product; and

Whereas: RIHousing utilized the State of Rhode Island’s Division of Purchases’ Master Price Agreement 345 in accordance with the companion User Guide; and

Whereas: MPA-345 requires State agencies to obtain three bids from the approved vendors; and

Whereas: Dell Marketing Limited Partnership provided the best pricing.

NOW, THEREFORE, IT IS HEREBY:

Resolved: that RIHousing be, and hereby is, authorized to enter into a contract with Dell Marketing Limited Partnership to provide equipment, services and support as set forth in the proposal submitted by Dell Marketing Limited Partnership; and

Resolved: that the Executive Director, Deputy Executive Director, and Chief Operating Officer, 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, including without limitation the authority to negotiate the terms and fees of the engagement as he or she may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.

Approval of Fiscal Year (FY) 2023 Operating Budget

The Vice Chairman stated that RIHousing operates an effective and efficient organization. The budget is a reflection of those endeavors. As there are numerous pandemic recovery initiatives and state fiscal recovery funds to be allocated, the Governor’s office felt it wise to strategically review all options with

RIHousing prior to approving the budget. The Governor's office wants to review the data to determine how State Recovery Funds correlate with RIHousing's budget.

Vice Chairman Thorsen then remarked that the FY 2023 Operating Budget discussion was tabled.

Commissioner Orth asked Vice Chairman Thorsen when he estimates the FY 2023 budget will be presented for the Board's approval.

Vice Chairman Thorsen replied that he believes the budget will be presented for approval at the September board meeting.

There being no further business to discuss, Vice Chairman Thorsen asked for a motion to adjourn the Board of Commissioners meeting. A motion was duly made by Commissioner Designee Byrne and seconded by Commissioner Orth to adjourn the meeting.

Corinne Myers, General Counsel then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to adjourn the meeting.

Ms. Myers then officially announced that the motion to adjourn was unanimously approved. The meeting was adjourned at 10:23 a.m.

Vice Chairman Thorsen then thanked everyone for participating in the Board meeting.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director