

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

January 19, 2023

The Regular Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Thursday, January 19, 2023 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 Carl Rotella, Director of Information Technology, who summarized the parameters of the meeting.

Mr. Rotella 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. Mr. Rotella also asked that to prevent any feedback or background noise, telephone participants to please mute their telephone if not speaking. Additionally, Mr. Rotella announced that if during the meeting anyone had technical difficulties with audio or accessing the call, they should call (401) 457-1240.

Corinne Myers, General Counsel, then provided additional guidance for the meeting. Ms. Myers stated that the meeting was being held in 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 Vice Chairman Thorsen 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 phone when not speaking. She then invited Vice Chairman Thorsen to call the meeting to order.

A quorum being present, Vice Chairman Thorsen introduced himself and officially called the meeting to order at approximately 9:33 a.m. The Vice Chairman then invited Ms. Ventura to proceed with the roll call of Commissioners in attendance.

Ms. Ventura conducted a roll call vote of Commissioners participating in the meeting. Commissioners participating were: James Thorsen, Director of the Department of Administration; Sara Cabral, Designee for Elizabeth Dwyer, Interim Director of the Department of Business Regulation; Kevin Orth; Stephen P. McAllister and Maria Barry.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Lisa Primiano, Chief Operating Officer; Peter Pagonis, Director of Homeownership; Christine Hunsinger, Chief Strategy & Innovation Officer; Anne Berman, Director of Real Estate Development; Leslie McKnight, Assistant Deputy

Director of Loan Servicing; Amy Rainone, Director of Government Relations and Policy; Corinne Myers, General Counsel; and Carl Rotella, Director of Information Technology.

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

Approval of Minutes of Board Meeting held on December 15, 2022

Vice Chairman Thorsen asked for a motion and a second for the approval of the minutes of the Board of Commissioners meeting held on December 15, 2022. A motion was duly made by Commissioner McAllister and seconded by Commissioner Designee Cabral.

There being no discussion, Vice Chairman Thorsen conducted a voice vote of the Commissioners.

The Commissioners voted to approve the minutes with four (4) votes in favor, Commissioner Barry abstaining, and zero (0) nay votes.

Vice Chairman Thorsen then officially stated for the record that the following was adopted:

VOTED: That the minutes of the Board Meeting held on December 15, 2022 hereby are approved.

Remarks of Presiding Commissioner

Vice Chairman Thorsen welcomed everyone to the Board meeting and took a few moments to address recent changes in the state. The Vice Chairman stated that Commissioner Saal has resigned from the Board and will be replaced by Stefan Pryor. Mr. Pryor has been named Housing Secretary and will take office on February 6. The Governor has also nominated Mr. Pryor as Chairman of RIHousing's Board of Commissioners but will not officially join the Board until either February or March.

Vice Chairman Thorsen confirmed that he will continue serving as Vice Chairman of the Board. He mentioned that it's been his distinct pleasure to perform the duties of the Chairman for the Corporation.

Furthermore, the Vice Chairman stated that it's an exciting time for RIHousing and the State. The Governor's FY 2024 budget is scheduled to be released that afternoon and it includes provisions for affordable housing ventures. Vice Chairman Thorsen noted that Rhode Island is in the best shape than it's ever experienced. Unemployment is at its lowest level, the budget is robust and addresses priority issues for housing, education and employment. There will be challenges and demands in the coming year that will take an army of individuals to achieve, but it's truly an exciting period for Rhode Island.

Executive Director's Review of Recent Activities and Trends

Carol Ventura, Executive Director, greeted everyone and announced that prior to her presentation on the State Fiscal Recovery Fund (SFRF) Programs, she wanted to focus on a couple of questions posed at the December Board meeting.

Ms. Ventura began by expressing her appreciation to Vice Chairman Thorsen for his service and leadership as Interim Chairman of the Board of Commissioners. She thanked him for his guidance and willingness to assist RIHousing in its mission.

Ms. Ventura then said that at the December meeting Commissioner Saal questioned the total number of supportive housing units served. Ms. Ventura's report and the information communicated by Jessica Mowry, Assistant Director of Leased Housing & Rental Services, seemed to contain an inconsistency, and the Commissioner wanted to know if the numbers were calculated variably on calendar year and fiscal year bases.

Ms. Ventura explained that both set of reported calculations were correct. Ms. Ventura's reported number of 1,600 residents included numbers for survivors of domestic violence. Ms. Mowry's information of 921 individuals and 554 households served was based on a calendar year calculation that did not include survivors of domestic abuse.

Another question the Executive Director tackled was the request for the total number of units closed in 2022. Ms. Berman informed the Commissioners that after the board meeting staff researched the matter and the total number of units closed was 1,747 of which 1,543 are deed restricted.

Ms. Ventura then proceeded with an update on the State Fiscal Recovery Fund (SFRF) Programs and the current funding round.

Ms. Ventura commenced by distributing a presentation to the Commissioners and delivered an update on the status of the of SFRF programs and current funding round.

The Executive Director directed the Commissioners to page 2 of the presentation outlining the various programs administered by RIHousing. Those programs include the Predevelopment, PHA Pilot, Middle Income Housing, Site Acquisition, Community Revitalization and Down Payment Assistance programs. For each program, Ms. Ventura listed the amounts allocated and expended.

Ms. Ventura remarked that Development staff has done a great job reviewing the programs and processing applications. She commended them on the endeavor.

Vice Chairman Thorsen referenced funds that are not yet available for commitment. James Comer, Deputy Executive Director, mentioned that RIHousing has access to some of the programs but not all. Mr. Comer has discussed the appropriate funding timeline with the Pandemic Recovery Office (PRO) and explained that the funds must be obligated by 2024. Other funds will be available for access by July 2023 and staff will work to ensure those move forward expeditiously.

Vice Chairman Thorsen recommended that staff work with the legislature to inform them of any funds not allocated so that they can be reappropriated to ensure deadlines are met. Ms. Ventura and Mr. Comer confirmed that that is the plan and staff is proactive in communicating any obstacles they foresee.

Continuing, Ms. Ventura referenced the application process depicted on page three (3) noting that RIHousing anticipates that it will bring recommendations for funding to the Board starting March 2023. The second round of applications are scheduled for November. The goal is to expedite the development of projects as quickly as possible. Ms. Ventura remarked that the focus will be processing the 9% applications first.

Page four (4) of the presentation outlined the status of the Site Acquisition (SAP) program as of December 31, 2022. Ms. Ventura stated that as of December 31 staff committed \$15 million in funding. RIHousing has suspended the program until FY2024 funds are available. Funds were awarded to 25 properties projecting 570 affordable and six (6) market rate units. Of the 25 properties that received awards, 15 have closed and four (4) are scheduled to close in January.

Regarding the Development of Affordable Housing Program, 13 developments have been financed. That allocation will provide 550 units of which 485 are earmarked affordable. Ms. Ventura explained that one (1) development is complete, three (3) are under construction, two (2) have received firm approval and seven (7) developments have been awarded preliminary approval of financing.

Next, Ms. Ventura touched on the diverse geographic locations of the projects. She noted that ventures have been financed in 16 municipalities across the state including Johnston, Gloucester, Westerly Woonsocket, East Greenwich and Middletown.

Finally, Ms. Ventura asked Anne Berman, Director of Real Estate Development to provide an update on the status of the current RFP.

Ms. Berman announced that RIHousing received 57 applications for the present funding round. The funding is oversubscribed two (2) to one (1). Two of the applications are hybrid incorporating 9% and 4% tax credit options. Three (3) of the projects are public initiatives and seven (7) are for homeownership opportunities. Additionally, 17 of the applications received are for middle income ventures. Ms. Berman acknowledged that it was a very competitive round with a respectable mix of assorted projects in six (6) different communities. Generally, the applications were well thought out. There are a few that are not as well-balanced but the majority are excellent. However, staff is diligently reviewing the applications to determine the most viable for funding.

Ms. Ventura assured the Board that the goal is to efficiently fund the deals to ensure the developments promptly move forward.

Ms. Ventura then asked if anyone had any questions.

Vice Chairman Thorsen applauded the efforts of staff and the hefty number of applications received. He acknowledged that programs at this scale take time to process, as evidenced by the RentReliefRI program. However, he thanked staff for their diligence and perseverance during difficult times.

Christine Hunsinger, Chief Strategy & Innovation Officer conceded that it takes a lot of work and effort to design, implement and administer the programs.

Commissioner Barry agreed and said that it's a big job.

Commissioner Barry also asked about the average size of the 9% deals. Ms. Ventura replied that most of the applications average approximately 50 affordable units.

Ms. Berman agreed stating that several of the projects constructed are larger than the average and a few contain slightly under 50 units. However, she did not have the exact breakdown. Ms. Berman did say that she would be happy to research that data and provide the Commissioners with the information.

Commissioner Barry thanked Ms. Berman and said that she is happy to see the construction of larger developments.

Commissioner Orth also expressed his appreciation to staff for the synopsis and acknowledged the amount of time and effort involved in the process.

Approval of Transfer of Physical Assets for Clocktower Apartments (Burrillville)

Vice Chairman Thorsen announced that Anne Berman, Director of Real Estate Development would give the presentation.

Ms. Berman began by noting that the request is an administrative action. Ms. Berman then said that the request was for approval of the transfer of the limited partnership interest in Clocktower Apartments (the "Development"), a 47-unit affordable housing development for families located at 246 Main Street in Burrillville.

Under RIHousing's Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, 825-RICR-30-00-3 (as amended, the "TPA Regulations"), project owners must obtain RIHousing's approval and comply with RIHousing's administrative procedures for the transfer of physical assets and prepayment of the mortgage before conveying, assigning, or transferring any ownership interest in a multifamily housing project.

The owner of the Development is Clocktower Associates, L.P. The current general partner of the Development is Harrisville Village Partners, Inc., a Rhode Island corporation that holds a 1.01% interest in the partnership. The Development was completed in 2009 using the Tax Credit Exchange Program; therefore, there is no low-income housing tax credit investor partner. There is, however, a federal historic tax credit partner seeking to exit the partnership. The current federal historic tax credit investor limited partner in the Development is Schneider Electric USA, Inc., a Delaware corporation which holds a 98.99% limited partnership interest (the "Transferor"). The Transferor intends to withdraw and transfer its partnership interest to the current general partner, Harrisville Village Partners, Inc. (the "Transferee").

The Transferee will pay to the Transferor a purchase price equal to Fifty Thousand Dollars (\$50,000) (the "Purchase Price"). The Purchase Price will be offset by an equivalent amount held in escrow as part of the partnership agreement. The Transferee will assume all existing obligations encumbering the Development.

Finally, Ms. Berman said that the current property manager is Maloney Properties Inc. and no change in the management agent is contemplated.

Following the presentation, Vice Chairman Thorsen thanked Ms. Berman and asked for a motion and a second for Approval of Transfer of Physical Assets for Clocktower Apartments (Burrillville).

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

Commissioner Orth asked if the existing tax credit regulatory agreement will remain following the transfer. Ms. Berman confirmed that the agreement remains in place.

The Commissioner also inquired about the condition of the property. Ms. Berman responded that the property is in good condition. She mentioned that NeighborWorks Blackstone River Valley does an excellent job of maintaining their projects. Ms. Berman also remarked that it's a handsome development that transformed an old mill into a beautiful property.

Following the comments, Vice Chairman Thorsen conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

The following resolution was unanimously 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, Clocktower Associates, L.P. seeks approval of the transfer of the limited partnership interest in Clocktower Associates, L.P., the owner of Clocktower Apartments (the “Development”), from Schneider Electric USA, Inc. to Harrisville Village Partners, Inc.; 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 Schneider Electric USA, Inc. to Harrisville Village Partners, Inc. 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 Processing Fee, as defined in §3.4 of the TPA Regulations;
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, 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 Pre-Qualification of Focus Group Firms

Vice Chairman Thorsen stated that Christine Hunsinger, Chief Strategy and Innovation Officer would present the request.

Ms. Hunsinger said that the request is for the authorization of RIHousing to establish a roster of pre-qualified firms to provide focus group recruitment, scheduling, facilitation and report out writing. RIHousing may accept bids from and engage such firms on an as-needed basis to provide these services, either in part or whole.

Periodically, RIHousing utilizes focus groups to better understand how our programs function and could be improved, how to best design future initiatives, and to understand public perception of the agency, our programs, and topics that relate to our mission. Consequently, RIHousing issued a Request for Proposals (“RFP”) for firms that are qualified to provide 1) focus group facilitation only; or 2) focus group recruitment, scheduling, facilitation, and report out writing.

The RFP notice was posted on the RIHousing website and the website maintained by the State of Rhode Island Department of Administration, Division of Purchases. In addition, the RFP was sent by email to more than 300 partners, organizations, consultants and communications and research agencies.

Overall, RIHousing received proposals from five (5) unique firms, with all proposing to provide focus group recruitment, scheduling, facilitation, and report out writing.

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 five (5) firms on its roster for Focus Group Services:

- Coeuraj
- Systems Change Strategies
- Highland Planning
- Level Up Coaching
- Probolsky Research

The selected firms will appear on RIHousing’s roster of pre-qualified Focus Group Firms for a period of three years, which period may be extended if determined by staff to be in the best interests of the corporation. Staff will engage firms from this list on an as-needed basis or solicit bids for particular projects consistent with RIHousing’s Purchasing Policies. Funding for the focus group recruitment, scheduling, facilitation, and report out writing will come out the Board-approved FY23 public engagement budget.

After the presentation, Vice Chairman Thorsen asked for a motion and a second for Approval of Pre-Qualification of Focus Group Firms.

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

There being no questions or comments, Vice Chairman Thorsen conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

The following resolution was unanimously adopted:

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

WHEREAS: the enabling act of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) provides it with all of the powers to make and execute contracts necessary for the exercise of powers and functions provided to it under the Rhode Island Housing and Mortgage Finance Corporation 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 focus group firms to provide, as needed, focus group recruitment, scheduling, facilitation and report out writing;

WHEREAS: RIHousing issued a Requests for Proposals (“RFP”) for qualified focus group 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 focus group research firms from which RIHousing may select providers of focus group recruitment, scheduling, facilitation, and report out writing 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 focus group recruitment, scheduling, facilitation and report out writing services to the corporation, as such services were described in the RFPs and consistent with the responses submitted in response thereto:

Coeraj
Systems Change Strategies
Highland Planning
Level Up Coaching
Probolsky Research

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, the Deputy Executive Director or the Chief Strategy and Innovation Officer, each acting singly, be and hereby is 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 terms and fees of the engagements as he or she may determine to be in the best interests of RIHousing, and to execute any and all agreements and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.

There being no further business to discuss, Vice Chairman Thorsen asked for a motion to adjourn the Board of Commissioners meeting. A motion was duly made by Commissioner McAllister and seconded by Commissioner Orth to adjourn the meeting.

Vice Chairman Thorsen then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to adjourn the meeting.

Vice Chairman Thorsen then announced that the motion to adjourn was unanimously approved. The meeting was adjourned at 9:59 a.m.

Vice Chairman Thorsen then thanked everyone for participating in the Board meeting.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director