

Rhode Island Housing and Mortgage Finance Corporation
Minutes of the Meeting of the Credit Committee
May 7, 2025

A meeting of the Credit Committee of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Board of Commissioners was held on Wednesday, May 7, 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 9:31 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; Deborah Goddard, Secretary of Housing; 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. Maria Barry was absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara LaChapelle, Chief Financial Officer; Anne Berman, Director of Real Estate Development; Dean Harrison, Assistant Director of Real Estate Development; Michael DiChiaro, Director, Leased Housing and Rental Services; Trevor Cain, Real Estate Development Officer; Antonio Giordano, Real Estate Development Officer; Daniel Pollard, Real Estate Development Officer; Corinne Myers, General Counsel; and Val Lingasami, Assistant Director of Information Technology.

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 February 10, 2025

Committee Chairman Orth asked for a motion and a second for the approval of the minutes of the Credit Committee meeting held on February 10, 2025. A motion was duly made by Commissioner Designee Webber, seconded by Commissioner Designee Cabral.

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 February 10, 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 February 10, 2025, are hereby approved.

b. Approval of Minutes of the Credit Committee Meeting Held on April 9, 2025

Committee Chairman Orth asked for a motion and a second for the approval of the minutes of the Credit Committee meeting held on April 9, 2025. A motion was duly made by Chairwoman Goddard and seconded by Committee Chairman Orth.

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 April 9, 2025.

The Commissioners voted to approve the minutes with four (3) votes in favor, Commissioner Designee Cabral 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 Credit Committee Meeting held on April 9, 2025, are hereby approved.

2. Recommendation for Approval of Recission of Low-Income Housing Tax Credits (LIHTC) and Revised Preliminary Approval of Financing for School Street Apartments (Central Falls)

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

Prior to the presentation, Anne Berman explained that after the Board approved 9% tax credits for the School Street project, staff found that using 4% credits would generate more funding and need less subsidy. As a result, they're switching to 4% credits so the 9% credits can be used for another project.

Mr. Dillion summarized the following document included with the meeting materials, which was a request was for the rescission of a previous reservation of Low-Income Housing Tax Credits (LIHTC); (ii) preliminary approval of a RIHousing tax-exempt loan in an amount not to exceed \$15,000,000, of which up to \$3,100,000 will remain as a permanent first mortgage; and (iii) revised preliminary approval of a Housing Production Fund loan in an amount not to exceed \$4,683,307 (the “HPF Loan”) for School Street Apartments (“School Street” or the “Development”). Central Falls Affordable Housing Corporation (the “Developer”) is the developer.

At the April 17, 2025, RIHousing Board of Commissioners meeting, the Development was awarded 9% LIHTC, permanent taxable financing, and several sources of ancillary financing for the construction of School Street Apartments, a six-story 58-unit building for families earning up to 60% of area median income (“AMI”) (“Preliminary Approval”). There will be 11 one-bedroom, 25 two-bedroom, and 22 three-bedroom units upon completion, and 12 units will be reserved for households earning up to 30% of AMI. The improvements will feature a mail room, shared laundry, a community room, and a social service space. A Central Falls Police Substation will be located on-site.

Following Preliminary Approval, additional due diligence revealed that School Street could be developed using tax-exempt bonds and 4% LIHTC rather than 9% LIHTC. By converting to a 4% tax-exempt structure, the Developer can raise more LIHTC equity because there is no cap on the eligible basis or credit eligibility.

This rescission and modification will allow RIHousing to allocate the previously awarded 9% LIHTC to another development project and to reduce the Housing Production Fund loan by \$1,804,445. Other than the financing modifications contemplated herein, there are no other changes to the proposed School Street project.

The revised capital stack is comprised of the following sources: (i) a tax-exempt construction to permanent first mortgage; (ii) equity from the sale of 4% LIHTC; (iii) the revised HPF Loan; (iv) a previously preliminarily awarded Capital Magnet Fund Loan; (v) a previously preliminarily awarded HOME-ARP Loan; (vi) a previously preliminarily awarded Housing Trust Fund Loan (vii) equity from the sale of State LIHTC; and (viii) a Deferred Developer Fee.

In closing, Mr. Dillion said that staff recommends approval providing for (i) rescission of the reservation of 9% LIHTC; (ii) preliminary approval of a tax-exempt loan in an amount not to exceed \$15,000,000, of which \$3,100,000 would remain as a permanent first mortgage; and (iii) revised preliminary approval of a Housing Production Fund loan in an amount not to exceed \$4,683,307 for School Street Apartments, subject to certain conditions.

A discussion ensued regarding a bridge loan policy issue; the benefits of restructuring the deal using 4% tax credits; the availability of State LIHTC; and cost changes.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Rescission of Low-Income Housing Tax Credits (LIHTC) and Revised Preliminary Approval of Financing for School Street Apartments (Central Falls).

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

There being no further questions or comments, Ms. Myers conducted a vote of the Commissioners for Approval of Recission of Low-Income Housing Tax Credits (LIHTC) and Revised Preliminary Approval of Financing for School Street Apartments (Central Falls) as presented at the meeting.

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Recommendation for Approval of Recission of Low-Income Housing Tax Credits (LIHTC) and Revised Preliminary Approval of Financing for School Street Apartments (Central Falls) was unanimously approved.

3. Recommendation for Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Preliminary Approval of Financing for Penny Lane (Warren)

Committee Chairman Orth informed the Committee that Antonio Giordano, Real Estate Development Officer, would present the request.

Mr. Giordano summarized the following document included with the meeting materials, which was a request was for approval of a reservation of 2025 and/or 2026 9% Low-Income Housing Tax Credits (“LIHTC”) in an amount not to exceed \$1,200,000 and preliminary approval of (i) a RIHousing taxable permanent first mortgage loan in an amount not to exceed \$2,750,000; and (ii) a Housing Production Fund loan in an amount not to exceed \$2,700,000 (the “HPF Loan”) for Penny Lane (the “Development”), a 40-unit rental housing development to be located in Warren, RI. East Bay Community Development Corp. is the developer (the “Developer”).

Penny Lane will be completed utilizing a traditional neighborhood design with closely spaced houses connected by a pedestrian-friendly streetscape and green spaces. The Development will include 40 units for families with incomes at or below 60% of the area median income (“AMI”). The Warren Housing Authority has set aside eight Project-Based Vouchers for residents at or below 30% of AMI. Two units of the proposed 40 units will be designed to be handicapped accessible. The units range in size from one to three bedrooms. A small community building housing a common laundry room, property management office, and mailboxes will also be constructed. This neighborhood design was successfully implemented by the Developer at two locations in Barrington over the past 15 years.

The Developer submitted their proposal in response to the Request for Proposals issued by RIHousing in December 2024. The Funding Committee, which is comprised of senior staff, a member of the RIHousing Board of Commissioners, and the Secretary of Housing, awarded the Development the fourth highest score in the 2025 9% LIHTC round based on the strength of the application and the criteria outlined in the State of Rhode Island 2025 Qualified Allocation Plan (“QAP”). This proposed LIHTC allocation for Penny Lane is available due to a modified funding approval for another project that returned its 2025 LIHTC allocation.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Preliminary Approval of Financing for Penny Lane (Warren).

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

Commissioner Designee Webber asked if the 9% tax credits from School Street were reallocated to Penny Lane, and Mr. Giordano confirmed they were. Chairwoman Goddard asked about the closing timeline, and Ms. Berman said likely next year. Chairwoman Goddard suggested planning earlier to lock in costs, and Ms. Ventura agreed, noting the need for predevelopment support, especially for smaller developers.

There being no further questions or comments, Ms. Myers conducted a vote of the Commissioners for Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Preliminary Approval of Financing for Penny Lane (Warren).

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Preliminary Approval of Financing for Penny Lane (Warren) was unanimously approved.

4. Recommendation for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Center City Apartments Phase I

Committee Chairman Orth announced that Trevor Cain, Real Estate Development Officer, would present the request.

Mr. Cain summarized the following document included with the meeting materials, which was a request for firm approval of the reservation of up to \$1,625,000 of 2024 and/or 2025 Low-Income Housing Tax Credits (“LIHTC”) and firm approval of: (i) a RI Housing taxable first mortgage loan in an amount up to \$5,300,000; (ii) a Capital Magnet Fund (“CMF”) Loan in an amount not to exceed \$999,000; (iii) a HOME-American Rescue Plan Program (“HOME-ARP”) Loan in an amount not to exceed \$2,000,000; (iv) a Development of Affordable Housing 2 Program (“DAH-2”) Loan in an amount not to exceed \$2,006,861; and (v) Community Revitalization Program (“CRP”) funding in an amount not to exceed \$993,139 for Center City Apartments Phase I (“CCA Phase I” or the “Development”), a 95-unit rental housing development to be located in East Providence. Olneyville Housing Corporation d/b/a ONE Neighborhood Builders is the developer (“ONENB” or “Developer”) and is working in conjunction with the other members of the Taunton Avenue Collaborative (the “Collaborative”) on this project. The Development received preliminary approval from the Board of Commissioners on May 16, 2024 (“Preliminary Approval”).

The Collaborative is a partnership among four effective and respected nonprofit organizations serving Rhode Islanders in need. Collaborative members acknowledged that the extent of the affordable housing crisis limits their individual impact. Thus, they are leveraging their combined expertise and capacity to create affordable apartments at CCA Phase I. ONENB is the project sponsor, developer, majority owner, and managing member of the borrower entity. Crossroads Rhode Island, Family Service of Rhode Island, and Foster Forward will provide social services for a portion of the residents at CCA Phase I, and each has a minority stake in the borrower entity as non-managing members. Crossroads Rhode Island will primarily provide housing-based case management to residents who have recently experienced homelessness. Family Service of Rhode Island is a multi-faceted provider of health and human services and will provide residents with an array of home, community, and office-

based services and support. Foster Forward will provide housing-based case management to residents who are youth leaving foster care and/or youth who have recently experienced homelessness.

CCA Phase I is the first phase of a larger development that the Collaborative intends to develop on a three-acre blighted site on Taunton Avenue in East Providence. The allocation of 9% LIHTC contemplated herein will result in 95 new units at 330 and 350 Taunton Avenue, consisting of 41 newly constructed units (330 Taunton Avenue) and 54 rehabilitated units in an existing building (350 Taunton Avenue).

Since Preliminary Approval, costs have increased by more than \$4,200,000. While some soft costs have increased, this increase is primarily attributable to a \$3,200,000 increase in hard costs and contingency due to final scope development, including all site and civil drawings, materials cost increases, and concerns of future tariff implications. The site requires significant soil and water containment work, and extensive civil and geotechnical engineering is needed. In addition, the acquisition cost allocated to CCA Phase I was increased to reflect the current appraisal. The construction lender has also required a higher interest reserve and operating and replacement reserves. In addition, the final LIHTC credit pricing dropped from \$0.92 to \$0.91.

To address these cost increases, the Developer has employed several strategies, including value engineering, resulting in changes to the façade materials, refining the scope of soil removal, and several other design changes. The first mortgage has also been increased as a result of higher rents, and the Developer has elected to defer the additional developer fee. In addition, the Developer is requesting the reallocation of certain resources from a future Phase II that was to be financed with tax-exempt bonds and 4% LIHTC and which also received Preliminary Approval in May 2024 (“CCA Phase II”). Specifically, the Developer has requested that Building Homes Rhode Island (“BHRI”) and Emergency Rental Assistance 2 (“ERA2”) funding sources allocated to CCA Phase II be reallocated to CCA Phase I. ONENB has received approval from the Rhode Island Housing Resources Commission (“HRC”) to reallocate \$1,000,000 in BHRI funding, and the reallocation of ERA2 funding is under review with the State.

CCA Phase I will utilize income averaging, allowing all 95 units to be fully affordable to households with incomes at or below 80% of the area median income (“AMI”). Of the 95 units, 31 will be affordable to households with incomes at or below 30% of AMI, 31 will be affordable for households with incomes at or below 60% of AMI, and 33 will be affordable to households with incomes at or below 80% of AMI. Bedroom sizes range from efficiency to three-bedroom.

The syndicator is National Equity Fund (“NEF”), which is paying \$.91 per credit. The investor is Bank of America, N.A. (“BOA”), which will also be the construction lender.

Staff recommends firm approval of a reservation of an amount not to exceed \$1,625,000 of 2024 and/or 2025 9% LIHTC and firm approval of (i) a first mortgage taxable loan in an amount not to exceed \$5,300,000; (ii) a CMF Loan in an amount not to exceed \$999,000; (iii) a HOME-ARP Loan in an amount not to exceed \$2,000,000; (iv) a DAH-2 Loan in an amount not to exceed \$2,006,861; and (v) a CRP Loan in an amount not to exceed \$993,139 for Center City Apartments Phase I, subject to certain conditions.

Ms. Ventura introduced Peter Chapman, the newly appointed President of ONENB, and Michelle Bleau, ONENB Director of Housing.

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

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

Chairwoman Goddard raised concerns about rising project costs from approval to closing and suggested revisiting the issue. Committee Chairman Orth agreed and questioned whether demolition was considered instead of renovation. Staff explained demolition wouldn't avoid rising costs due to materials, environmental issues, and efficiency standards. The Committee discussed whether developers are padding costs due to tariff uncertainty, and Chairwoman Goddard preferred that any cushion be built into financing. Staff confirmed they are not approving large cost increases and are carefully reviewing contract escalation clauses. Chairwoman Goddard called for discipline and documentation, and staff confirmed they agree with the need for diligence.

There being no further comments, Ms. Myers conducted a voice vote of the Commissioners for Recommendation for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Center City Apartments Phase I.

The commissioners unanimously voted to approve the request.

Ms. Myers then officially stated that the recommendation for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for Center City Apartments Phase I was unanimously approved.

5. Recommendation for Approval of ERA2-Predevelopment Program Funding Awards

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

Mr. Harrison summarized the following document included with the meeting materials regarding the ERA2-Predevelopment Program ("ERA2-PD"). ERA2-PD is one subpart of the ERA2 Supplemental Development Financing Program (the "ERA2 Development Program"), which is funded through the American Rescue Plan Act of 2021 for the predevelopment, acquisition, and production and/or rehabilitation of affordable housing for households with incomes at or below 50% of area median income ("AMI"). RIHousing was authorized by the State of Rhode Island to implement and administer the ERA2 Development Program using approximately \$15,000,000 in funds to be allocated across the ERA2-Production, ERA2-PD, and ERA2 Site Acquisition programs as demand necessitates. As of May 2025, approximately \$383,000 in ERA2 Development Program funding is available for award.

In November 2024, RIHousing issued a rolling Request for Proposals ("RFP") for ERA2 Development Program funding from qualified applicants. Applicants could apply for ERA2-Production, ERA2-PD, or ERA2-Site Acquisition funding. In response, RIHousing received nineteen proposals requesting approximately \$24,984,502 in ERA2 Development Program funds, including \$750,000 in ERA2-PD funding.

All ERA2-PD applications were reviewed by Development Division staff in accordance with the published Program Guidelines. The most critical elements in the Program Guidelines include:

- Costs must have been incurred after January 1, 2024 and the funds must be expended by September 30, 2025;
- ERA2-PD funding may only be used to support the pro rata cost for the 50% AMI component of a project;
- For projects with units above 50% AMI, the developer must identify the remaining funds that will be used to finance the balance of the predevelopment costs; and
- All projects funded under ERA2-PD must conform to and meet the requirements of either the LIHTC or HOME Program, though they are not required to utilize funding from either of those programs.

RIHousing staff recommends approval of ERA2-PD funding for one proposal in the amount of \$133,909. The recommended award was described in an attachment that was included as part of the May 7, 2025, Credit Committee package. The ERA2-PD award will fund approximately 33 units restricted for households with incomes at or below 50% of AMI.

Following the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of ERA2-Predevelopment Program Funding Awards.

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

Committee Chairman Orth asked if ERA2 funds would help move a project forward that didn't qualify for 9% credits. Deputy Director Comer confirmed and said the developer has recently met with RIHousing and the Department of Housing to create a plan to address lender concerns. Chairwoman Goddard confirmed this.

There being no other questions, Ms. Myers conducted a voice vote of the Commissioners for Approval of ERA2-Predevelopment Program Funding Award.

The Commissioners voted to unanimously approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of ERA2-Predevelopment Program Funding Awards was unanimously approved.

6. Recommendation for Approval of ERA2-Site Acquisition Program Funding Awards

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

Mr. Harrison summarized the following document included with the meeting materials regarding the ERA2-Site Acquisition Program ("ERA2-SAP"). ERA2-SAP is one subpart of the ERA2 Supplemental Development Financing Program (the "ERA2 Development Program"), which is funded through the American Rescue Plan Act of 2021 for the predevelopment, acquisition, and production and/or rehabilitation of affordable housing for households with incomes at or below 50% of area median income ("AMI"). RIHousing was authorized by the State of Rhode Island to implement and administer the ERA2 Development Program using approximately \$15,000,000 in

funds to be allocated across the ERA2-Production, ERA2-Predevelopment, and ERA2-SAP programs as demand necessitates. As of May 2025, there is approximately \$383,000 in ERA2 Development Program funding available for award.

In November 2024, RIHousing issued a Request for Proposals (“RFP”) for ERA2 Development Program funding from qualified applicants. Applicants could apply for ERA2-Production, ERA2-Predevelopment, or ERA2-SAP funding. In response, RIHousing received 32 proposals requesting approximately \$30,937,250 in ERA2 Development Program funds, including \$5,376,630 in ERA2-SAP funding.

All ERA2-SAP applications were reviewed by Development Division staff in accordance with the published Program Guidelines. The most critical elements in the Program Guidelines include:

- Eligible costs must have been incurred after January 1, 2024, and the funds must be expended by June 30, 2025;
- ERA2-SAP funding may only be used to support the pro rata cost for the 50% AMI component of a project;
- For projects with units above 50% AMI, the developer must identify the remaining funds that will be used to finance the balance of the acquisition costs; and
- All projects funded under ERA2-SAP must conform to and meet the requirements of either the LIHTC or HOME Program, though they are not required to utilize funding from either of those programs.

RIHousing staff recommends approval of funding for two proposals in the amount of \$250,000. The recommended awards were described in an attachment that was included as part of the May 7, 2025, Credit Committee package. Additionally, those awards will close by June 30, 2025, or sooner.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of ERA2-Site Acquisition Program Funding Awards.

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

There being no questions, Ms. Myers conducted a voice vote from the Commissioners for Approval of ERA2-Site Acquisition Program Funding Awards.

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of ERA2-Site Acquisition Program Funding Awards was unanimously approved.

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

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

Mr. Comer summarized the following document included with the meeting materials regarding the Housing Production Fund (“HPF”). 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 the area median income (“AMI”).

In conjunction with the Rhode Island Housing Resources Commission Coordinating Committee, RIHousing 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. RIHousing anticipates that the program funding will capitalize a project operating reserve to support developments providing units designated to serve extremely low-income (“ELI”) households, including those experiencing homelessness or at risk of homelessness. These program funds bridge the gap between the established 30% and 50% AMI rents for the applicable unit size, and such operating reserves are anticipated to be capitalized for an average period of 15 years. However, the length of assistance may vary depending on the development status.

In October 2024, RIHousing issued a Request for Proposals (the “RFP”) for HPF-ELI Program funding. The RFP anticipated approximately \$1,800,000 in HPF-ELI Program funding to be available; however, after adjustments through the end of Fiscal Year 2024, \$2,818,200 is available for award.

In response to the RFP, RIHousing received four proposals requesting approximately \$5,800,000 in HPF-ELI funds. Staff from RIHousing reviewed applications in accordance with the published program review criteria. Of the four proposals received, staff recommend funding the two HPF-ELI proposals described in an attachment that was included as part of the May 7, 2025, Credit Committee package in the amount of \$2,818,200, which will allocate the remaining award funds. These two HPF-ELI awards will support a total of 29 residential units for terms of 15 years and 12 years, respectively.

Staff recommend authorizing the allocation of up to \$2,818,200 in HPF-ELI funds for the two developments described in in the attachment 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.

Committee Chairman Orth asked about the compliance period for the Pawtucket project. Mr. Comer explained that the project has been operating for over 22 years, and is not a new construction property.

After the presentation, Committee Chairman Orth asked for a motion and a second to recommend to the Board of Commissioners Approval of Housing Production Fund Extremely Low-Income Operating Reserve (HPF-ELI) Awards.

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

There being no other comments, Ms. Myers conducted a voice vote from the Commissioners for Approval of Housing Production Fund Extremely Low-Income Operating Reserve (HPF-ELI) Awards.

The commissioners unanimously voted to approve the motion.

Ms. Myers then officially stated that the recommendation for Approval of Housing Production Fund Extremely Low-Income Operating Reserve (HPF-ELI) Awards was unanimously approved.

Committee Chairman Orth then stated that it was great to see that, in addition to the HPF-ELI awards that staff are pairing supportive services with the units. The Committee Chairman felt it was extremely valuable, especially for residents at that income level and for the project.

8. Discussion:

a. Pipeline Report:

Ms. Berman mentioned that Development has 30-plus projects under construction, varying from zero to 99% complete. The deals funded in 2023 and 2024 with ARPA funds are either completed or near completion. Additionally, units that are finished are renting up very quickly,

In April, RIHousing had three (3) closings and an additional three (3) are scheduled for May. West House II in Middletown is nearly fully leased, and Frenchtown Road in East Greenwich received the final CO and is leasing up. Millrace in Woonsocket is punching units in its second building, which should be completed by the Fall. Parcel 9 Phase II is moving very quickly, and The Flynn is fully framed out and forecasts that they will deliver units in April 2026.

Despite the tariff situation, the contracts already executed are progressing. Supply chain issues seem to have abated for the time being. Ms. Berman said that for the future, she was a bit concerned about syndication pricing.

Committee Chairman Orth asked Mr. A'Vant about construction monitoring. Mr. A'Vant reported that the specialists have regular meetings with the developers and contractors and are "part of the team." They do their best to keep an eye on progress to ensure that work is on schedule. The staff has grown beyond four (4) full-time employees and has a good handle on the projects. Mr. Comer mentioned a recent success story: a RIHousing intern became a full-time Construction Specialist.

The Committee Chairman also asked how often the Construction Specialists visit the projects. Mr. A'Vant stated that depending on the complexity of the job, staff start off once a week and as work progresses, it's every two weeks. It depends on size, complexity, and other issues. Moreover, RIHousing's team punches every unit of the project.

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 Cabral and seconded by Chairwoman Goddard 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 10:16 a.m.

In closing, Committee Chairman Orth thanked everyone for participating.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director