

**Request for Action  
by  
Board of Commissioners**

**Approval of Transfer of Physical Assets (TPA) for  
Cathedral Square II Apartments (Providence)**

1. Summary of Issues

This Request for Action (“RFA”) is for approval of the transfer of ownership interests in Cathedral Square II Apartments (the “Development”), 93 units of housing for elderly and disabled persons located at 491 Westminster Street in Providence.

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, 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

The owner of the Development is Greene Street Associates II Limited Partnership (the “Partnership”). The current general partner is CSAII GP, LLC (the “Current GP”), which holds a .01% interest in the Partnership. The current limited partner is 4 Cathedral Investor, LLC (the “Current LP”), which holds a 99.99% interest in the Partnership. The managing member of the Current GP is Cathedral Development Group, Inc. (“CDG” or the “GP Managing Member”). The members of the Current LP are trusts associated with the principals of GP Managing Member (collectively, the “LP Members”).

The GP Managing Member intends to sell 49% of its interest in the Current GP to RI Portfolio CDG Preservation LLC, an affiliate of Belveron Partners (“Belveron”). Simultaneously, the LP Members intend to sell 49% of their collective interests in the Current LP to RI Portfolio CDG Preservation LLC.

Belveron is a privately held company specializing in affordable housing. Currently, they have an ownership interest in almost 30,000 units in 14 states. According to the application, Belveron has raised more than \$1.2 billion since 2006 to “improve housing opportunities for lower income and working families across the country.” The managing partner of Belveron is Paul Odland, and they have offices in New York, California, and Texas.

The management agent is Property Advisory Group, Inc., a Rhode Island corporation affiliated with the Current GP and Current LP. No change in the management agent is contemplated.

3. Recommendation

The attached resolution approving the transfer of the ownership interests, subject to the conditions contained therein, is recommended for approval.

4. Attachments

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: Greene Street Associates II Limited Partnership (the “Borrower”) seeks approval of the transfer of 49% of the ownership interests in the general partner, CSAII GP, LLC, to RI Portfolio CDG Preservation LLC;

WHEREAS: the Borrower also seeks approval of the transfer of 49% of the ownership interests in the limited partner, 4 Cathedral Investor, LLC, to RI Portfolio CDG Preservation 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 49% of the ownership interests in the general partner of the Borrower, CSAII GP, LLC, to RI Portfolio CDG Preservation LLC be, and hereby is, approved, subject to the following terms and conditions.

RESOLVED: that the transfer of 49% of the ownership interests in the limited partner of the Borrower, 4 Cathedral Investor, LLC, to RI Portfolio CDG Preservation LLC be, and hereby is, approved, subject to the following terms and conditions.

RESOLVED: that each of the foregoing transfers 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 Fee and 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 Real Estate 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 transfers and to take such further actions as he or she shall deem necessary or advisable in connection therewith.