

Request for Action
by
Board of Commissioners

Approval of Transfer of Physical Assets for Barbara Jordan I Apartments

1. Summary of Issues

This Request for Action (“RFA”) is for approval of the transfer of the general partnership interest of Barbara Jordan I Apartments (the “Development”), an affordable housing development for families located on scattered sites in Providence.

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.

2. Discussion

Barbara Jordan I is a scattered site development consisting of 193 units in 82 buildings and benefits from a Housing Assistance Payment (“HAP”) contract for all units. The Development was purchased in 2017 by affiliates of Omni America LLC (“Omni”) and subsequently refinanced using tax exempt bonds, existing reserves and low-income housing tax credits. When completed, the final rehabilitation budget was approximately \$75,000 per unit.

The owner of the Development is Barbara Jordan I, L.P. The current general partner of the Development is Barbara Jordan I Developers, LLC, a Rhode Island limited liability company that holds a .01% interest in the partnership. The general partner is co-managed by ONY Barbara Jordan I, LLC and Mill Plain Properties, LLC, both of which are ultimately owned and controlled by Omni Holding Company LLC (the “Transferor”). Currently, the Transferor is owned and controlled by the following individuals and/or entities: (1) Eugene Schneur; (2) Maurice S. Vaughn; (3) Robert Bennett; and (4) Trident Omni Holdings LLC. The Transferor seeks to transfer their general partnership interest to TGA GP HoldCo LLC (the “Transferee”), a Delaware limited liability company and an affiliate of Nuveen Real Estate Group (“Nuveen”).

Nuveen is purchasing the Transferor’s entire portfolio; which consists of 190 developments across multiple states. Nuveen specializes in acquisition, development, and asset management across a diverse portfolio and is controlled by a Board of Managers made up of Pamela West, Nadir Settles and Patrick Li. Prior to the acquisition of the Transferor’s portfolio, Nuveen’s affordable housing portfolio is currently valued at \$3B+ consisting of approximately 20,000 apartment units in 20 states.

The two current investor limited partners in the Development are CREA Barbara Jordan, LLC and CREA SLP, LLC (the “Limited Partners”). There will be no change in the Limited Partners.

The current property manager is Reliant Realty Services, LLC (“Reliant”). Reliant will be purchased by Nuveen, however, the President and senior staff at Reliant will remain. No change in the management agent is contemplated.

3. Recommendation

The attached resolution approving the transfer of the general partnership interest, subject to the conditions contained therein, is recommended for approval.

4. Attachment

A) Resolution

Attachment A

Resolution of the Board of Commissioners of Rhode Island Housing Mortgage and 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, Barbara Jordan I, L.P. (“Borrower”), the owner of Barbara Jordan I Apartments (the “Development”), seeks approval of the transfer of its general partnership interest from Omni Holding Company LLC to TGA GP HoldCo LLC; 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 general partnership interest in the Borrower from Omni Holding Company LLC to TGA GP HoldCo LLC 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. Final confirmation that there are no changes in the property management of the Development;
3. Receipt by RIHousing of evidence that all applicable entities are in good standing with the Rhode Island Secretary of State;
4. Receipt by RIHousing of the Processing Fee, as defined in §3.4 of the TPA Regulations; and
5. 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 Real Estate Development each acting singly, are hereby empowered and directed to

take any and all actions they deem necessary to carry out the foregoing resolutions.