

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

December 19, 2024

A Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Thursday, December 19, 2024, 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 summarized 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 telephone 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, then provided additional guidance for the meeting. Ms. Myers stated that the meeting was being held in a hybrid fashion, with all members of the Board of Commissioners appearing in person and specific RIHousing staff participating via teleconference. Members of the public were invited to access the meeting in person or via teleconference according to their preference. Furthermore, members of the public could visit the RIHousing website to view the agenda and information on the actions being taken, and in the event the teleconference was interrupted, staff would stop the meeting until audio was restored.

Ms. Myers stated that Chairman Pryor would preside over the meeting and requested that any Commissioner or staff wishing to comment state their name prior to speaking and telephone participants to mute their phones when not speaking. She then invited Chairman Pryor to call the meeting to order.

A quorum being present, Chairman Pryor introduced himself and officially called the meeting to order at approximately 9:37 a.m. The Chairman 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: Stefan Pryor; Rebecca Webber, Designee for Jonathan Womer, Director of the Department of Administration; James Diossa, General Treasurer; Sara Cabral, Designee for Elizabeth Dwyer, Director of the Department of Business Regulation; Kevin Orth; and Stephen P. McAllister. Maria Barry was absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Christine Hunsinger, Chief Strategy and Innovation Officer; Brett Pelletier, Chief Administrative Officer; Corinne Myers, General Counsel; and Val Lingasami, Assistant Director of Information Technology.

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

Approval of Minutes of Board Meeting held on November 14, 2024

Chairman Pryor asked for a motion and a second for the approval of the minutes of the Board of Commissioners meeting held on November 14, 2024. A motion was duly made by Commissioner McAllister and seconded by Commissioner Designee Webber.

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

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 Board Meeting held on November 14, 2024, are hereby approved.

Chairman's Remarks

Chairman Pryor greeted everyone and offered a few brief remarks. The Chairman thanked the RIHousing team for a year of great progress. 2024 represented a series of years of post-COVID where the State received additional funds that were allocated for housing. RIHousing utilized the financing in various ways to produce a significant number of units, and 2024 is the culmination of that process. It was a remarkable year in terms of the amount achieved. Chairman Pryor noted that there's a lot more to be accomplished and that RIHousing continues to do good work despite constant challenges. Thousands of units are being financed; however, everyone is conscious that the financing is ending. The General Assembly passed the largest housing bond in history to partially replenish the supply and establish new programs for housing, including rental and homeownership units.

Continuing, Chairman Pryor noted that the collaboration with the Department of Housing began in 2024, and he thanked Ms. Ventura, Mr. Comer, the Department of Housing, and Deborah Goddard for her work to date and for moving forward as the new Secretary of Housing. Significant progress was made on the homeless front, with a 32% increase in shelter beds and establishing long-term solutions. Additionally, new activities, such as the creation of the Proactive Development Committee, were established in 2024. A lot happened in 2024 and the Chairman thanked Ms. Ventura and the entire RIHousing staff for a terrific year. He stated that it's an honor to work with RIHousing and the Board of Commissioners and its designees.

In closing, he wished everyone happy holidays and said he looks forward to the new year.

Executive Director's Review of Recent Activities and Trends

Carol Ventura, Executive Director, welcomed everyone, referred the Commissioners to her report, and commented on a few items of interest.

Homeownership. Ms. Ventura said that, as mentioned the previous month, RIHousing will exceed its mortgage goal for 2024 by over 10%. She was pleased to share that the staff is ready to deploy the FirstGenHomeRI Downpayment Assistant Program. Since the initiative commenced, 93 households

have been able to purchase their first home in 12 different communities. 53% of those households identify as households of color.

Furthermore, Ms. Ventura reported that the Homeownership team successfully completed the last virtual homebuyer education class on December 3rd. Over 2500 potential homebuyers participated in the monthly 2-hour virtual education class taught by the agency's experienced underwriters and loan officers.

Ms. Ventura stressed that the Servicing department is diligent in monitoring the delinquency rates. The rates did tick up another percentage point, but the staff is utilizing all tools available to keep borrowers in their homes.

Development. Ms. Ventura announced that on page three (3) of her report, Development has updated the charts that display project status. Four (4) additional projects moved to construction, and three (3) other developments progressed to preliminary commitment.

Additionally, the Consolidated Funding round RFP was issued, and applications were received for 27 Development projects in 14 different municipalities that are requesting over \$100 million in funds.

On November 22, RIHousing joined Valley Affordable Housing Corp., Senator Jack Reed, the Department of Housing, and other funding and community partners to celebrate the start of construction of Reynolds Farm Senior Housing II in North Kingstown, a complement to the first Reynolds Farm Senior Housing completed in the spring of 2021. The second phase will have 40 affordable units for those 55 and older.

Next, Ms. Ventura announced that on November 21st, Governor Dan McKee appointed Deborah Goddard as Secretary of the Rhode Island Department of Housing. She congratulated and welcomed Ms. Goddard. The Executive Director stated that she looks forward to working with Ms. Goddard and her team as they develop a new housing governing structure.

Following the presentation, Ms. Ventura welcomed questions.

None were presented.

Firm Approval of Financing for The Flynn (Providence)

Chairman Pryor announced that James Comer, Deputy Executive Director, would give the presentation.

Ms. Comer said that the request was for firm approval of RIHousing tax-exempt financing in an amount not to exceed \$38,000,000, of which \$19,105,000 will remain as permanent debt, as well as firm approval of (i) a Capital Magnet Fund loan in an amount not exceed \$999,000 (the "CMF Loan"); and (ii) an ERA2 Loan in an amount not to exceed \$10,470,000 for The Flynn (hereinafter referred to as the "Development"). Marathon Development, LLC is the developer (the "Developer"). The Development received preliminary approval from the Board of Commissioners on September 19, 2024 ("Preliminary Approval").

The Development is the new construction of 178 units of affordable housing, as well as 10,000 square feet of ground-floor commercial space, in Providence. Collectively, there will be 36 units affordable to households at or below 30% of area median income ("AMI"), 102 units affordable to households

at or below 60% of AMI, and 40 units affordable to households at or below 80% of AMI. All 178 dwelling units will be financed under the low-income housing tax credit (“LIHTC”) program. Seventy-one percent (71%) of the units will be two and three-bedroom units targeting families, and the balance will be one-bedroom units.

In May 2024, RIHousing provided acquisition financing to the Developer to facilitate its acquisition of the site, which was to be known as “Copley Centre.” The Developer intends to form a land condominium and will enter into a ground lease for the portion of the land dedicated to the Development. This will allow for future development of the portion of the parcel not included in the Development. The Developer aims to provide community-focused housing with services that ensure tenant success and neighborhood revitalization. Children’s Friend is an anchor tenant and will provide childcare and Head Start education to tenants and the broader community. This will be Children’s Friend's third partnership with LIHTC developers to expand Head Start opportunities. In addition to the Children’s Friend lease, the Developer will enter into parking lot leases to generate additional commercial revenue to support the net operating income of the Development. Furthermore, the Development will connect tenants with Providence Community Health Center’s full array of care utilizing their Community Health Workers.

This is a conduit transaction in which Citizens Bank, N.A. (“Citizens”) will provide the capital for RIHousing’s tax-exempt issuance. The proceeds will be loaned as a construction loan to the Borrower (the “Construction Loan”). In order to minimize the amount of tax-exempt funding, Citizens will provide a taxable tail in the amount of \$6,000,000 to support a total construction loan of \$44,000,000. The funding for the Construction Loan is non-recourse to RIHousing, and the only security to be provided by RIHousing will be an assignment of RIHousing’s rights under the Construction Loan. The Construction Loan will be a recourse loan to the Borrower and any guarantors. Berkeley Point Capital LLC d/b/a Newmark Capital (“Newmark”) will act as the DUS lender to provide the permanent loan in conjunction with Freddie Mac (the “Permanent Loan”). Upon completion, Freddie Mac will step in as the Permanent Loan lender. Newmark will service the Permanent Loan on behalf of Freddie Mac who will bear the financial risk should the Borrower default on the Permanent Loan. RIHousing will charge a one-time issuer fee of 1% and an annual servicing fee of 25 basis points on the Construction and Permanent Loans.

Both Citizens and Newmark have provided term sheets and drafted the loan documents for the proposed loans. Once the rate is locked, the final size of the permanent loan will be determined. It will be limited to 80% LTV with debt service coverage of 1.15.

Since Preliminary Approval, the Developer has started construction in order to be out of the ground before winter starts. The foundations are in, and the first floor of steel is erected. The Developer closed on their two loans with the City of Providence and is using the City funds to cover the current construction disbursements.

At the time of Preliminary Approval, the capital stack included \$13,934,366 in state low-income housing tax credit (SLIHTC) equity, but the SLIHTC awards have not yet been made. Since Preliminary Approval, ERA2 funding has become available for the production of affordable housing. ERA2 funds may only be used for (i) units affordable to households with incomes below 50% of AMI and (ii) projects that can meet the disbursement deadline of September 30, 2025. An RFP for ERA2 funding was recently issued by RIHousing, and the Developer submitted an application (the “ERA2 Application”) in order to replace the SLIHTC which has not yet been allocated. The ERA2 Application identifies 20% of the units as below 50% AMI and includes a construction cash flow

illustrating how the ERA2 funds can be disbursed by the spending deadline. Accordingly, the current capital stack includes ERA2 funding and no SLIHTC. Since the amount of ERA2 funds is less than the original SLIHTC request, the Developer has increased their deferred fee to cover the remaining funding gap. In addition, the Developer has submitted an amended request for SLIHTC to reduce the deferred fee but is prepared to close with the higher fee.

The LIHTC syndicator will be CREA, LLC (“CREA”), which will purchase the 4% LIHTCs at \$0.890. CREA’s investors are Citizens and Aetna/CVS. This will be Aetna/CVS’s first LIHTC investment in Rhode Island.

The RFA requests firm approval of an amount not to exceed \$38,000,000 in tax-exempt financing, of which \$19,105,000 will remain as permanent debt, as well as firm approval of (i) a Capital Magnet Fund loan in an amount not exceeding \$999,000; and (ii) an ERA2 Loan in an amount not to exceed \$10,470,000 for The Flynn, subject to certain conditions as set forth in the attached Resolution.

Following the presentation Chairman Pryor asked for a motion and a second for Firm Approval of Financing for The Flynn (Providence).

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

Commissioner Designee Webber stated that she was excited about the involvement of Aetna/CVS which incorporates health and housing in its initiative. She said it was a great project.

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

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

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

Whereas, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of RIHousing have promise of supplying well-planned, well-designed apartment units, which will provide or preserve housing for low- and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas, RIHousing intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

Whereas, RIHousing is authorized to issue conduit tax-exempt financing at an economically acceptable rate to promote the acquisition, rehabilitation, or preservation of affordable housing;

Whereas, on September 19, 2024, the RIHousing Board of Commissioners granted preliminary approval of tax-exempt mortgage financing to Marathon Development, LLC (“Applicant”) to acquire and/or rehabilitate the affordable housing to be known as The Flynn (the “Development”);

Whereas, the Applicant is requesting firm approval of tax-exempt mortgage financing for the Development as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Tax-Exempt Bonds</u>	<u>CMF Loan</u>	<u>ERA2 Loan</u>
The Flynn	Marathon Development, LLC	\$38,000,000	\$999,000	\$10,470,000

Whereas, said bonds shall have a term not to exceed 35 years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary; and

Whereas, the RIHousing Board of Commissioners and staff have reviewed the submission of the Applicant for mortgage financing and determined that the Development qualifies for financing under RIHousing’s enabling legislation, regulations, guidelines, and policies.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that subject to the special conditions listed below, RIHousing hereby declares firm commitment for tax-exempt mortgage financing for Marathon Development, LLC or other affiliated entity of the Applicant (the “Borrower”) in an amount not to exceed \$38,000,000 for rental housing known as The Flynn located in Providence, Rhode Island to be financed in part with tax-exempt bonds.

Resolved, that RIHousing hereby declares that this firm commitment of financing for the Borrower constitutes the affirmative official act of RIHousing of its intention to issue bonds to finance, and to reimburse qualified expenditures incurred by the Borrower or RIHousing in advance of the issuance of the bonds, up to \$38,000,000 in mortgage funds, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced Development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. The intent to reimburse the aforementioned bond-funded costs is intended to satisfy the requirements of Section 1.150-2 of the United States Treasury Regulations. This resolution shall take effect immediately upon adoption.

Resolved, that, in order to fund the loan to the Development, RIHousing may enter into a loan arrangement with Citizens Bank, N.A. (the “Citizens Loan”) and Berkeley Point Capital LLC d/b/a Newmark Capital (the “Newmark Loan” and together with the Citizens Loan, the “Loans”) substantially in accordance with the terms outlined in the Request for Action to which this resolution is attached.

Resolved, that the Executive Director, Deputy Executive Director, Director of Finance, General Counsel, and Manager of Treasury and Capital Planning (each, an “Authorized Officer”), acting singly, be and each hereby is authorized to enter into such documents

with Citizens and Newmark as it may require to evidence the Loans, including, without limitation, a funding loan agreement, note, and pledge and security agreement, each containing such terms and conditions as the Authorized Officer shall approve, each such determination to be conclusively evidenced by his/her execution thereof and each such determination is hereby fully and completely approved and adopted as the valid action of and by RIHousing, approved in all respects by the Board of Commissioners of RIHousing.

Resolved, that the Authorized Officers be, and each of them hereby is, authorized, empowered and directed to take any and all action necessary to effectuate the purpose and intent of the foregoing resolutions, including, without limitation, (i) the execution and delivery on behalf of RIHousing of all such other agreements, documents, and instruments and the performance by RIHousing thereunder, as each of them shall determine, in his/her exclusive and reasonable judgment, to be necessary, appropriate, or advisable, and (ii) the consummation of the transactions contemplated hereby and the performance by RIHousing as required hereunder, as each of them shall determine, in his/her exclusive and reasonable judgment, to be necessary, appropriate, or advisable, each such determination pursuant to the immediately preceding clauses to be conclusively evidenced by the taking of such action by any Authorized Officer and each such determination is hereby fully and completely approved and adopted as the valid action of and by RIHousing, approved in all respects by the Board of Commissioners.

Resolved, that, subject to the special conditions listed below, RIHousing hereby grants firm approval for a Capital Magnet Fund loan to the Borrower in an amount not to exceed \$999,000 for rental housing known as The Flynn located in Providence.

Resolved, that, subject to the special conditions listed below, RIHousing hereby grants firm approval for an ERA2 loan to the Borrower in an amount not to exceed \$10,470,000 for rental housing known as The Flynn located in Providence.

Resolved, that the foregoing resolutions are subject to the following special conditions:

- Syndication proceeds from the sale of federal 4% LIHTCs in an amount sufficient to ensure development feasibility;
- Syndication or redemption proceeds from the sale of state 4% LIHTCs in an amount sufficient to ensure development feasibility;
- Availability of subordinate financing in amounts sufficient to achieve project feasibility or alternative equity satisfactory to RIHousing;
- Approval by RIHousing of construction plans and specifications and construction documentation;
- Acceptable final appraisal by an independent appraiser demonstrating that the loan does not exceed 90% of the as-stabilized value of the property; and a final market study demonstrating market feasibility in compliance with LIHTC requirements;
- Executed lease agreements for the Children’s Friend, Out Parcel Ground Lease, and University GI Parking Lot for the proposed commercial uses;
- Approval by bond counsel that the proposed conduit loan will satisfy all required bond requirements;

- RIHousing approval of all Permanent Loan documents from Newmark;
- RIHousing approval of all Citizens loan documents;
- Approval by RIHousing of management documentation;
- Recordation of a RIHousing Declaration of Land Use Restrictive Covenants and Regulatory Agreement in form(s) acceptable to RIHousing;
- Satisfactory and timely performance in accordance with the schedule established by RIHousing staff; and
- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements

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.

Authorization to Issue Tax-Exempt Loan to Support Construction of The Flynn \$38,000,000

Chairman Pryor stated that once again Mr. Comer would present the request.

Mr. Comer said that as part of the process of financing the construction of The Flynn in Providence, staff has requested the Board of Commissioners to approve the issuance by RIHousing of a tax-exempt note not to exceed \$38,000,000. The Flynn will provide 178 units of housing, of which 100% will be affordable to households with incomes at or below 80% of area median income. The developer, Marathon Development, LLC (“Marathon”), has formed a limited liability company, The Flynn I LLC (the “Borrower”), which will be the owner of the project and the recipient of the loan.

The request was for authorization to enter into a tax-exempt private placement back-to-back loan structure with Citizens Bank, N.A. (“Citizens”) to fund the loan for The Flynn.

Citizens will make a direct loan to RIHousing and RIHousing will issue a tax-exempt note to Citizens evidencing the loan. RIHousing, in turn, will advance the loan proceeds to the Borrower under the agency’s tax-exempt bond volume cap that will otherwise go unused. The back-to-back loan proceeds will be deemed tax-exempt. RIHousing and the Borrower will undertake all of the standard obligations related to a tax-exempt facility. Upon construction completion, Freddie Mac will step in as the Permanent Loan funder. Because the loan is considered to be tax-exempt financing, the Development will be eligible to receive 4% low-income housing tax credits and generate approximately \$32 million in equity to fund development costs.

The loan will be non-recourse to RIHousing. RIHousing will only need to provide an assignment of its rights under the loan to Citizens. The Borrower note and mortgage will also be assigned to Citizens and, subsequently, Freddie Mac. Berkeley Point Capital LLC d/b/a Newmark Capital (“Newmark”) will act as the DUS lender and will service the permanent loan for Freddie Mac. During construction and prior to conversion to a permanent loan, Citizens will bear the financial risk. Freddie Mac will bear the financial risk on the permanent loan.

This structure provides a number of advantages to the participants. The Borrower receives a better interest rate, reduced transaction fees and more expedited closing process. Citizens is able to record this transaction as a loan for purposes of its evaluation under the Community Reinvestment Act. RIHousing will receive a one-time origination fee of 1.0% of the principal amount of the loan, plus an annual issuer fee equal to 25 basis points of the outstanding loan, without having to service the

loan to the Borrower or bearing any financial risk from the Borrower's default. Marathon will pay all costs associated with the transaction.

Attachments setting forth the terms of the loan agreement between RIHousing and Citizens and the terms of the loan agreement between RIHousing and the Borrower were included as part of the December 19, 2024, Board package.

RIHousing staff recommends approval of authorizing a loan from Citizens in an amount up to \$38,000,000 to finance a tax-exempt loan to the Borrower for the acquisition and rehabilitation of The Flynn, and the execution of the loan agreements in substantially the form as presented at the meeting.

After the presentation, Chairman Pryor asked for a motion and a second for Authorization to Issue Tax-Exempt Loan to Support Construction of The Flynn \$38,000,000.

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

There being no questions, Ms. Myers, General Counsel, conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the resolution.

Ms. Myers then officially announced that the resolution was unanimously adopted in the form presented at the December 19, 2024, Board meeting.

Firm Approval of Tax-Exempt Financing for Broad Street Homes (Central Falls)

Mr. Comer made the presentation.

Mr. Comer began by noting that the request was for firm approval of: (i) RIHousing tax-exempt financing in an amount not to exceed \$13,500,000, of which \$2,663,000 will remain as permanent debt; (ii) a Development of Affordable Housing - 2 loans in an amount not to exceed \$7,338,069 (the "DAH-2 Loan"); and (iii) a Community Revitalization Program loan in an amount not to exceed \$2,000,000 (the "CRP Loan") for Broad Street Homes (hereinafter referred to as the "Development"). Olneyville Housing Corporation d/b/a ONE Neighborhood Builders ("ONENB" or the "Developer") is the developer. The Development received preliminary approval from the Board of Commissioners on May 18, 2023, and March 28, 2024 (collectively, "Preliminary Approval").

ONENB and the City of Central Falls through its Redevelopment Agency (the "City") have partnered to develop 46 affordable apartments in downtown Central Falls to be known as Broad Street Homes. The proposed development site is made up of three proximate lots along Broad Street adjacent to City Hall. The unit sizes vary from efficiencies to three bedrooms. All units will be affordable to individuals and families with incomes of less than 60% of area median income ("AMI"). Five of the units will be restricted to households with incomes below 30% of AMI, and the Developer has been awarded HPF-ELI funds to provide operating support for these 30% AMI units.

The City utilized the RIHousing Site Acquisition Program ("SAP") for the acquisition of the three properties, which include a historic former police station and courthouse, a blighted former Dunkin Donuts that was recently demolished by the City, and a municipal parking lot. Originally approved as a 47-unit Development, at the request of the city, the number was reduced to 44 units. Subsequent conversations with the city have resulted in an additional 2 units for a total of 46 units.

Over the past 6 months, the Developer finalized the plans and specifications and put the project out to bid. Total development costs have increased approximately \$1,972,000 primarily due to general construction increases. As a result of the Section 106 review required by the National Historic Preservation Act, the Developer incorporated a \$250,000 allowance to address the requirements of the State Historic Preservation Office for the rehabilitation portion of the Development. The City demolished the former Dunkin Donuts site utilizing an infrastructure grant, and as part of that demolition, uncovered a former foundation and unsuitable soils. In addition, financing and soft costs have also increased. To address the increased costs, the Developer was able to increase their first mortgage due to the addition of HPF-ELI subsidy and increases in LIHTC maximum rents, as well as generate additional LIHTC equity.

Berkadia Real Estate Advisors, LLC (“BKE”) will be the syndicator and is paying \$0.908 per credit, which constitutes an increase from \$0.895 quoted in March 2024. The investor is Webster Bank.

In total, the permanent capital stack includes (i) the RIHousing permanent tax-exempt loan, (ii) equity from the sale of 4% LIHTC, (iii) the DAH-2 Loan, (iv) the CRP Loan, (v) a federal appropriation, (vi) a Seller Note, and (vii) a deferred developer fee.

The request was for firm approval of (i) a RIHousing tax-exempt loan in an amount not to exceed \$13,500,000, of which \$2,663,000 will remain as permanent debt; (ii) a DAH-2 loan in an amount not to exceed \$7,338,069; and (iii) a CRP loan in an amount not to exceed \$2,000,000 for Broad Street Homes, subject to certain conditions as set forth in the attached Resolutions.

Finally, Mr. Comer mentioned that the Credit Committee addressed the costs associated with the units that were higher than the guidelines in the QAP. Mr. Comer highlighted that the project does a great job of addressing a lot of the priorities of the QAP. Specially the removal of blight, including 30% units with subsidy, 3-bedroom units for larger families and making the building as energy efficient as possible. While it is a higher cost project, it is a centerpiece to the Central Falls plan to revitalize the Broad Street corridor, and a great example of municipal partnership with the city. Mr. Comer commended One Neighborhood Builders for doing everything possible to value engineer the project to restrain the costs.

Commissioner Orth agreed with Mr. Comer that the project is a great use of the soft funds available from the State Fiscal Recovery Funds. Without those funds, the project would not be able to be funded. The Commissioner recommended that moving forward the Corporation ensure that whether the funds are state or federal, they mesh well with RIHousing’s tax credit program and best practices. Additionally, he acknowledged that it was a difficult situation for the developers and staff.

Mr. Comer stressed that when the additional costs were incurred, One Neighborhood Builders did not receive any soft funds. They increased the first mortgage and worked with their syndicator to increase the credit rate.

Commissioner Orth felt it would be beneficial to put some caps on the amount of soft money going into projects. He felt it would be helpful for developers to know upfront what the rules are.

Ms. Ventura commented that RIHousing is fortunate to have a pipeline of acquired property and the site acquisition program that is valuable when creating projects in queue, especially considering the bond funds approved by the voters.

Chairman Pryor thanked Commissioner Orth for raising the topic at Credit Committee and thanked staff for their responsiveness in explaining the reasons the per unit costs were higher relative to the Corporation’s guidelines. The Chairman said that it’s a very important project and one that the City of Central Falls is highly in favor of.

The Chairman proposed a future discussion regarding those development guidelines, the priorities of the QAP, and how to incentivize developers to keep costs low while retaining flexibility to make exceptions. The Chairman felt that those guidelines and procedures warranted an inclusive discussion.

After the presentation and comments, Chairman Pryor asked for a motion and a second for Firm Approval of Tax-Exempt Financing for Broad Street Homes (Central Falls).

A motion was duly made by Commissioner Diossa and seconded by Commissioner McAllister.

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

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

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

Whereas, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of RIHousing have promise of supplying well-planned, well-designed apartment units which will provide housing for low and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas, RIHousing intends to issue tax-exempt bonds for financing qualified housing developments throughout the state;

Whereas, said bonds shall have a term not to exceed 40 years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

Whereas, RIHousing is authorized to issue bridge financing at an economically acceptable rate to promote the acquisition, rehabilitation or preservation of affordable housing;

Whereas, Olneyville Housing Corporation d/b/a ONE Neighborhood Builders (“Applicant”) has presented an application to RIHousing requesting mortgage financing to acquire and rehabilitate the development as set forth below (the “Development”):

Applicant	Development	<u>Tax Exempt Loan</u>	<u>CRP</u>	<u>DAH-2</u>
Olneyville Housing Corporation d/b/a	Broad Street Homes	\$13,500,000	\$2,000,000	\$7,338,069

ONE Neighborhood Builders				
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Whereas, staff has reviewed the submission and determined that the Development may qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies; and

Whereas, RIHousing finds:

(1) that there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons and families of low or moderate income can afford within the general housing market area to be served by the proposed housing development;

(2) that private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe, and sanitary housing in the general housing market area at prices which persons or families of low and moderate income can afford or to provide sufficient mortgage financing for residential housing for occupancy by those persons or families;

(3) that the housing sponsor or sponsors undertaking the proposed housing development in this state will supply well-planned, well-designed housing for persons or families of low and moderate income and that those sponsors are financially responsible;

(4) that the proposed housing development to be assisted pursuant to the provisions of this chapter will be of public use and will provide a public benefit; and

(5) that the proposed housing development will be undertaken, and the housing sponsor or sponsors regulated pursuant to the authority and within the restrictions provided for by the RIHousing Enabling Act, Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that RIHousing hereby grants firm approval of tax-exempt mortgage financing in an amount not to exceed \$13,500,000 to Applicant or an affiliated entity of the Applicant (the “Borrower”) for rental housing known as Broad Street Homes in Central Falls to be financed, in part, by tax-exempt bonds.

Resolved, that RIHousing hereby declares that this firm commitment of financing for the Borrower constitutes the affirmative official act of RIHousing of its intention to issue bonds to finance, and to reimburse qualified expenditures incurred by the Borrower or RIHousing in advance of the issuance of the bonds, up to \$13,500,000 in mortgage funds for new construction and rehabilitation of the Development, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced Development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. The intent to reimburse the aforementioned bond-funded costs is intended to satisfy the requirements of Section

1.150-2 of the United States Treasury Regulations. This resolution shall take effect immediately upon adoption.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves a Development of Affordable Housing – 2 loan to the Borrower in an amount not to exceed \$7,338,069 for rental housing to be located in Central Falls and known as Broad Street Homes.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves a Community Revitalization Program loan to the Borrower in an amount not to exceed \$2,000,000 for the rental housing to be located in Central Falls and known as Broad Street Homes.

Resolved, That the foregoing resolutions are subject to the following conditions:

- Syndication equity from the allocation of low-income housing tax credits in an amount sufficient to achieve project feasibility;
- Final plan approval from the City of Central Falls for 46 units;
- Availability of subordinate financing in amounts sufficient to achieve project feasibility or the availability of alternative equity satisfactory to RIHousing;
- Approval by RIHousing of all management-related documentation, including the marketing and tenant selection plans;
- Receipt by RIHousing of evidence that all involved entities, including the Management Agent, are in good standing with the Rhode Island Secretary of State;
- Applicant's appointment of a permanent Executive Director;
- Final approval of plans and specifications by RIHousing, as well as related construction contract documentation;
- Recordation of a RIHousing Declaration of Land Use Restrictive Covenants and Regulatory Agreement in form(s) acceptable to RIHousing;
- Execution and delivery by the developer of a Construction Completion Guaranty in form and substance satisfactory to lender and RIHousing;
- Approval by bond underwriter and bond counsel that the loans will satisfy all required bond provisions for the bond issue;
- Closing of a construction loan with Webster Bank in an amount sufficient to achieve project feasibility;
- FHA Risk-Sharing Program approval from HUD for a minimum of 50% of the first mortgage; and
- Completion of all items required for closing in accordance with normal underwriting and processing requirements.

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.

Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for The Villages at Manville (Lincoln)

Chairman Pryor recognized James Comer who gave the presentation.

Mr. Comer said the request was for firm approval of the reservation of up to \$1,344,000 of 2024 and/or 2025 Low-Income Housing Tax Credits (“LIHTC”) and firm approval of (i) RIHousing taxable first mortgage loan in an amount up to \$4,775,000, (ii) a HOME Investment Partnerships Program loan in an amount not to exceed \$1,900,000 the (the “HOME Loan”), (iii) a Housing Trust Fund loan in an amount not to exceed \$1,174,331 (the “HTF Loan”), (iv) a Rhode Island Rebounds Production Fund loan in an amount not to exceed \$305,669 (the “RIRPF Loan”), (v) a Development of Affordable Housing-2 loan in an amount not to exceed \$5,839,148 (the “DAH-2 Loan”), and (vi) a Middle Income Program loan in an amount not to exceed \$214,730 (the “MIP Loan”) for The Villages at Manville (“TVM” or the “Development”), a 72-unit rental housing development to be located in Lincoln, Rhode Island. Connolly and Partners, LLC is the developer (the “Developer”). The Development received revised preliminary approval from the Board of Commissioners on May 16, 2024 (“Revised Approval”).

The Development will consist of 72 apartments located in three buildings. Of the 72 units, 57 will be LIHTC units with rents up to 60% of the area median income (“AMI”), and 15 will be restricted to households at or below 80% of AMI. There will be eight units set aside for households with incomes below 30% of AMI, and they will be supported by RIHousing Section 811 vouchers.

The original developer, Dakota Partners, Inc. (“DPI”), was moving to close in the second quarter of 2023 when it lost its syndicator due to the demise of Signature Bank. This negatively impacted the project, resulting in higher costs and delays. As a result, in its Revised Approval, the Board approved the rescission of the Development’s 2022 LIHTC reservation. However, the Board simultaneously approved a reservation of 2024 and/or 2025 LIHTC, thus resetting the Placed in Service (“PIS”) deadline from December 2024 to December 2026.

After Revised Approval, DPI, as part of its corporate financial restructuring, decided to sell its interest in TVM to Connolly and Partners, LLC, a subsidiary of First Hartford Corporation (“FHC”), a publicly traded company. At loan closing, the Developer will purchase the existing Borrower entity, TVM 2 Owner, LLC. FHRC Management Corporation, the property management entity, is a wholly owned subsidiary of FHC.

As part of Connolly’s due diligence, they bid out the construction and have selected Pariseault Builders, Inc. (“Pariseault”) as the General Contractor. The Developer has also refreshed the local permitting, which went stale, and consolidated the architectural drawings to fully define the scope of the project. Since Revised Approval, total development costs (“TDC”) have increased by approximately \$1,250,000. Construction costs have increased slightly, and contingency has increased from 5% to 9%. In addition, the Developer has capitalized a small lease-up reserve, and some soft costs have increased. In order to address the overall increase in costs, the Developer was able to increase their first mortgage and their deferred fee, and they were able to receive slightly higher credit pricing. The investor will be Bank of America, N.A. and/or its affiliates (“BOA”), and BOA will also provide the construction loan.

Staff requests firm approval of a reservation of an amount not to exceed \$1,344,000 of 2024 and/or 2025 LIHTC, and firm approval of (i) a first mortgage loan in an amount not to exceed \$4,775,000, (ii) a HOME Loan in an amount not to exceed \$1,900,000, (iii) an HTF Loan in an amount not to exceed \$1,174,331, (iv) a RIRPF Loan in an amount not to exceed \$305,669, (v) a DAH-2 Loan in an

amount not to exceed \$5,839,148, and (vi) a MIP Loan in an amount not to exceed \$214,730 for the Villages at Manville, subject to certain conditions.

After the presentation, Chairman Pryor asked for a motion and a second for Firm Approval of Reservation of Low-Income Housing Tax Credits (LIHTC) and Financing for The Villages at Manville (Lincoln).

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

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

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

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

Whereas, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of RIHousing have promise of supplying well-planned, well-designed apartment units, which will provide or preserve housing for low- and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas, the Low-Income Housing Tax Credit Program (the “Program”) was created as part of the Tax Reform Act of 1986, as amended (the “Act”);

Whereas, RIHousing has been designated the administrator of the Program in the State of Rhode Island;

Whereas, staff for RIHousing has determined that Connolly and Partners, LLC (“Applicant”) is eligible for the Program under the laws of the State of Rhode Island and the federal tax code;

Whereas, in May 2024, the RIHousing Board of Commissioners granted preliminary approval of a reservation of low-income housing tax credits available in calendar year 2024 and/or 2025 (“LIHTC”) and preliminary approval of permanent financing;

Whereas, since preliminary approval the request for permanent financing from the Applicant listed below has increased to the following:

Applicant	Development	9% LIHTC	RIHousing 1st Mortgage
Connolly and Partners, LLC	The Villages at Manville	\$1,344,000	\$4,775,000

HOME Loan	HTF Loan	DAH-2 Loan	RI Rebounds Loan	MIP Loan
\$1,900,000	\$1,174,331	\$5,839,148	\$305,669	\$214,730

Whereas, the RIHousing Board of Commissioners and staff have reviewed the submission of the Applicant for mortgage financing and determined that the Development qualifies for financing under RIHousing’s enabling legislation, regulations, guidelines and policies; and

Whereas, RIHousing finds that:

(1) there exists a shortage of decent, safe, and sanitary housing at rents or prices which persons and families of low- or moderate-income can afford within the general housing market area to be served by the proposed housing development;

(2) private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe, and sanitary housing in the general housing market area at prices which persons or families of low- and moderate-income can afford or to provide sufficient mortgage financing for residential housing for occupancy by those persons or families;

(3) the housing sponsor or sponsors undertaking the proposed housing development in this state will supply well-planned, well-designed housing for persons or families of low- and moderate-income and that those sponsors are financially responsible;

(4) the proposed housing development to be assisted will be of public use and will provide a public benefit; and

(5) the proposed housing development will be undertaken, and the housing sponsor or sponsors regulated pursuant to the authority and within the restrictions provided for by the RIHousing enabling act, namely Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that up to \$1,344,000 of allocated 2024 and/or 2025 LIHTC be reserved for the Applicant or an affiliated entity (the “Borrower”) pursuant to Section 4.4 of the Rules Relative to Multifamily Loan Programs - Allocation of Low-Income Housing Tax Credits (825-RICR-30-00-4) (the “RIHousing Regulations”), and 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 necessary to cause such reservation to be effective; and further, that any final allocation shall be made at such time as the Borrower complies with the requirements of the Act and the RIHousing Regulations.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves firm commitment of up to \$4,775,000 for a taxable first mortgage loan to the Borrower for

rental housing to be located in Lincoln, Rhode Island and known as The Villages at Manville.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves firm commitment of up to \$1,900,000 for a HOME Investment Partnerships loan to the Borrower for rental housing to be located in Lincoln, Rhode Island and known as The Villages at Manville.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves firm commitment of up to \$1,174,331 for a Housing Trust Fund loan to the Borrower for rental housing to be located in Lincoln, Rhode Island and known as The Villages at Manville.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves firm commitment of up to \$305,669 for a Rhode Island Rebounds Production Fund loan to the Borrower for rental housing to be located in Lincoln, Rhode Island and known as The Villages at Manville.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves firm commitment of up to \$5,839,148 for a Development of Affordable Housing- 2 loan to the Borrower for rental housing to be located in Lincoln, Rhode Island and known as The Villages at Manville.

Resolved, that, subject to the special conditions listed below, RIHousing hereby approves firm commitment of up to \$214,730 for a Middle Income Program loan to the Borrower for rental housing to be located in Lincoln, Rhode Island and known as The Villages at Manville.

Resolved, that the foregoing resolutions are subject to the following special conditions:

- Syndication equity from the allocation of LIHTC in an amount sufficient to achieve project feasibility;
- Availability of subordinate financing in amounts sufficient to achieve project feasibility or the availability of alternative equity satisfactory to RIHousing;
- Closing of a construction loan with Bank of America, N.A. in an amount sufficient to achieve project feasibility;
- Final approval of plans and specifications by RIHousing, as well as related construction documentation;
- Receipt and approval of all documentation RIHousing deems necessary to comply with the requirements of the Build America, Buy America Act;
- Approval by RIHousing of all management-related issues including the marketing and tenant selection plans;
- Confirmation from the Town of Lincoln that the entire development will be taxed at 8% of gross potential income;
- Acceptable final appraisal by an independent appraiser demonstrating that the loan does not exceed 90% of the as-stabilized value of the property; and a final market study demonstrating market feasibility in compliance with LIHTC requirements;

- Execution and delivery by the Applicant of a Construction Completion Guaranty in form and substance satisfactory to RIHousing and any lender;
- Recordation of a RIHousing Declaration of Land Use Restrictive Covenants and Regulatory Agreement in form(s) acceptable to RIHousing;
- FHA Risk-Sharing Program approval from the U.S. Department of Housing and Urban Development for a minimum of 50% of the first mortgage loan; and
- Completion of all items required for closing in accordance with normal underwriting and processing requirements.

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.

Preliminary Approval of Financing for West End III (Providence)

Once again Mr. Comer reported on the request for financing for West End III.

Mr. Comer commenced by noting that as requested at the Credit Committee, staff provided a portfolio of photos highlighting the historic character, the unique construction of the building and the deep need for rehab of the development. He invited the Commissioners to review the photos.

Continuing, Mr. Comer said that the request was for preliminary approval of RIHousing tax-exempt financing in an amount not to exceed \$8,000,000, of which \$1,375,000 will remain as a permanent first mortgage for West End III (hereinafter referred to as the “Development”). Women’s Development Corporation is the developer (“WDC” or the “Developer”).

The Development, which includes the rehabilitation and preservation of 47 affordable housing apartments, is located in the Elmwood and West End neighborhoods of Providence. The Development combines the West End Preservation Apartments (“WEPA”) and the Historic West End II Apartments (“HWE”), which will be merged into a newly formed borrower entity.

The Development is comprised of 19 individual buildings spread amongst the Elmwood and West End neighborhoods but all within a ½ mile radius of each other. Of the 47 units, 31 will be restricted to households earning up to 60% of area median income (“AMI”), 9 units will be restricted to households earning up to 50% of AMI, and 7 units will be restricted to households earning up to 30% of AMI. The 47 units are comprised of 22 2-bedroom, 20 3-bedroom, and five 4-bedroom units.

Interior and exterior renovations are anticipated to include, at a minimum, roofing, siding replacement, insulation, hot water boilers, and heaters, unit upgrades including new kitchens and baths, fire code compliance, exterior lighting, and security cameras with remote monitoring capabilities. Since many of the buildings are in a historic district, the Developer’s ability to make exterior repairs has been limited. Accordingly, the city has cited the buildings for their deteriorating conditions. If, as anticipated, the properties are awarded federal historic credits, particular attention will be paid to the exterior siding and windows.

There is approximately \$1,642,000 of existing RIHousing debt plus accrued interest on the properties. The existing debt includes a RIHousing Targeted Loan among other loans. As part of the approval

process, staff has determined that the Development and sponsor meet RIHousing’s requirement for rollover of existing debt:

- Current on first mortgage or in compliance with forbearance agreement.
- No outstanding monitoring findings and no history of significant monitoring findings;
- Demonstrated, responsible long-term ownership and management of the property;
- An equity pay-in schedule satisfactory to RIHousing;
- Maximization of amortizing debt able to be supported by the property; and
- Borrower will provide guarantees to cover any deficit shortfalls.

Staff requests preliminary approval of an amount not to exceed \$8,000,000 in tax-exempt financing, of which an amount not to exceed \$1,375,000 will remain as permanent debt, for the development known as West End III, subject to certain conditions.

Commissioner McAllister commented that the project is important. New units are being constructed all the time, but preserving and upgrading what is already in place is imperative and should be applauded. Additionally, it’s part of RIHousing’s mission to preserve existing developments.

Commissioner Orth mentioned that one of the items addressed at the Credit Committee meeting was the current condition of the buildings. He noted that it is close to obsolete, and the mission is to infuse the development with a significant amount of capital to make it functional, attractive, and energy-efficient for the next 20 years. It’s a laudable goal and the Commissioners support the effort.

After the presentation and comments, Chairman Pryor asked for a motion and a second for Preliminary Approval of Financing for West End III (Providence).

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

There being no further comments, Ms. Myers, General Counsel conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the resolution.

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

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

Whereas, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of RIHousing have promise of supplying well-planned, well-designed apartment units which will provide or preserve housing for low- and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas, RIHousing intends to issue tax-exempt bonds for financing qualified housing developments throughout the state;

Whereas, said bonds shall have a term not to exceed 40 years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

Whereas, RIHousing is also authorized to issue tax-exempt financing at an economically acceptable rate to promote the acquisition, rehabilitation, or preservation of affordable housing;

Whereas, Women’s Development Corporation (“Applicant”) has presented an application to RIHousing requesting mortgage financing to rehabilitate the development as set forth below (the “Development”):

<u>Development</u>	<u>Applicant</u>	<u>Tax Exempt Bonds</u>
West End III	Women’s Development Corporation	\$8,000,000

Whereas, staff has reviewed the submission and determined that the Development may qualify for financing under RIHousing’s enabling legislation, regulations, guidelines, and policies; and

Whereas, RIHousing finds that:

- (1) That there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons and families of low or moderate income can afford within the general housing market area to be served by the proposed housing development;
- (2) That private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe, and sanitary housing in the general housing market area at prices which persons or families of low and moderate income can afford or to provide sufficient mortgage financing for residential housing for occupancy by those persons or families;
- (3) That the housing sponsor or sponsors undertaking the proposed housing development in this state will supply well-planned, well-designed housing for persons or families of low and moderate income and that those sponsors are financially responsible;
- (4) That the proposed housing development to be assisted will be of public use and will provide a public benefit; and
- (5) That the proposed housing development will be undertaken, and the housing sponsor or sponsors regulated pursuant to the authority and within the restrictions provided for by the RIHousing Enabling Act, Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that subject to the special conditions listed below, RIHousing hereby declares preliminary commitment for tax-exempt mortgage financing for the Applicant or other affiliated entity of the Applicant (the “Borrower”) in an amount not to exceed \$8,000,000 for rental housing known as West End III located in Providence, Rhode Island to be financed, in part, by tax-exempt bonds.

Resolved, that RIHousing hereby declares that this preliminary commitment of financing for the Borrower constitutes the affirmative official act of RIHousing of its intention to issue bonds to finance, and to reimburse qualified expenditures incurred by the Borrower or RIHousing in advance of the issuance of the bonds, up to \$8,000,000 in mortgage funds, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced Development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. The intent to reimburse the aforementioned bond-funded costs is intended to satisfy the requirements of Section 1.150-2 of the United States Treasury Regulations. This resolution shall take effect immediately upon adoption.

Resolved, that the foregoing resolutions are subject to the following special conditions:

- Syndication proceeds from the sale of federal 4% LIHTC in an amount sufficient to ensure development feasibility;
- Syndication from the sale or redemption of State LIHTC in an amount sufficient to ensure development feasibility;
- Syndication from the sale or redemption of Federal historic tax credits in an amount sufficient to ensure development feasibility;
- Approval of subordinate funding in amounts sufficient to achieve project feasibility or the availability of alternative equity satisfactory to RIHousing;
- A final appraisal acceptable to RIHousing prepared by an independent appraiser demonstrating that the purchase price is supported and market-oriented and the first mortgage loan does not exceed 90% of the as-stabilized value of the property;
- Approval by the bond underwriter and bond counsel confirming the loans satisfy all required bond provisions for the bond issue;
- Execution and delivery by the Borrower and Applicant of a construction completion guaranty in form and substance satisfactory to RIHousing;
- Approval by RIHousing of all management-related documentation, including the marketing and tenant selection plans;
- Approval by RIHousing of design and construction plans, specifications, and construction documentation;
- Resolution of all housing court matters and citations to the satisfaction of RIHousing;
- Recordation of a RIHousing Declaration of Land Use Restrictive Covenant and Regulatory Agreement in form(s) acceptable to RIHousing;
- Satisfactory and timely performance in accordance with the schedule established by RIHousing staff; and
- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements.

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.

Approval of Transfer of Physical Assets (TPA) for Heritage Village Apartments (North Kingstown)

James Commer made the presentation.

Mr. Comer began by noting that the request was administrative. He said the request was for approval of the transfer of the limited partnership interest in Heritage Village Apartments (the “Development”), a 204-unit housing development for families located in North Kingstown.

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 Heritage Preservation Associates Limited Partnership (the “Owner”). The current general partner of the Owner is POAH Heritage Apartments, LLC (the “General Partner”), which holds a .01% interest in the partnership. The current investor limited partner in the Development is NHT XXIV Tax Credit Fund LLC (the “Limited Partner”). The Limited Partner holds a 99.99% limited partnership interest. The Limited Partner intends to withdraw and sell their partnership interests to Preservation of Affordable Housing, LLC (the “Transferee”). The General Partner and the Transferee are affiliates of the developer, Preservation of Affordable Housing, Inc. (“POAH”).

Heritage Village Apartments ended its 15-year Compliance Period on December 31, 2022. POAH plans to complete the limited partner's exit and then work with RIHousing on a new tax credit capitalization for the Development. The Transferee will assume all existing obligations encumbering the Development. The Regulatory Agreement with RIHousing is in effect until September 2047.

The current property manager is POAH Communities, LLC. The owner and management company are affiliated entities. No change in the management agent is contemplated.

After the presentation, Chairman Pryor asked for a motion and a second for Approval of Transfer of Physical Assets (TPA) for Heritage Village Apartments (North Kingstown).

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

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

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

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

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

Whereas, Preservation of Affordable Housing, Inc. seeks approval of the transfer of the limited partnership interest in Heritage Preservation Associates Limited Partnership, the owner of Heritage Village Apartments (the “Development”), from NHT XXIV Tax Credit Fund LLC to Preservation of Affordable Housing, 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 limited partnership interest in the Development from NHT XXIV Tax Credit Fund LLC to Preservation of Affordable Housing, 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. Receipt by RIHousing of the transfer Processing Fee, as defined in §3.4 of the TPA Regulations; and
3. Satisfaction of any additional requirements that the Executive Director believes to be necessary or advisable to protect the interests of RIHousing with respect to the Development.

Resolved: that the Executive Director, the Deputy Executive Director, or the Director of 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 transfer and to take such further actions as he or she shall deem necessary or advisable in connection therewith.

Approval of List of Pre-Qualified Communication Services and Research Firms

Chairman Pryor acknowledged Christine Hunsinger, Chief Strategy and Innovation Officer, who gave the presentation.

Ms. Hunsinger said that the request was for approval for RIHousing to establish a roster of pre-qualified communication services and research firms to assist RIHousing with various external communication efforts, including strategic communication advice and counsel. Specifically, RIHousing seeks to accept bids from and engage approved firms on an as-needed basis to provide for

the production of plans and reports as required by State or Federal regulations, grant applications, and analytical industry/market reports.

In September 2024, RIHousing issued the following Request for Proposals (“RFP”) to create a roster of qualified firms to fulfill Communications and Research needs.

In November 2024, the RIHousing Board of Commissioners voted to approve seventeen (17) firms to be on its roster for eight (8) Communications services. Those services include Marketing/Advertising/Media Buying, Creative Services, photography, Report Writing, Public and Stakeholder Engagement, Focus Groups, Surveys, In-Depth Interviews, and facilitated Meetings, Strategic Communications Advice and Counsel, and Website Hosting, Maintenance, and Support.

The deadline was extended for three (3) services, Production of State or Federal Required Plans or Reports, Grant Writing, and Industry/Market Analysis, because there were insufficient responses related to those three (3) services.

The RFP extension notice was posted on RIHousing’s website and the website maintained by the State of Rhode Island Department of Administration, Division of Purchases. Four (4) firms submitted proposals for the three categories, with some firms applying for multiple service categories.

A selection committee comprised of RIHousing staff (the “Review Committee”) reviewed the responses in accordance with the criteria set forth in the RFP and determined whether respondents were qualified to perform the required services. Based on this review, RIHousing seeks approval to include the following four (4) firms on its roster for Communication and Research Services (please note, some firms appear under more than one category):

Production of State or Federal Required Plans or Reports

CEW Advisors

Mullin & Lonergan Associates

Grant Writing

Keenan Consulting

Mullin & Lonergan Associates

Industry/Market Analysis/Business Planning

Ninigret Partners

The selected firms will appear on RIHousing’s roster of pre-qualified Communication Services and Research Services for a period of three (3) years. Staff will engage firms from this list on an as-needed basis or solicit bids for particular projects consistent with RIHousing’s Purchasing Policies.

The Review Committee recommends that the Board of Commissioners approve the attached resolution authorizing the creation of a roster of qualified providers of Communication Services and Research Services.

Following the presentation, Chairman Pryor asked for a motion and a second for Approval of a List of Pre-Qualified Communication Services and Research Firms.

A motion was duly made by Commissioner Diossa and seconded by Commissioner McAllister.

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

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

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

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

Whereas: RIHousing has determined that it is in the best interests of the corporation to create a roster of approved communication services and research firms to provide various services in production of State or Federal required plans or reports, grant writing, and industry/market analysis.

Whereas: RIHousing issued a Request for Proposals (“RFP”) for qualified communication services and research firms; and

Whereas: a selection committee comprised of staff reviewed the proposals and evaluated them in accordance with the criteria outlined in the RFP.

NOW, THEREFORE, IT IS HEREBY:

Resolved: that RIHousing be, and hereby is authorized, to create a roster of qualified communications and research firms from which RIHousing may select providers of primary communication, public information, business planning, marketing, advertising, plan- and report-production, and research services on such matters as the Executive Director or her designee deems advisable or necessary; and

Resolved: that RIHousing be, and hereby is authorized, to establish the following roster of firms pre-qualified to provide communications and research services to the corporation for a term of three years, as such services were described in the RFP and consistent with the responses submitted in response thereto:

Production of State or Federal Required Plans or Reports

CEW Advisors
Mullin & Lonergan Associates

Grant Writing

Keenan Consulting
Mullin & Lonergan Associates

Industry/Market Analysis/Business Planning

Ninigret Partners

Resolved: that RIHousing be, and hereby is authorized, to engage the above-listed firms on an as-needed basis and/or solicit bids or proposals from such firms for specific projects consistent with RIHousing’s Purchasing Policies; and

Resolved: that the Executive Director, Deputy Executive Director and Chief Operating Officer, each acting singly, are hereby authorized and directed to take any and all actions they deem necessary and appropriate to carry out the foregoing resolutions, including without limitation negotiation of the terms of the engagement and execution of all relevant agreements and documents.

Approval of Engagement of Venture Window, LLC. for Window Supplier on Historic Homes

Chairman Pryor invited Ms. Hunsinger to present the request.

Ms. Hunsinger said that the request was for approval to engage Venture Window, LLC. as a vendor to provide vinyl and aluminum-clad replacement windows for historic homes enrolled in the RIHousing LeadSafe Homes Program (“LSHP”).

The LSHP provides financial assistance to eligible homeowners to remediate lead paint hazards using funding from a 2019 HUD High Impact Neighborhood Grant and the State’s Lead Remediation program. As part of the financing process, the LSHP develops a scope of work for the remediation, which often requires windows to be replaced. When a property applying to the program is designated as “historic” by the Rhode Island Historical Preservation & Heritage Commission (RIHPHC) or the local historic commission, certain window designs and materials are required to be used for replacement windows in order to preserve the historical integrity of the property. These replacement windows can be significantly more costly than the average vinyl replacement window and requiring contractors to purchase such replacement windows prior to construction start has become a prohibitive financial burden.

Accordingly, in November 2024, RIHousing issued a Request for Proposals (RFP) for a window vendor to bid directly on LSHP projects deemed “historic.” The RFP was posted on the RIHousing website and distributed to a targeted distribution list.

RIHousing received one proposal from Venture Window, LLC. RIHousing staff has reviewed the proposal and determined it appropriate for the work required in the Scope of Work. Staff believes Venture Window, LLC. has the experience and expertise to undertake the assignment and that this exclusive arrangement will provide various benefits to RIHousing, including better pricing, guaranteed accuracy of measurements done directly by the vendor, delivery of the product directly to the job site, and decreased financial burden to the contractor.

In its RFP response, Window Venture, LLC. submitted proposed pricing which is in line with pricing previously obtained on a case-by-case basis from various local vendors on past projects. When LSHP staff determines that the scope of work for a “historic” property requires replacement windows, staff will ask Window Venture, LLC. to take measurements and provide a quote for the project that aligns with the proposed pricing. The project cost will be included in the grant or loan amount awarded to the homeowner.

The total cost of this engagement will be determined based on the number of “historic” projects undertaken, the number of windows in each project, and the type of replacement windows.

Following the presentation, Chairman Pryor asked for a motion and a second for Approval of Engagement of Venture Window, LLC. for Window Supplier on Historic Homes.

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

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

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

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

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

Whereas: Staff of RIHousing has identified a need for a historic window vendor for the LeadSafe Homes Program;

Whereas: In November 2024, RIHousing issued a Request for Proposals (“RFP”) for vendors to assist the LeadSafe Homes Program with measuring, ordering and supplying historically appropriate window replacements during lead remediation projects;

Whereas: Venture Window, LLC. was the sole respondent to the RFP; and

Whereas: A selection committee comprised of RIHousing staff reviewed the proposal for this service, evaluated the proposal pursuant to the criteria set forth in the Request for Proposals, and determined that the bid submitted was fair.

NOW, THEREFORE, IT IS HEREBY:

Resolved: that RIHousing be, and hereby is, authorized to enter into a contract with Venture Window, LLC. to serve as the exclusive supplier of historic windows for the LeadSafe Homes Program as outlined in the Request for Proposals and the proposal submitted in response thereto (the “Proposal”).

Resolved: that such engagement shall be for a one-year term, renewable at the option of RIHousing staff for an additional one-year term, for a cost based on pricing as submitted in the Proposal.

Resolved: that the Executive Director, Chief Administrative Officer, and Chief Strategy and Innovation Officer, each acting singly, be and hereby are authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions, including without limitation the authority to negotiate the terms and fees of the

engagement as he or she may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.

Closed Session Pursuant to R.I. Gen. Laws §42-46-5(a)(1) to Discuss the Job Performance, Contract and Compensation of the Executive Director

Chairman Pryor announced that the agenda item was originally noticed as a Closed Session discussion, but the Executive Director opted to have the discussion held in an Open Session, as is her right, and therefore the Commissioners dispensed with the Closed Session formalities.

Chairman Pryor stated that the Commissioners would move directly to the Executive Director's Compensation.

Approval of Executive Director's Contract and Compensation

Chairman Pryor informed the Board that the Executive Director's compensation was discussed at the previous day's Management Committee. He was pleased to report that the Committee agreed that Ms. Ventura's contract should be extended by six (6) months.

The Chairman explained that Ms. Ventura's current contract expires on December 31, 2024, and good faith discussions were held to ensure an agreement was achieved to benefit Ms. Ventura and the Corporation.

The Chairman stated that the General Assembly introduced a provision in the legislation that requires an evaluation of the state agencies, offices, and departments related to housing and the allocations of functions among the departments and agencies to optimize performance. The Department of Housing is charged with producing that report, which is due on December 31, 2024. The report speaks to RIHousing's role, its functions, programs, and operations along with the other departments and agencies. Therefore, it was decided that it would be best to make a longer-term decision once the General Assembly reviewed the report, especially as the new Secretary of Housing, Deborah Goddard should be part of that conversation in its partnership with the Corporation.

The six-month contract extension enables the legislative branch to review the recommendations in its 2025 session.

Chairman Pryor expressed his gratitude to Ms. Ventura for the thoughtful conversations regarding her contract. The Chairman noted that some enhancements were included in the contract and asked Steve Richard, Counsel to the Corporation to outline those enhancements. The Chairman thanked Ms. Ventura for her leadership, her service to date which was admirable, and for agreeing to the extended transition period.

Mr. Richard thanked Chairman Pryor and proceeded to summarize the procedural process. He explained that RIHousing's enabling act states the Board of Commissioners employs the Executive

Director. Therefore, the process of extending the contract of the Executive Director falls under the discretion and authority of the Board of Commissioners.

Next, Mr. Richard explained that the Management Committee, as required by the Quasi-Public Corporations Accountability and Transparency Act, acts as the advisory committee to the Board of Commissioners. At its meeting the previous day, the Committee discussed the contract.

Mr. Richard informed the Committee that it was a straightforward and cooperative process. Mr. Richard serves as counsel to the Board, does not represent Ms. Ventura, and consulted with Ms. Myers, General Counsel to ensure compliance with RIHousing policies and procedures.

Mr. Richard said that everyone worked cooperatively and quickly to fine-tune the existing contract. Mr. Richard pointed out that three (3) provisions were adjusted within the contract. First the date of the termination of the existing contract has been extended to June 30, 2025. That serves two (2) purposes. In the event of any issues with resignation or termination all rights are preserved for the Corporation and guarantees that Ms. Ventura continues to accrue benefits and rights under RIHousing's policies.

Essentially, the change to the contract adjusts the dates to be consistent with the six-month expiration period from January 1, 2025, to June 30, 2025. Additionally, Ms. Ventura's compensation was adjusted upward 4% to an annualized salary of \$229,195, effective January 1, 2025. The increase was consistent with prior adjustments to Ms. Ventura's salary.

Furthermore, Mr. Richard stated that the other change pertained to Ms. Ventura's vacation time. Due to Ms. Ventura's long tenure and hard work at RIHousing, she has accrued significant vacation time. All parties wanted to protect and recognize accrued vacation days so that they would roll over for new term to June 30, 2025. The contract allows that Ms. Ventura will maintain and carry over into calendar year 2025 all unused and accrued vacation time as of December 31, 2024. For the six-month extension period, Ms. Ventura will be entitled to 15 vacation days and two (2) personal days.

Moving forward, Mr. Richard stated that the Commissioners' role was to review and approve the terms of the contract and authorize Chairman Pryor to collaborate with Mr. Richard to finalize and execute Ms. Ventura's contract prior to December 31, 2024.

Mr. Richard then welcomed questions. None were presented.

Chairman Pryor then reiterated that the next step for the Board was their authorization for Chairman Pryor to work with Mr. Richard, Ms. Ventura, and Ms. Myers as General Counsel to finalize the document and have the contract properly executed by all parties. In essence the contract is a straight

extension of six (6) months with changes and edits for vacation days that are consistent with previous years and best practices.

The Chairman then offered Ms. Ventura an opportunity to say a few words. None were presented.

The Chairman then opened the floor to the Commissioners for questions or concerns. None were presented.

Commissioner Orth thanked Ms. Ventura for over 20 years of service and said that the last year was one of the best. He attributed that success to Ms. Ventura's leadership.

Following the presentation, Chairman Pryor asked for a motion and a second for Approval of the Executive Director's Contract and Compensation.

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

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

Ms. Myers then announced that the motion to authorize the Chairman to finalize and execute the contract with the Executive Director consistent with the terms discussed at the meeting was unanimously approved.

There being no further business to discuss, Chairman Pryor asked for a motion to adjourn the Board of Commissioners meeting. Commissioner McAllister duly made the motion, which was seconded by Commissioner Designee Cabral.

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

Ms. Myers then announced that the motion to adjourn was unanimously approved. The meeting was adjourned at 10:22 a.m.

Chairman Pryor then thanked everyone for participating in the Board meeting.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director