

Rhode Island Housing and Mortgage Finance Corporation
Minutes of the Meeting of the Credit Committee
June 11, 2025

A meeting of the Credit Committee of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Board of Commissioners was held on Wednesday, June 11, 2025, 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 Val Lingasami, Assistant Director of Information Technology, who outlined the parameters of the meeting.

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

Corinne Myers, General Counsel, provided guidance for the meeting. Ms. Myers stated 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 then stated that Committee Chairman Orth would preside over the meeting and requested that any Commissioner or staff member state their name prior to speaking for the benefit of listeners and to mute the phone when not speaking. She then invited Committee Chairman Orth to call the meeting to order.

Committee Chairman Orth introduced himself and officially called the meeting to order at approximately 9:36 a.m. Committee Chairman Orth then invited Ms. Ventura to proceed with the roll call of Commissioners in attendance.

Ms. Ventura conducted a roll call of Commissioners participating in the meeting. Commissioners participating were: Committee Chairman Orth; Sara Cabral, Designee for Elizabeth Dwyer, Director of the Department of Business Regulation; and Rebecca Webber, Designee for Jonathan Womer, Director of the Department of Administration. Deborah Goddard, Secretary of Housing, and Maria Barry were absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara LaChapelle, Chief Financial Officer; Dean Harrison, Assistant Director of Real Estate Development; Seth St. Jean, Senior Development Officer; James Dillon, Real Estate Development Officer; Daniel Pollard, Real Estate Development Officer; Corinne Myers, General Counsel; and Val Lingasami, Assistant Director of Information Technology.

Peter Asen, from the Department of Housing, and members of the public were also present.

The Committee then discussed the following matters.

1. Approval of Minutes of the Credit Committee Meeting Held on May 7, 2025

Committee Chairman Orth asked for a motion and a second for the approval of the minutes of the Credit Committee meeting held on May 7, 2025. A motion was duly made by Commissioner Designee Cabral, seconded by Commissioner Designee Webber.

There being no discussion, Corinne Myers, General Counsel, conducted a voice vote of the Commissioners for the approval of the minutes of the Credit Committee Meeting held on May 7, 2025.

The Commissioners unanimously voted to approve the minutes.

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

VOTED: That the minutes of the Credit Committee Meeting held on May 7, 2025, are hereby approved.

2. Recommendation for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Omni Newark Apartments (Providence)

Committee Chairman Orth announced that Daniel Pollard, Real Estate Development Officer, would give the presentation.

Mr. Dillion summarized a document from the Credit Committee packet, saying that the request was for approval of 2024 and/or 2025 9% Low-Income Housing Tax Credits (“LIHTC”) in an amount not to exceed \$1,338,582 and firm approval of: (i) a RIHousing taxable permanent first mortgage in an amount not to exceed \$1,725,000; (ii) a HOME Investment Partnerships Program loan of \$1,000,000 (the “HOME Loan”); (iii) a Middle Income Program loan of \$985,000 (the “MI Loan”); (iv) a Community Revitalization Program loan in an amount not to exceed \$1,251,861 (the “CRP Loan”); and (v) a Capital Magnet Fund loan in an amount not to exceed \$775,000 (the “CMF Loan”) for Omni Newark (the “Development”), a 52-unit affordable housing development in Providence, Rhode Island. Omni Development Corporation is the developer (the “Developer”).

The Development comprises the new construction of 52 units at 11 Newark Street in Providence. This is a five-story elevator building with four floors of residential units above a ground floor consisting of covered parking and community/commercial space. The Development will consist of 32 one-bedroom and 20 two-bedroom units. Forty-one of the units will be LIHTC units affordable to households with incomes at or below 60% of area median income (“AMI”), and 11 units will be non-LIHTC units and targeted to residents at or below 80% of AMI. The Providence Housing Authority has awarded eight project-based vouchers to the Development.

The Developer intends to meet RNC Tier II and Energy Star 3.1 Version 8 and has also committed to including net metering in the project. Copacity, Inc. (“Copacity”) will provide professional services to the Development by identifying renewable energy solutions and will help the development meet its intended net-zero goals and long-term energy savings. Copacity operates the only affordable housing Virtual Net Metering consortium in Rhode Island, which covers 13,000,000 kWh of renewable energy specifically for affordable housing organizations. The total benefit the Development will receive is a total rebate of \$42,363 or \$815 per unit.

Following preliminary approval, acquisition costs have increased by \$1,400,000 at the syndicator's request to satisfy their tax counsel. The syndicator requires the 'as is' land value of \$1,400,000, as determined by an appraisal, to be added as an acquisition cost to be balanced with a seller take-back loan. Construction costs increased slightly due to changes in construction plans from 50% to 90%, the addition of allowances for historic signage related to the former building at the site, and environmental remediation. Despite the cost increases, the total development cost per unit is \$418,550.

The syndicator is Hudson Housing Capital LLC ("Hudson"). Hudson's investor is Santander Securities LLC. Santander Bank, N.A. will provide the construction loan. Since preliminary approval and at the request of Hudson, the Developer has indicated that they want to surrender the Housing Production Fund Extremely Low-Income Operating Reserve Program ("HPF-ELI") grant previously awarded by RIHousing because of concerns related to the underwritten Net Operating Income. The original HPF-ELI units will remain affordable for families earning up to 30% of AMI.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Omni Newark Apartments (Providence).

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

The Committee acknowledged that the site's historic designation posed challenges, but overall, it remains a strong location for development. Peter Asen from the Department of Housing asked why the developer might surrender the HPF-ELI grant. Mr. Dillon clarified that no final decision has been made. Deputy Executive Director James Comer explained that the syndicator is hesitant to underwrite the subsidy, but staff are working on a solution that could still allow the developer to receive the grant and meet affordability targets.

Committee Chairman Orth confirmed that the developer must still provide units at 30% AMI even without the grant. Seth St. Jean, Sr. RE Development Officer added that the syndicator's main concern is the grant's 15-year compliance period and potential rent gaps, making them favor underwriting to standard 30% rents. The Committee discussed the potential benefits of using Section 8 vouchers instead. Dean Harrison clarified that the compliance affects only three units. Chairman Orth also praised the developer for keeping construction costs low and delivering a zero-energy building.

There being no further questions or comments, Ms. Myers conducted a vote of the Commissioners for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Omni Newark Apartments (Providence) as presented at the meeting.

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Recommendation for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Omni Newark Apartments (Providence) was unanimously approved.

3. Recommendation for Firm Approval of Financing for Park Holm V (Newport)

Committee Chairman Orth informed the Committee that James Dillon, Real Estate Development Officer would present the request.

Recapping a document from the Credit Committee package, Mr. Dillon said that the request was for firm approval of (i) a RIHousing tax-exempt construction loan in an amount not to exceed \$10,900,000, with up to \$2,250,000 remaining as a tax-exempt permanent first mortgage; (ii) a Capital Magnet Fund loan in an amount not to exceed \$999,000 (“CMF Loan”); and (iii) a Housing Trust Fund loan in an amount not to exceed \$1,789,066 (“HTF Loan”) for Park Holm V (the “Development”). The developer is The Housing Authority of the City of Newport, Rhode Island (the “Developer”). The Development received revised preliminary approval from the Board of Commissioners on May 16, 2024 (“Preliminary Approval”).

Park Holm was an existing public housing development for families originally comprised of 262 apartments located in the North End of Newport. This proposed Phase V involves the demolition of 20 units within seven buildings and the construction of 45 units in three new buildings. This last phase will complete the one-for-one replacement of the existing 262 public housing units at Park Holm, which is a requirement of the RIHousing Qualified Allocation Plan (“QAP”).

Upon completion, the Development will consist of 12 one-bedroom, 27 two-bedroom, 2 three-bedroom, and 4 four-bedroom units. Household area median incomes (“AMI”) will range from 30-60% in 44 of the units, with one unit being restricted to 80% of AMI. Forty units will be subsidized through a Section 8 project-based voucher contract from the Developer, and five units will be subsidized through an Annual Contributions Contract.

Since Preliminary Approval, the Developer has selected a general contractor through a competitive bid process and finalized their construction pricing. Construction and related soft costs have decreased by approximately \$2,300,000 between Preliminary and Firm, notwithstanding an increase in contingency up to 10% to guard against the impact of potential tariffs. As a result of the lower development costs, the HOME Investment Partnerships Program Loan of \$1,000,000 has been rescinded and will be made available to another development project.

Like the previous phases, Boston Financial Investment Management will be the syndicator, and its investor is Citizens Bank, N.A (“Citizens Bank”). As such, Citizens Bank will be the initial construction lender, which will delay the issuance of the RIHousing tax-exempt bond loan until 50% construction completion. The capital stack also includes a Public Housing Authority Fund (“PHA Fund”) Loan in the amount not to exceed \$6,750,000, which was approved by the Board of Commissioners on November 20, 2023.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Firm Approval of Financing for Park Holm V (Newport).

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

The Committee discussed the bridge loan test results, noting the proposal passed one test but failed the second, which is common in tax-exempt bond financing. Mr. Harrison explained that risk is reduced since RIHousing won’t enter the construction phase until the project is 50% complete. Committee Chairman Orth emphasized that the bridge loan and equity installment should not exceed

90% of total equity and reiterated the need for balanced sources and uses. Construction costs came in under estimate due to required competitive bidding by the developer.

The Committee then focused on operating expenses. Committee Chairman Orth noted that although rents are high, the developer holds minimal hard debt, suggesting that expenses are outpacing revenue. He recommended improving efficiency to support more debt and ensure RIHousing is reimbursed by year 15. Staff explained that a reserve covers six months of expenses and some development savings can reduce debt. The Committee agreed to set acceptable expense ranges, with staff reviewing them annually. In cases where expenses exceed the range, staff will now provide reasons, such as recent surges in insurance costs.

There being no further questions or comments, Ms. Myers conducted a vote of the Commissioners for Approval Firm Approval of Financing for Park Holm V (Newport).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Firm Approval of Financing for Park Holm V (Newport) was unanimously approved.

4. Recommendation Firm Approval of Second Mortgage Financing for Mount Hope Court Apartments (Providence)

Committee Chairman Orth announced that Seth St. Jean, Senior Real Estate Development Officer, would present the request.

Mr. St. Jean announced that he would report on both the approval of the second mortgage for Mount Hope Court Apartments and the transfer of physical assets for Mount Hope Court Apartments. He then recapped a document from the Credit Committee package stating that the request was for firm approval of a RIHousing second mortgage taxable financing in an amount not to exceed \$1,625,000 for Mount Hope Court Apartments (the “Development”). Cornell Management Corp., whose principals are Stephan and Kevin Baptista, will serve as the developer (the “Developer”).

Mount Hope Court Apartments is a 36-unit family development consisting of 18 townhouse buildings on approximately 2 acres of land in Providence. The units range in size from one to four bedrooms. Originally constructed in 1971, the Development was substantially rehabilitated in 2013 through a LIHTC execution and received tax-exempt financing from RIHousing. The current Low-Income Housing Tax Credits compliance period is in place until October 2028. The property has a Section 8 Housing Assistance Payments contract in place until August 2033, which assists all 36 units.

The Developer has requested the proposed second mortgage financing to facilitate the purchase of the limited partnership interests from the current limited partner, Countryside Corporate Tax Credits XXII Limited Partnership, and the special limited partner, Michel Properties, LLC. Alpin Development, LLC. (“Alpin”), which is affiliated with the Developer, will step in as the new limited partner. The transaction will include payment to the exiting limited partner, as well as payment of accrued asset management and capital transaction fees. The budget also includes an additional operating reserve required to comply with underwriting guidelines, based on the new debt. The current first mortgage will stay in place with a current balance of approximately \$2,199,000. No construction

work is contemplated. The Developer intends to initiate a full refinance with RIHousing once the initial compliance period has ended.

Finally, Mr. St Jean said that staff requests firm approval of an amount not to exceed \$1,625,000 in taxable second mortgage financing, subject to certain conditions.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Firm Approval of Second Mortgage Financing for Mount Hope Court Apartments (Providence).

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

Committee Chairman Orth noted that the gross rents, including utility allowances, exceed the tax credit maximum and questioned whether the cap is based on gross or net rent. Mr. St. Jean clarified that the project has 36 project-based vouchers, and rent increases are expected in August. The Chairman requested that future presentations clearly indicate whether the rents shown are tax credit gross rents, which Mr. St. Jean agreed to do.

There being no further comments, Ms. Myers conducted a voice vote of the Commissioners for Recommendation Firm Approval of Second Mortgage Financing for Mount Hope Court Apartments (Providence).

The commissioners unanimously voted to approve the request.

Ms. Myers then officially stated that the recommendation for Firm Approval of Second Mortgage Financing for Mount Hope Court Apartments (Providence) was unanimously approved.

5. Recommendation for Approval of Transfer of Physical Assets (TPA) for Mount Hope Court Apartments (Providence)

Committee Chairman Orth once again invited Mr. St. Jean to recap the request for the transfer of physical assets for Mount Hope Court Apartment.

Mr. St. Jean said that the request was for approval of the transfer of the limited partnership interest in Mount Hope Court Apartments (the “Development”), a 36-unit development consisting of 18 townhouse buildings located in Providence.

Under 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.

The owner of the Development is Mt. Hope Court Associates, LP (the “Borrower”). The current general partner of the Borrower is SHK Mt. Hope LLC (the “General Partner”), which holds a .01% interest in the partnership. The current investor limited partners in the Borrower are Countryside Corporate Tax Credits XXII Limited Partnership, which holds a 99.99% interest, and Michel Properties, LLC, which is a special limited partner who does not hold a percentage interest

(collectively, the “Transferors”). The Transferors intend to withdraw and sell their partnership interests to Alpin Development, LLC. (“Alpin” or the “Transferee”) for \$1,325,000. The members of the Transferee are Kevin Baptista and Stephan Baptista, who are also the members of the General Partner.

The Development’s 15-year Compliance Period will end on October 31, 2028, and the Transferee has applied to RIHousing for a second mortgage to purchase the limited partnership interests. The Transferee will assume all existing obligations encumbering the Development. The Regulatory Agreement with RIHousing is in effect until September 2053.

The current property manager, Cornell Management Corp., is an affiliate of the Transferee. No change in the management agent is contemplated. Michel Properties, LLC will continue in a limited role to monitor Section 42 compliance for the outgoing investor, including collection and review of annual tax returns and audited financial statements through the 15-year Compliance Period.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Transfer of Physical Assets (TPA) for Mount Hope Court Apartments (Providence).

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

There being no questions, Ms. Myers conducted a voice vote of the Commissioners for Approval of Transfer of Physical Assets (TPA) for Mount Hope Court Apartments (Providence).

The Commissioners voted unanimously to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Transfer of Physical Assets (TPA) for Mount Hope Court Apartments (Providence) was unanimously approved.

6. Recommendation for Approval of Transfer of Physical Assets (TPA) for Babcock Village Apartments (Westerly)

Committee Chairman Orth stated that Mr. Harrison would present the request.

Mr. Harrison informed the Committee that the next five (5) requests are administrative. As the TPAs have been part of RIHousing’s portfolio for a long time, he provided a basic outline of the ownership interests of the transfers.

Mr. Harrison then remarked that the request was for approval of the transfer of ownership interests in Babcock Village Apartments (the “Development”), 151 units of family housing located at 122 and 128 Cross Street in Westerly.

Under 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.

The owner of the Development is New Babson Associates Limited Partnership (the “Partnership”). The current general partner is Affordable Housing Strategies, Inc. (the “Current GP”), which holds a 50% interest in the Partnership. The current limited partner is GK Acquisitions, LLC (the “Current LP”), which holds a 50% interest in the Partnership. The managing member of the Current LP is Cathedral Development Group, Inc., an affiliate of the Current GP.

Transfer I

The Current GP intends to transfer its general partnership interest to Babcock GP, LLC (the “New GP”), which has been formed with the Current GP as its initial sole member (the “GP Managing Member”). The limited partner interest of the Current LP will remain unchanged in this initial transfer, which is being referred to herein as “Transfer I.”

Transfer II

Subsequent to Transfer I, the GP Managing Member intends to sell 49% of its interest in the new GP to RI Portfolio AHS Preservation LLC, an affiliate of Belveron Partners (“Belveron”). Simultaneously, the owners of the Current LP intend to sell 49% of their collective interests to RI Portfolio CDG Preservation LLC, which is also an affiliate of Belveron. This set of transfers will result in Belveron affiliates owning 49% of the New GP and 49% of the Current LP.

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 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, and the property is running well.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Transfer of Physical Assets (TPA) for Babcock Village Apartments (Westerly).

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

There being no questions, Ms. Myers conducted a voice vote of the Commissioners for Approval of Transfer of Physical Assets (TPA) for Babcock Village Apartments (Westerly).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Transfer of Physical Assets (TPA) for Babcock Village Apartments (Westerly) was unanimously approved.

7. Recommendation for Approval of Transfer of Physical Assets (TPA) Cathedral Square II Apartments (Providence)

Mr. Harrison reported on the request.

Mr. Harrison proceeded to say that the request was for approval of the transfer of ownership interests in Cathedral Square II Apartments (the “Development”), 93 units of family housing located at 491 Westminster Street in Providence.

Under 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.

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.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Transfer of Physical Assets (TPA) Cathedral Square II Apartments (Providence).

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

There being no comments, Ms. Myers conducted a voice vote from the Commissioners for Approval of Transfer of Physical Assets (TPA) Cathedral Square II Apartments (Providence).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Transfer of Physical Assets (TPA) Cathedral Square II Apartments (Providence) Awards was unanimously approved.

8. Recommendation for Approval of Transfer of Physical Assets (TPA) for Harris House Apartments (Cranston)

Committee Chairman Orth noted that Dean Harrison would give the presentation.

Mr. Harrison said that the approval was for the transfer of ownership interests in Harris House Apartments (the “Development”), 133 units of housing for elderly and disabled persons located at 28 Harris Avenue in Cranston.

Under 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.

The owner of the Development is Harris House Partners, LP (the “Partnership”). The current general partner is 28 Harris Associates, LLC (the “Current GP”), which holds a .01% interest in the Partnership. The current limited partner is HHP 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, which is also an affiliate of Belveron.

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.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Transfer of Physical Assets (TPA) for Harris House Apartments (Cranston).

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

There being no questions, Ms. Myers conducted a voice vote from the Commissioners for Approval of Transfer of Physical Assets (TPA) for Harris House Apartments (Cranston).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Transfer of Physical Assets (TPA) for Harris House Apartments (Cranston) was unanimously approved.

9. Recommendation for Approval of Transfer of Physical Assets (TPA) for Marvin Gardens Apartments (Providence)

Committee Chairman Orth invited Dean Harrison, Director of Real Estate Development, to give the presentation.

Mr. Harrison remarked that the request was for approval of the transfer of ownership interests in Marvin Gardens Apartments (the “Development”), 121 units of family housing located at 21 Marvin Street in Providence.

Under 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.

The owner of the Development is MG Apartments, LP (the “Partnership”). The current general partner is Marvin Street, LLC (the “Current GP”), which holds a .01% interest in the Partnership. The current limited partner is MG Investor, LLC (the “Current LP”), which holds a 99.99% interest in the Partnership. The Current GP is owned by Cathedral Development Group, Inc. (“CDG”) and the Arthur Kramer Trust (collectively, the “GP Members”). The members of the Current LP are trusts associated with the principals of CDG (collectively, the “LP Members”).

The GP Members intend to sell 49% of their collective interests 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

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Transfer of Physical Assets (TPA) for Marvin Gardens Apartments (Providence).

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

There being no comments, Ms. Myers conducted a voice vote from the Commissioners for Approval of Transfer of Physical Assets (TPA) for Marvin Gardens Apartments (Providence).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Transfer of Physical Assets (TPA) for Marvin Gardens Apartments (Providence) was unanimously approved.

10. Recommendation for Approval of Transfer of Physical Assets (TPA) for Greenwood Terrace Apartments (Warwick)

Mr. Harrison recapped that the request was for approval of the transfer of ownership interests in Greenwood Terrace Apartments (the “Development”), 93 units of family housing located at 2426 Post Road in Warwick.

Under 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.

The owner of the Development is Greenwood Apartments, LP (the “Partnership”). The current general partner is Greenwood GP, LLC (the “Current GP”), which holds a .01% interest in the Partnership. The sole member of the Current GP is Cathedral Development Group, Inc. (the “GP Managing Member”). The current investor limited partner is Countryside Corporate Tax Credits XXV Limited Partnership (the “Current LP”), which holds a 99.98% interest in the Partnership. In addition, Michel Properties, LLC is a Special Limited Partner (the “Special LP”), which does not hold a percentage interest, and there are three Class A Limited Partners that hold a collective .01% interest (the “Class A Partners”).

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”), and the Class A Partners intend to sell their collective interest to Belveron RI Tax Credit Member, LLC (“Belveron TCM”). These two transfers will result in Belveron affiliates owning 49% of the Current GP and a .01% Class A limited partnership interest.

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. No change in the management agent is contemplated.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Transfer of Physical Assets (TPA) for Greenwood Terrace Apartments (Warwick).

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

There being no comments or questions, Ms. Myers conducted a voice vote from the Commissioners for Approval of Transfer of Physical Assets (TPA) for Greenwood Terrace Apartments (Warwick).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Transfer of Physical Assets (TPA) for Greenwood Terrace Apartments (Warwick) was unanimously approved.

11. Recommendation for Approval of Fund Transfer for the Preservation Loan Program

Committee Chairman Orth invited James Comer, Deputy Executive Director, to give the presentation.

Mr. Comer summarized a document from the Credit Committee packet stating that the request was for approval of a transfer of funds in the amount of \$4,000,000 from RIHousing to the Affordable Housing Trust Fund for purposes of increasing the funding for the Preservation Loan Program (the “PLP”). The PLP 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 funded by RIHousing.

RIHousing has approximately 15,000 affordable apartments in its portfolio. In addition, more than 1,500 affordable residential homes have been financed under the state’s HOME Investment Partnerships Program. Many of these developments were constructed and rehabilitated in the 1990s and are beyond their initial 15-year tax credit compliance term. Several developments lack adequate reserves to conduct necessary improvements to ensure residents are housed in a safe and healthy environment. Thus, there is a need to upgrade these affordable apartments and homes to meet health and safety standards, make necessary capital improvements, and address physical deterioration due to wear and tear.

In 2018, RIHousing allocated \$10,000,000 for the PLP, and since then, applications have been accepted on a rolling basis. Based on the current projects in the pipeline and preliminarily approved by staff, the current funding for the PLP will be exhausted this month. This request will replenish the PLP for future applications.

Staff recommends the approval to authorize a transfer of funds in the amount of \$4,000,000 to finance the Preservation Loan Program, which was more particularly described in the draft program guidelines that were included as part of June 11, 2025, Credit Committee package.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Fund Transfer for the Preservation Loan Program.

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

Committee Chairman Orth asked about upcoming financing deals, and Mr. Comer and Mr. Harrison confirmed several applications are ready for funding. These developments rely on an infusion of funds, which were budgeted for future years. Although the funds were not part of the original budget, Kara Lachapelle explained that staff regularly review and adjust the budget to meet current needs. Chairman Orth emphasized the importance of reviewing projected operating income and having broader discussions about funding priorities before allocations are made.

Mr. Comer noted that RIHousing has a five-year Production Plan, and although the current request reflects higher-than-expected demand, funds have been budgeted accordingly. The program is

managed through a Trust that generates earnings and collects loan repayments. Committee Chairman Orth and others agreed on the need for a clearer roadmap of funding priorities, particularly as demand shifts. Ms. Ventura proposed—and Orth supported—a Board presentation on the 5-year Production Plan to better understand how funds are allocated and what trade-offs are involved. The presentation will take place at the June Board meeting.

There being no other comments, Ms. Myers conducted a voice vote from the Commissioners for Approval of Fund Transfer for the Preservation Loan Program.

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Fund Transfer for the Preservation Loan Program was unanimously approved as presented at the meeting.

12. Recommendation for Approval of Proposed 2026 Qualified Allocation Plan (QAP)

Committee Chairman Orth once again invited James Comer, Deputy Executive Director to give the presentation.

Mr. Comer said that Pursuant to the Revenue Reconciliation Act of 1989, each low-income housing tax credit (“LIHTC”) allocating agency must adopt a Qualified Allocation Plan (the “Plan” or “QAP”) that establishes the priorities and criteria for both allocating and monitoring LIHTCs. The allocating agency must conduct a public hearing and a subsequent public comment period on the Plan prior to the Plan being finalized and presented to the Governor for approval.

RIHousing has administered the LIHTC program in Rhode Island under a Plan that was first adopted in January 1990. The Plan was last amended in August 2024. The 2026 Plan is being adopted as a guidance document in accordance with the Rhode Island Administrative Procedures Act. Rather than being filed with the Office of the Secretary of State, the Plan will be immediately available on the RIHousing website.

Staff have proposed the changes summarized below to the following sections of the Plan. The changes seek to amplify and explain our goals and procedures.

SECTION	CHANGE	REASON
Throughout Plan	Ministerial changes	Updates for current year
Section I(B) (Page 8)	Revised small state minimum	Update for current year
Section I (C)(2) (Page 10)	Modify state criteria to include draft Housing 2030 plan goals	Align QAP with state policy
Section I (C)(3) (Page 11)	Modify state criteria to include draft Housing 2030 plan goals and updated National Low-Income Housing Coalition report results	Align QAP with state policy and update based on newer data

Section I (H) (Page 18)	Update terminology for people experiencing homelessness	Modernization
Section I(J) (Page 18)	Clarify MBE/WBE participation provision	Align with regulation
Section II (B) (Page 24)	Update reference to the current RI Consolidated Plan and add reference to the Housing 2030 plan	Align QAP with state policy
Section III (Page 26)	Modify priority to align with Housing 2030 plan	Align QAP with state policy
Section III (Page 27)	Correct reference to extremely low-income households	Correct reference to households with incomes at or below 30% area median income
Section III (Page 27)	Modify “reasonable cost” to “cost effectively” and remove \$450,000 “upper limit.”	Opens up the opportunity to introduce cost caps
Section III (Page 27)	Adds a total development cost cap among the Threshold Criteria	Increase focus on cost containment
Section III(A)(2) (Page 29)	Add feasibility of capital stack to financial feasibility criteria	Gives reviewer the ability to better evaluate proposed transaction based on existing resources
Section III(B) (Page 32)	Updates scoring and point allocation summary	Update of the summary based on changes in the overall scoring and scoring categories
Section III(B) (Page 36)	Updates to the list of extraordinary conditions to the TDC calculation	Expands the list of extraordinary conditions based on current environment
Section III(B) (Page 37)	Adds reference to RIH-ELI program	Expands the list of examples
Section III(B) (Page 37)	Changes General Points to Incomes/Populations Served	Better identification of policy goal
Section III(B) (Page 37)	Clarifies that only newly constructed units are eligible for the 3+ bedroom points	Clarification
Section III(B) (Page 39)	Adds points for additional accessible units above minimum required	Incentivizes creation of additional accessible units

Section III(B) (Page 39)	Moves the incentive for mixed income units into the “Incomes/Populations Served” category	Better identification of policy goal
Section III(B) (Page 39)	Moves the incentive for provision of resident services into the “Incomes/Populations Served” category	Better identification of policy goal
Section III(B) (Page 40)	Creates a distinct “Promoting RI Workforce/Permitting” category	Better identification of policy goal
Section III(B) (Page 41)	Moves the points and criteria for community-based nonprofits	Better identification of policy goal
Section III(B) (Page 42)	Elimination of the Comprehensive Community Development Section	Retained criteria moved into newly named categories
Section III(B) (Page 42)	Deletion of stand-alone transit points for development located near bike paths, transit or with high walk scores	Proximity to transit is included in Housing 2030 geographic priorities, and is now incorporated in the Community point section
Section III(B) (Page 44)	Deletion of points for developments in a Qualified Census Tract	Removed to balance the urban/suburban scoring metric under proposed revisions
Section III(B) (Page 42)	Deletion of points for Health Equity Zone Partnerships	Hard to enforce once a development is approved; does not seem to be a priority
Section III(B) (Page 43)	Deletion of points for Crime Prevention through Environmental Design	CPTED design criteria are now standard
Section III(B) (Page 44)	Deletion of points for additional public engagement over and above municipally mandated	Difficult to measure and overly burdensome for the developer
Section III(B) (Page 44)	Deletion of points for low-cost broadband	State broadband access is improving overall with federal investments; Hard to enforce once a development is approved
Section III(B) (Page 45)	Modifies the Community scoring criteria to align with Housing 2030 plan to encourage development in “Modest Growth or Strategic Growth communities”	Align QAP with state policy

Section III(B) (Page 46)	Deletion of points for rehabilitation of vacant foreclosed property	No longer a pressing issue
Section III(B) (Page 46)	Move the points for Graduation Rates into the Community Section	Better identification of policy goal
Section III(B) (Page 46-48)	Change the section title from Efficiency to Sustainability and update criteria based on current programs	Better identification of policy goal and general updates
Section III(B) (Page 49)	Add negative points for developers who receive points for specific QAP incentives but do not include these items in their final scope of work	Penalize developers on future projects when not able to deliver what they promised to undertake in order to achieve a high application score
Section III(C) (Pages 50-54)	Elaboration on the updated criteria and point categories	Additional explanation and detail to assist applicants understanding of Plan priorities

Staff held three (3) meetings with stakeholders to discuss, among other things, continued challenges with the cost of construction and cost drivers, incentivizing more accessible units, MBE/WBE flexibility, better alignment of the Plan with state priorities, community needs, and scoring categories and point allocation. In general, total development costs, fluctuating interest rates, and continued increases in construction costs continue to be a challenge for developers. Staff also requested comments on the proposed changes directly from the Rhode Island Department of Housing. A blacklined copy of the proposed Plan was included as part of the June 11, 2025, Credit Committee packet.

The 2026 Plan will become final upon (i) the expiration of the public comment period; (ii) final approval by the Board of Commissioners of the 2026 Plan (including any changes reflective of public comments received and/or comments from the Credit Committee); (iii) approval by the Governor; and (iv) posting to the RIHousing website.

The public comment period will begin on or about June 20, 2025. A public hearing will be held following the publication of the proposed 2026 Plan, with final submission to the Board of Commissioners expected in August 2025.

Mr. Comer provided details of the most important changes to the plan, noting that many of the changes were administrative. He emphasized that a lot of the changes to language were discussed with the Department of Housing to align the QAP with the Governor's 2030 Housing Plan. He thanked the Secretary of Housing and Peter Asen for their contributions.

The Committee discussed HUD's new Fair Housing rules and affirmed staff have thoroughly reviewed the Plan for compliance with federal regulations and state law. General Counsel Myers confirmed staff's adherence and noted that any changes to state MBE/WBE rules should be communicated promptly. Commissioner Designee Webber agreed to consult with the state legal department on any

updates. The Committee also explored whether certain disadvantaged business designations remain relevant federally and requested further research.

The group addressed the total development cost cap, especially for mixed preservation/new construction projects, debating whether to score these components separately to avoid unfair penalties. Staff supported encouraging larger projects and separating costs where appropriate. Rollover debt was discussed, with consensus to remove it from the Plan unless extraordinary circumstances arise. Points criteria for mixed-income units and service provisions were reviewed; the Committee suggested reducing points for services due to high costs, but recognized their importance in line with the Governor's 2030 Housing Plan. Emphasis was placed on building partnerships to manage service costs effectively. Lastly, the Committee recommended reviewing provisions about Continued Growth communities and qualified census tracts to ensure alignment with state goals and that no priorities are overlooked, with staff committed to verifying related Plan sections.

Following the discussion, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Proposed 2026 Qualified Allocation Plan (QAP) as discussed at the meeting and with recommended changes.

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

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for the Approval of Proposed 2026 Qualified Allocation Plan (QAP) as discussed at the Credit Committee meeting was unanimously approved.

13. Discussion:

a. Pipeline Report:

Mr. Harrison briefly stated that all is going well. The Village at Manville closed that month, and staff have a few more in the pipeline that will be closing shortly. Development is also working on the other projects approved at the May meeting, hoping to bring those for firm approval to the Board in September or October.

No votes were taken on this item.

Adjournment

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

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

The Commissioners unanimously voted to adjourn the meeting at approximately 10:48 a.m.

In closing, Committee Chairman Orth thanked everyone for participating.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director