

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

**March 20, 2025**

A Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Thursday, March 20, 2025, at 9:30 a.m. The meeting was held at the main office of the Corporation, 44 Washington Street, Providence, RI 02903, Conference Boardroom, and via telephone conference call.

Carol Ventura, Executive Director, opened the meeting and introduced Val Lingasami, Assistant Director of Information Technology, who 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 telephones if they are not speaking. Additionally, Ms. Lingasami announced that if, during the meeting, anyone had technical difficulties with audio or accessing the call, they should call (401) 429-1430.

Corinne Myers, General Counsel, then provided additional guidance for the meeting. Ms. Myers stated that the meeting was being held in person, 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 9:43 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 Maria Barry. Stephen P. McAllister was absent.

RIHousing staff participating were: Carol Ventura, Executive Director; Anne Berman Director of Real Estate Development; Kara Lachapelle, Chief Financial Officer; Christine Hunsinger, Chief Strategy and Innovation Officer; Peter Pagonis, Director, Homeownership; Leslie McKnight, Assistant Deputy Director of Loan Servicing; Maggie Chung, Senior Counsel; Brett Pelletier, Chief Administrative

Officer; Corinne Myers, General Counsel; and Val Lingasami, Assistant Director of Information Technology.

Steven Richard, Counsel to the Corporation, and Deborah Goddard, Secretary of Housing, were also present, as were members of the public.

Governor Daniel J. McKee was also in attendance.

Chairman Pryor opened the meeting by welcoming Governor Daniel J. McKee and Secretary Goodard, the incoming Chair of the RIHousing Board of Commissioners. He thanked Governor McKee for taking time out of his schedule to attend the Board meeting and stated that it's always a pleasure to have the Governor attend the meeting. Chairman Pryor declared that he was grateful to Governor McKee for the opportunity to serve as Chairman of the Board for the past several years. More importantly, he appreciated the Governor's constant support during his tenure.

Chairman Pryor then invited Governor McKee to say a few words.

### **Governor's Remarks**

Governor McKee began by thanking Chairman Pryor for the invitation to address the meeting. The Governor also thanked Ms. Ventura for the work RIHousing has accomplished under her leadership and the work that continues in increasing housing production in the State of Rhode Island.

Governor McKee next praised Chairman Pryor for stepping in to head the Department of Housing that was established by the General Assembly. The Governor expressed his appreciation for Chairman Pryor's leadership.

Governor McKee also affirmed that he wanted to make the visit to thank the Board of Commissioners for their service. Furthermore, he wanted to welcome Secretary Goddard as the incoming Secretary of Housing and Chair of the Board of Commissioners. Governor McKee said that housing is a big piece of his 2030 Plan, and it all relates to rising outcomes in schools, raising incomes for families, and personal wealth for all Rhode Islanders. The Governor said that housing is at the core of all those issues, especially in terms of building equity and wealth. The Governor was extremely pleased that the housing bond passed to create more first-time homeownership opportunities. He said that RIHousing has a long history of supporting first-time homeownership.

The other priority of the 2030 Plan is ensuring that all Rhode Islanders are healthy enough to enjoy living in the state of Rhode Island. The Governor stressed that housing is essential to health. He recommended that everyone view the 2030 Plan on the state's website for more details.

Governor McKee said that Secretary Goddard has an excellent resume and experience working in housing. Ms. Goddard is persistent and will ensure the inclusion of municipal leaders in the housing efforts, particularly in the rental arena. He looked forward to the Secretary working closely with the Board of Commissioners.

Finally, Governor McKee thanked Ms. Ventura for her leadership, Chairman Pryor for stepping in in various ways, and Ms. Goddard for taking on the important task of housing. He said that just figuring out what the forthcoming changes from Washington will mean for Rhode Island is a huge task.

Governor McKee emphasized that the work that RIHousing and its partners perform is important, and he thanked everyone for their efforts.

In closing, Governor McKee once again thanked Chairman Pryor and presented him with a token of his appreciation.

### **Chairman's Remarks**

Chairman Pryor thanked the Governor for his remarks and stated that on behalf of RIHousing and the Board of Commissioners, his attendance meant a lot to the Corporation.

Chairman Pryor said that as the meeting was his last opportunity to address the Commissioners, he wanted to thank them and express his appreciation for their support. Especially as it's a volunteer position and the Commissioners must allocate time from their duties. That also includes the Government officials who participate in those meetings. He praised the devotion of hours and passion of the Board and stressed that passion is what enables the Corporation to fulfill its mission.

Chairman Pryor also commended Ms. Ventura on the professionalism she brings to the table, her steady hand, and the partnerships she cultivates across institutions and acknowledged that it's impressive.

Next, Chairman Pryor provided a brief update on the accomplishments of the past two (2) years. He cited that RIHousing has deployed hundreds of millions of dollars, financed over 2,000 units of housing, and instituted new programs. Those programs range from a new transportation development fund, a priority project fund, a technical assistance fund for municipalities, and a site acquisition and public housing authority investment fund. Additionally, the Corporation provides down payment assistance programs.

Chairman Pryor stated that RIHousing launched a new Proactive Development initiative under Benjamin Frost, President of Proactive Development that is serving to get into the market with municipalities and developers to help them make projects happen.

Regarding homelessness, the Department of Housing and RIHousing have engaged in expansion, prevention, and collaboration efforts. Since the previous winter, shelter beds have increased by 30%. He praised efforts to prevent homelessness through investments in free legal assistance and problem solving, collaborations with new organizations, and innovative approaches. However, there is so much more to accomplish. The Chairman said that he is grateful that Secretary Goddard has stepped in with her decades of experience. The Chairman stated that he is confident in her abilities.

Next, Chairman Pryor stated that under Governor McKee's leadership, Rhode Island has witnessed the approval of the largest housing bond in the state's history. Those dollars will help replenish the funds needed for affordable housing.

The Chairman also remarked that under Ms. Ventura's, Mr. Comer's, and staff's efforts, Providence Business News (PBN) has twice named RIHousing one of the best places to work. In addition, in the last two (2) years, the Agency has twice received the Preservation Rhode Island awards for historic preservation. Furthermore, RIHousing has received awards from Grow Smart, the National Council of State Housing Agencies (NCSHA), the Housing Network, and Blue Cross Blue Shield of RI. Those awards illustrate that the Corporation gets things done. Chairman Pryor said that in concert with the

Department of Housing, things can be taken to the next level. The question of who oversees certain functions remains. Those are important questions, and those questions need to be clarified to move forward with greater velocity. The Chairman hoped that everyone stays focused on the collective charge that Rhode Island produces too little housing for the demand that exists. There are affordability challenges, and too many Rhode Islanders are experiencing homelessness. The Chairman remarked that he has every confidence that the collective team can accomplish that goal. He stated that he has seen Secretary Goddard in action overcoming those challenges in Massachusetts and New York, and the Corporation is blessed to have her expertise as the Chair of the RIHousing Board of Commissioners.

Finally, the Chairman once again thanked the Governor for his leadership and support, stating that it's essential and he is grateful that the Governor willingly grants that backing. The Chairman also thanked everyone for the opportunity to Chair the board for the past few years.

### **Approval of Minutes of Board Meeting held on February 20, 2025**

Chairman Pryor asked for a motion and a second for the approval of the minutes of the Board of Commissioners meeting held on February 20, 2025. A motion was duly made by Commissioner Diossa and seconded by Commissioner Barry.

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 February 20, 2025, are hereby approved.

### **Firm Approval of Financing for Rock Ridge Apartments (Woonsocket)**

Chairman Pryor asked Anne Berman, Director, Real Estate Development to present the request.

Ms. Berman then said that the request was for a RIHousing tax-exempt financing in an amount not to exceed \$30,000,000 and a Capital Magnet Fund ("CMF") Loan in an amount not to exceed \$999,000 for Rock Ridge Apartments (the "Development"). The BLVD Group, LLC is the developer ("BLVD" or the "Developer"). The Development received preliminary approval from the Board of Commissioners on June 20, 2024 ("Preliminary Approval").

Rock Ridge Apartments is an existing 152-unit property located in Woonsocket. The property has one (non-income-producing) management unit. Originally built in 1971 and financed under the Section 236 program, the Development was refinanced in 2001 with 9% low-income housing tax credits ("LIHTC") and financing from RIHousing. In 2019, the property was purchased by an affiliate of BLVD, and the RIHousing loan was paid off. 73% of these units benefit from a project-based Section 8 Housing Assistance Payments ("HAP") contract, and RIHousing is the HAP contract administrator. The Developer is seeking a new 20-year Section 8 HAP contract.

The Development consists of 14 two-story buildings that contain six to twenty living units and a separate 15<sup>th</sup> building that serves as a community building. A new limited partnership, consisting of

an affiliate of the Developer as the general partner and a syndicator-sponsored tax credit fund as the limited partner, will purchase and renovate the Development.

Although the Development is in fair condition, the project will benefit from significant rehabilitation to windows, siding, roofing, amenities, unit interiors, and updated building systems with a special emphasis on building efficiency.

This is a conduit transaction in which Fannie Mae will make a Multifamily Tax-Exempt Bond ("MTEB") loan originated by Merchants Capital Investments, LLC ("Merchants"). The borrower will begin paying principal and interest immediately after closing based on the HAP contract renewal. Merchants' affiliate, Merchants Bank of Indiana, will also provide a tax-exempt equity bridge loan that will be repaid at construction completion with syndication proceeds. Upon repayment of the bridge loan, Fannie Mae will assume all financial risk.

Since Preliminary Approval, total development costs have increased by approximately \$6,700,000, which can be generally attributed to increased construction costs. Some contributing factors include full window replacement instead of partial replacement due to fire code regulations, as well as additional structural repairs required to the foundation and the roof to accommodate a solar installation. The financing costs have also increased, mainly due to additional fees from the senior lender and additional construction loan interest.

The Developer received a \$750,000 Green and Resilient Retrofit Program ("GRRP") grant in late 2024; however, in light of recent federal actions, the Developer has elected to move forward with a capital stack that does not include GRRP funds. The GRRP grant has been removed and replaced with additional income from operations and a seller loan to ensure the scope of work is completed.

Merchants will be the syndicator and is paying \$0.91 per credit, an increase of \$.06/credit over the Preliminary Approval estimate. This increase in equity pricing is a result of Merchants also acting as the DUS lender of the Fannie Mae MTEB loan.

Staff request firm approval of \$30,000,000 in tax-exempt financing and \$999,000 of CMF funding for Rock Ridge Apartments, subject to certain conditions.

After the presentation, Chairman Pryor asked for a motion and a second for Firm Approval of Financing for Rock Ridge Apartments (Woonsocket).

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

The Chairman then welcomed questions. Chairman Pryor asked Ms. Berman if she had any other comments regarding the GRRP grant, especially as there were a few other projects for which GRRP funding was being considered.

Ms. Berman responded that the two (2) projects that had GRRP grants that were less than \$750,000 have figured out how to move forward without the grant. The two (2) projects that the GRRP grants, ranging from \$2.5 million to \$7.5 million, are returning to the drawing board. Ms. Berman said that she believes the projects will move forward, but the funding will be different.

Commissioner Barry inquired if Merchant Capital Investment was both the syndicator and lender. Ms. Berman confirmed.

There being no other 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 the purpose of financing qualified housing developments throughout the state;

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

**Whereas,** on June 20, 2024, the RIHousing Board of Commissioners granted preliminary approval of tax-exempt mortgage financing to the BLVD Group, LLC (“Applicant”) to acquire and/or rehabilitate the development as set forth below (the “Development”):

<u>Development</u>	<u>Applicant</u>	<u>Tax-Exempt Bonds</u>	<u>CMF Loan</u>
Rock Ridge Apartments	The BLVD Group, LLC	\$30,000,000	\$999,000

**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.

**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 firm commitment for tax-exempt mortgage financing for Rock Ridge, LP or an affiliated entity of the Applicant (the “Borrower”) in an amount not to exceed \$30,000,000 for rental housing known as Rock Ridge Apartments located in Woonsocket, 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 \$30,000,000 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 Merchants Capital Investments, LLC (the “Merchants Loan”) 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, or Director of Finance (each, an “Authorized Officer”), acting singly, be and each hereby is authorized to enter into such documents with Merchants Capital Investments, LLC as it may require to evidence the Merchants Loan, including, without limitation, a funding loan agreement, note(s), 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 approves firm commitment of up to \$999,000 for a Capital Magnet Fund loan to the Borrower for rental housing known as Rock Ridge Apartments located in Woonsocket, Rhode Island.

**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;
- HUD approval of the Borrower's rent request and waivers;
- Evidence of the availability of a 20-year HAP contract for the Development at rent levels that, in the judgment of RIHousing, are sufficient to ensure project feasibility;
- Approval by bond counsel that the proposed conduit loan will satisfy all required bond requirements;
- RIHousing approval of all Merchants Capital Investments, LLC loan documents;
- Execution and delivery by the Borrower of a construction completion guaranty in form and substance satisfactory to RIHousing and any other lender;
- Approval by RIHousing of design and construction plans, specifications and construction documentation;
- Approval by RIHousing of all management related documentation, including the marketing and tenant selection plans;
- Recordation of a RIHousing Declaration of Land Use Restrictive Covenant and Regulatory Agreement in form(s) acceptable to RIHousing; and
- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements.



**Resolved,** that the Executive Director, the 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 Rock Ridge Apartments \$30,000,000**

Chairman Pryor once again invited Ms. Berman to present the request.

Ms. Berman said that as part of the process of financing the construction of Rock Ridge Apartments in Woonsocket, staff has requested the Board of Commissioners to approve the issuance by RIHousing of a tax-exempt note not to exceed \$30,000,000. Rock Ridge Apartments will provide 152 units of housing, including one non-income-producing management unit, of which 100% will be affordable to households with incomes at or below 60% of the area's median income. The developer, The BLVD Group, LLC ("BLVD"), has formed a limited partnership, Rock Ridge, LP (the "Borrower"), which will be the owner of the project and the recipient of the loan.

The Action requests authorization for the issuance of multifamily housing revenue bonds and approval of a trust indenture to support the acquisition and rehabilitation of Rock Ridge Apartments.

This is a conduit transaction in which there will be a Fannie Mae Multifamily Tax-Exempt Bond ("MTEB") issuance of \$23,800,000 originated by Merchants Capital Investments, LLC ("MCI") with RIHousing-issued tax-exempt bonds. There will be an additional equity bridge loan of \$6,200,000 that will be interest-only through construction and repaid at completion. The bridge loan will also be privately placed with Merchants Bank of Indiana ("the Bridge Lender"). The bridge loan will be cash collateralized through deposits made into an account controlled by the trustee, The Bank of New York Mellon Trust Company, N.A. Each loan will be reflected in a separate mortgage or promissory note. Since the loans are considered to be tax-exempt financing, the Development will be eligible to receive 4% low-income housing tax credits and generate approximately \$18 million in equity to fund development costs.

The loans will be non-recourse to RIHousing. RIHousing will only need to provide an assignment of its rights under the loans to MCI and the Bridge Lender. The Borrower note and mortgage will also be assigned to MCI and, subsequently, Fannie Mae. Merchants Capital Corp. will act as the DUS lender and will service the permanent loan for Fannie Mae.

The structure provides a number of advantages to the participants. The Borrower receives a better interest rate, reduced transaction fees, and a more expedited closing process. MCI 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. BLVD will pay all costs associated with the transaction.

Ms. Berman called attention to the Board meeting package and explained that Attachment A is the Authorizing Resolution and Attachment B sets forth the terms of the financing agreement between RIHousing, the Trustee, and the Borrower.

RIHousing staff recommend approval of the resolution authorizing loans in an amount not to exceed \$30,000,000 to finance a tax-exempt loan to the Borrower for the acquisition and rehabilitation of Rock Ridge Apartments and the execution of the financing agreement in substantially the form set forth in the attachment that was included with the March 20, 2025, Board meeting package.

Following the presentation, Chairman Pryor asked for a motion and a second Authorization to Issue Tax-Exempt Loan to Support Construction of Rock Ridge Apartments \$30,000,000.

A motion was duly made by Commissioner Orth 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 resolution was unanimously adopted in the form presented at the March 20, 2025, Board meeting.

### **Approval of ERA2-Site Acquisition Program Funding Awards**

Chairman Pryor acknowledged Ms. Berman, who gave the presentation.

Ms. Berman said that the ERA2-Site Acquisition Program (“ERA2-SAP”) is one subpart of the ERA2 Supplemental Development Financing Program (the “ERA2 Development Program”), which is funded through the American Rescue Plan Act of 2021 for the predevelopment, acquisition, and production and/or rehabilitation of affordable housing for households with incomes at or below 50% of area median income (“AMI”). RIHousing was authorized by the State of Rhode Island to implement and administer the ERA2 Development Program using approximately \$15,000,000 in funds to be allocated across the ERA2-Production, ERA2-Predevelopment, and ERA2-SAP programs as demand necessitates. As of January 2025, there is approximately \$1,700,000 in ERA2 Development Program funding available for award.

In November 2024, RIHousing issued a Request for Proposals (“RFP”) for ERA2 Development Program funding from qualified applicants. Applicants could apply for ERA2-Production, ERA2-Predevelopment, or ERA2-SAP funding. In response, RIHousing received thirty-two proposals requesting approximately \$30,937,250.49 in ERA2 Development Program funds, including \$ 5,376,630.00 in ERA2-SAP funding.

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

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

from either of those programs.

RIHousing staff recommends approval of funding for one proposal in the amount of \$400,000. The recommended award is described in Attachment A and will close by May 1, 2025, or sooner, as outlined in Attachment A. The ERA2-SAP award will directly fund 100% of the acquisition cost for the unit, which is restricted to households with incomes at or below 50% of AMI. This development will create one housing unit.

Staff recommend allocation of up to \$400,000 in ERA2-SAP funds is recommended for approval, contingent upon (i) receipt of the ERA2 Development Program funds from the State of Rhode Island and (ii) compliance with the ERA2-SAP guidelines.

Following the presentation, Chairman Pryor thanked Ms. Berman and asked for a motion and a second for Approval of ERA2 Site Acquisition Program Funds.

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

Commissioner Designee Webber inquired how much money will remain once the applications have been approved.

Ms. Berman responded that following approval of the next request, there will be less than \$400,000 for disbursement. Ms. Berman believes that the remaining award will be approved if not in April then at the May Board meeting.

There being no other 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, The State of Rhode Island has established the ERA2-Site Acquisition Program (“ERA2-SAP”) as part of the ERA2 Supplemental Development Financing Program (the “ERA2 Development Program”), which is funded through the American Rescue Plan Act of 2021 for the predevelopment, acquisition, production, and/or rehabilitation of affordable housing for households with incomes at or below 50% of area median income (“AMI”);

WHEREAS, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the State of Rhode Island to administer ERA2-SAP, including the award of ERA2-SAP funds that will advance potential projects to increase the supply of affordable rental opportunities across the state.

WHEREAS, the applicant listed in Attachment A has submitted an application that meets the program requirements of ERA2-SAP;

WHEREAS, staff of RIHousing have reviewed each of the eligible applications submitted and recommend that ERA2-SAP funds be committed to the proposal listed in Attachment A; and

WHEREAS, RIHousing staff have reviewed the submissions and determined that the recommended proposals qualify for financing under RIHousing's enabling legislation, regulations, guidelines and policies.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED, that RIHousing is authorized to commit up to \$400,000 in ERA2-SAP funds for the proposal set forth in Attachment A, in compliance with the ERA2-SAP and ERA2 Development Program guidelines and subject to certain conditions, including RIHousing's receipt of ERA2 Development Program funds from the State of Rhode Island, the receipt of other sources of project funds, and the project's compliance with ERA2-SAP and ERA2 Development Program guidelines; and

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 resolution.

### **Attachment A** **Summary of Recommendations**

#### **23 Rodman, South Kingstown:**

South County Habitat for Humanity (SCHH) has operated a rental at 23 Rodman Street for 27 years. However, due to changes in organizational policy from its parent organization, SCHH can no longer oversee a rental portfolio.

The Jonnycake Center for Hope is looking to acquire the property at 23 Rodman Street to expand its rental portfolio and ensure that the unit can be preserved as deed-restricted housing rather than be lost to the open market. The unit is occupied by a tenant earning less than 50% AMI, and that lease will continue with the sale. The home is ideally located close to the Jonnycake Center's main office and food pantry, as well as many shops and resources in Peacedale.

#### **Approval of ERA2-Production Funding Awards**

Chairman Pryor noted that Anne Berman would present the request.

Ms. Berman said that the ERA the ERA2-Production Fund ("ERA2-Production") is one subpart of the ERA2 Supplemental Development Financing Program (the "ERA2 Development Program"), which is funded through the American Rescue Plan Act of 2021 for the production and rehabilitation of affordable housing for households with incomes at or below 50% of area median income ("AMI"). RIHousing was authorized by the State of Rhode Island to implement and administer the ERA2 Development Program using approximately \$15,000,000 in funds for the predevelopment, acquisition, and new production and/or preservation, restoration or renovation of affordable rental housing. As of February 2025, approximately \$1,095,000 in ERA2 Development Program funding is available for award.

In November 2024, RIHousing issued a Request for Proposals (“RFP”) for ERA2 Development Program funding from qualified applicants. Applicants could apply for ERA2-Production, ERA2-Predevelopment, or ERA2-Site Acquisition funding. In response, RIHousing received 19 proposals requesting approximately \$24,984,502 in ERA2 Development Program funds, including \$21,134,357 in ERA2-Production funding.

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

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

RIHousing staff recommend approval of funding for one ERA2-Production funding proposal in the amount of \$280,000. The recommended award is described in Attachment A and will directly fund 28 units restricted for households with incomes at or below 50% of AMI.

Finally, Ms. Berman said that staff recommend authorizing the allocation of up to \$280,000 in ERA2-Production funds is recommended for approval, contingent upon (i) receipt of the ERA2 Development Program funds from the State of Rhode Island; (ii) the availability of all other funding for each project, if applicable; and (iii) compliance with the ERA2-Production guidelines.

Following the presentation, Chairman Pryor asked for a motion and a second for Approval of Approval of ERA2-Production Program Fund Funding Awards.

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

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, The State of Rhode Island has established the ERA2-Production Fund (“ERA2-Production”) as part of the ERA2 Supplemental Development Financing Program (the “ERA2 Development Program”), which is funded through the American Rescue Plan Act of 2021 for the production of affordable housing for households with incomes at or below 50% of area median income (“AMI”);

- WHEREAS, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the State of Rhode Island to administer ERA2-Production, including the award of ERA2-Production funds to projects that rehabilitate or develop newly created rental units;
- WHEREAS, the applicant listed in Attachment A has submitted an application that meets the threshold requirements of ERA2-Production;
- WHEREAS, staff of RIHousing have reviewed each of the eligible applications submitted and recommend that ERA2-Production funds be committed to the proposal listed in Attachment A; and
- WHEREAS, RIHousing staff have reviewed the submissions and determined that the recommended proposals qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies.

NOW, THEREFORE, IT IS HEREBY:

- RESOLVED, that RIHousing is authorized to commit up to \$280,000 in ERA2-Production funds in compliance with the ERA2-Production and ERA2 Development Program guidelines, subject to certain conditions, including RIHousing’s receipt of ERA2 Development Program funds from the State of Rhode Island, for the proposal reviewed and recommended by staff, as set forth in Attachment A; and
- 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 resolution.

### **Attachment A Summary of Recommendations**

Recommendations include:

#### **Jenks Park Residences:**

Jenks Park Residences was acquired by the City of Central Falls utilizing a RIHousing Site Acquisition Program grant and was subsequently transferred to Central Falls Children’s Foundation (“CFCF”). Since the acquisition, CFCF has retrofitted the former nursing home into 28 units of permanent housing for women and families and has requested ERA2-Production funding to cover some of these construction costs. The goal of the Development is to provide full-service, safe, affordable, stable housing for mothers and their children with free-of-cost programming aligned with the social determinants of health. All residents have incomes at or below 50% of the area's median income.

#### **Approval of Transfer of Physical Assets (TPA) for Cranston Commons East (Cranston)**

Ms. Berman made the presentation.

Ms. Berman commenced by saying that the request was administrative. She said that the request was for approval of for (i) approval of the transfer of the limited partnership interest in Cranston Commons East (“CCE” or the “Development”) and (ii) approval of the subsequent transfer of the

limited partnership and general partnership interests in the Development to a new owner. CCE is an affordable housing development for families located in Cranston. The transfers outlined in this RFA are part of a portfolio sale by Statewide Affordable Housing, Inc. (“SAH”) that involves two properties in Rhode Island and two properties in Maine.

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.

CCE is a 19-unit property serving families. Originally developed in the early 1990s, the Development was refinanced in 2011. The owner of the Development is 1303 Elmwood Associates Limited Partnership (“Owner”). The limited partners of the Owner are Rhode Island Housing Equity Pool, L.P. (“RIEP”) and Community Action and Development, Inc. (“CADI”). The general partner is also CADI, whose members are SAH and Comprehensive Community Action Inc., formerly known as Cranston Community Action Program Committee.

The first transfer contemplated in this RFA (the “Initial Transfer”) is the transfer of the RIEP limited partnership interest to SAH. The Initial Transfer is essential to consolidate ownership and ensure that there are no adverse tax implications for the subsequent transfer of ownership and the forgiveness of certain loans in connection with that subsequent transfer. The transfer of the RIEP limited partnership interest is consistent with the planned dissolution and liquidation of the RIEP as established by that certain September 18, 2014, resolution of the general partner of the RIEP, the RIH Equity Corporation. The RIH Equity Corporation has delegated certain decision-making and corporate authority to RIHousing officers pursuant to a resolution dated September 21, 2023, which would allow such officers to effectuate this transfer.

After the Initial Transfer, all general partnership interests in the Owner will be transferred to 1303 Elmwood GP LLC (the “Proposed GP Transferee”), and all limited partnership interests in the Owner will be transferred to Suffolk Realty Holdings, LLC (“Suffolk” or the “Proposed LP Transferee,” and together with the Proposed GP Transferee, collectively, the “Transferees”). Michael J. Packard is the sole member and manager of Midland Capital Partners, LLC, the sole member of Midland GP, LLC, a Delaware limited liability company (“Midland GP”). Midland GP is the sole member of the Proposed GP Transferee. Michael J. Packard is also the sole member and manager of the Proposed LP Transferee. In sum, the Transferees are both owned and controlled by Michael J. Packard.

As part of the sale of the Development, the parties will remit \$145,000 to RIHousing to pay down a portion of the existing RIHousing mortgages encumbering the Development. Since the Owner will remain unchanged, all RIHousing encumbrances will remain on the Development, and the new Transferees will assume all obligations. No new financing is currently anticipated.

Phoenix Property Management, Inc. (“Phoenix”) is the current property manager at CCE and will continue to serve in that role following the transfers. Phoenix is an affiliate of the Transferees and is wholly controlled by Michael J. Packard. Phoenix has extensive experience managing affordable housing developments in Rhode Island.

Staff requests approval of (i) the transfer of the RIEP limited partnership interest and (ii) the subsequent transfer of the limited partnership and general partnership interests in the Development, subject to the conditions.

Following the presentation, Chairman Pryor asked for a motion and a second for Approval of Transfer of Physical Assets (TPA) for Cranston Commons East (Cranston).

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

There being no questions, 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,** 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,** Statewide Affordable Housing, Inc. (“SAH”) seeks approval of the transfer of the limited partnership interest in 1303 Elmwood Associates Limited Partnership (the “Owner”), the owner of Cranston Commons East (the “Development”), from Rhode Island Housing Equity Pool, L.P. to SAH (the “Initial Transfer”);

**Whereas,** SAH also seeks approval of a subsequent transfer of the limited partnership interest in the Owner to Suffolk Realty Holdings, LLC and the general partnership interest in the Owner to 1303 Elmwood GP LLC (the “Second Transfer”); 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 Initial Transfer and Second Transfer of partnership interests in the Development be, and hereby are, 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 any previous actions taken or approvals given by the Executive Director, Deputy Executive Director, or Director of Real Estate Development in connection with previous transfers of partnership interests in the Owner are hereby ratified and confirmed.

**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 Transfer of Physical Assets (TPA) for Cranston Apartments (Newport)**

Chairman Pryor announced that, once again, Anne Berman would present the request.

Ms. Berman stated the request was for approval of the transfer of Cranston Apartments (the “Development”), an affordable housing development located in Newport. The transfer outlined in the RFA is part of a portfolio sale that involves two properties in Rhode Island and two properties in Maine.

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.

Cranston Apartments is a 12-unit property serving individuals. The owner of the Development is Statewide Affordable Housing Small Projects, Inc., a Rhode Island non-profit organization (“SAHSP” or the “Transferor”). The board of SAHSP was appointed by Statewide Affordable Housing Inc., which is also a Rhode Island non-profit organization (“SAH”). The Transferor has entered into a purchase and sales agreement with Cranston Apartments LLC, a Rhode Island limited liability company (the “Transferee”), which is a special purpose entity formed by Michael J. Packard for the purpose of financing and redeveloping the Development. Mr. Packard is the sole member and manager of Midland Capital Partners, LLC, which is the sole member of Midland GP, LLC, a Delaware limited liability company (“Midland GP”). Midland GP is the sole member of the Proposed Transferee. State Line Group, Inc., a Rhode Island corporation and an affiliate of the Proposed Transferee, will serve as the developer for this project.

As part of the transaction for the sale of Cranston Apartments, the parties will remit \$105,000 to RIHousing to pay down a portion of the existing RIHousing mortgages encumbering the

Development. The Transferee will assume all remaining obligations encumbering the Development. No new financing is currently anticipated.

The current property manager is Phoenix Property Management, Inc., which has managed the Development since its inception. The Transferee and management company are affiliated entities. No change in the management agent is contemplated. The TPA application included a Capital Needs Assessment (“CNA”). The Development is in average condition and the CNA includes plans for future upgrades.

Staff recommend approving the transfer of Cranston Apartments, subject to certain conditions.

Following the presentation, Chairman Pryor asked for a motion and a second for Approval of Transfer of Physical Assets (TPA) for Cranston Apartments (Newport).

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

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,** 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,** Statewide Affordable Housing Small Projects, Inc. seeks approval of the transfer of Cranston Apartments to Cranston Apartments 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 ownership interest in the Development from Statewide Affordable Housing Small Projects, Inc. to Cranston Apartments 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 Proposed Rule and Related Public Notices Regarding Sale of Foreclosed Properties and Disbursement of Surplus Funds Pursuant to Madeline Walker Act**

Chairman Pryor stated that Maggie Chung, Senior Counsel, would give the presentation.

Ms. Chung said that the Madeline Walker Act of 2006 (hereinafter the “Act”) provides RIHousing with the right of first refusal to acquire tax liens on qualified properties. Furthermore, the Act empowers RIHousing to develop and promulgate regulations consistent with the purposes of the Act. RIHousing created the Madeline Walker Program and offers it to eligible homeowner participants to help them retain their homes when a tax lien has been placed on their property (the “Program”). Historically, many homeowner participants in the Program have, with guidance from RIHousing, been able to resolve the tax lien and remain in their home. There are occasions, however, when a participant is unable to resolve the lien, and RIHousing must foreclose on the tax lien and take possession of the property. In these instances, once RIHousing takes possession of one of these properties through foreclosure, RIHousing sells the property either on the open market or to a real estate developer through our First Look Program. If these sales result in a sale price exceeding the tax lien amount, and the former homeowner makes no claim, the surplus has been retained by RIHousing and used to help fund the Program. The Sale of Foreclosed Properties and Disbursement of Surplus Funds Pursuant to the Madeline Walker Act (the “Proposed Rule”) was drafted to formalize the procedure for disbursing these surplus funds back to the homeowner in keeping with recent court decisions finding that homeowners have a property interest in the surplus funds generated after a tax sale. A Madeline Walker Advisory Board meeting was held on July 17, 2024, to discuss RIHousing’s proposed approach and obtain feedback. At that meeting, the advisory board members agreed that RIHousing staff would draft the proposed regulation and subsequently submit the regulation to the Rhode Island Office of Regulatory Review (“ORR”).

Through this Request for Action, Staff seeks Board approval to initiate the public notice and comment process regarding the Proposed Rule. A form of Public Notice of Proposed Rulemaking is attached hereto and provides additional detail as to the nature of the proposed regulatory change. The Proposed Rule appears as a separate attachment for reference.

The final rule will take effect following a public comment period, final review by the ORR, final approval by the Board, and filing with the Office of the Secretary of State.

Staff recommend the approval of the request which authorizes the publication of the attached Notice of Proposed Rulemaking and the text of the Proposed Rule. Such publication will have the effect of initiating the formal adoption process with respect to the Proposed Rule.

After the presentation, Chairman Pryor asked for a motion and a second for Approval of Proposed Rule and Related Public Notices Regarding Sale of Foreclosed Properties and Disbursement of Surplus Funds Pursuant to Madeline Walker Act.

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

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

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: The Rhode Island General Assembly adopted the Madeline Walker Act in 2006; and

WHEREAS: The Act empowers RIHousing to develop and promulgate regulations consistent with the purposes of the Act; and

WHEREAS: Staff recommends approval of the Proposed Rule in its current form, appearing as Attachment B; and

WHEREAS: Staff recommend authorizing RIHousing staff to publish the required public notices related to the Proposed Rule entitled the Sale of Foreclosed Properties and Disbursement of Surplus Funds Pursuant to the Madeline Walker Act to formalize the procedure in which homeowners have an opportunity to apply for the disbursement of surplus funds after RIHousing sells a property it acquires after foreclosing on a tax lien.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: RIHousing is authorized to publish for public comment the attached Public Notice of Proposed Rulemaking together with the text of the Proposed Rule, each substantially in the form presented herewith, and file any other rulemaking notice(s) or document(s) that may be required pursuant to the State of Rhode Island Administrative Procedures Act or other applicable state statute, regulation, or executive order to effectuate the rulemaking activity described herein; and

RESOLVED: The Executive Director and Deputy Director, 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 execution of documents.

**Approval to Enter into New Loan Origination Program Agreement with Habitat for Humanity for Rhode Island, South County, Inc.**

Chairman Pryor invited Peter Pagonis, Director of Homeownership, to present the request.

Mr. Pagonis began by noting that the request was for authorization for RIHousing to renew and extend its residential mortgage loan origination program agreement with Habitat for Humanity for Rhode Island, South County, Inc. (“Habitat”). The loan origination program supports the creation of safe, affordable homes for a population that may not otherwise have the opportunity of homeownership.

From 1999-2016, RIHousing purchased and serviced Habitat-originated mortgage loans pursuant to the RIHousing/Habitat Loan Purchase Program. In 2016, Habitat asked RIHousing to originate these loans on its behalf, as recent federal regulatory changes had made it difficult for Habitat to originate and close residential mortgage loans in-house.

In April 2016, RIHousing’s Board of Commissioners authorized RIHousing to enter a Loan Origination Program Agreement with Habitat (the “Agreement”). Under the Agreement, RIHousing:

- Originates and closes Habitat’s 0% interest loans in accordance with applicable state and federal laws and regulations and Habitat’s underwriting guidelines;
- Retains ownership of the loans at a reduced cost of 68% of the full principal balance; and
- Services the loans by accepting and applying customer payments, engaging in loss mitigation, and the like.

In February 2022, RIHousing’s Board of Commissioners authorized RIHousing to revise and extend the Agreement for an additional three (3) years.

RIHousing has originated one (1) mortgage loan under the 2022 extension for a total of approximately \$159,000.

Under its existing terms, the Agreement will expire on March 1, 2025. Staff recommend authorization to enter into a new agreement for a period of up to three (3) years so that RIHousing and Habitat may continue to serve this important public purpose.

Staff recommend authorizing RIHousing to renew and extend the Agreement be approved by the Board of Commissioners.

Mr. Pagonis pointed out that the write-up states that RIHousing retains ownership of the loans at a reduced cost of 68 basis points, but it should read 68 percent of the full principal balance.

After the presentation, Chairman Pryor asked for a motion and a second for Approval to Enter into New Loan Origination Program Agreement with Habitat for Humanity for Rhode Island, South County, Inc.

A motion was duly made by Commissioner Orth 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,** Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) is authorized to make loans to persons of low or moderate income who may purchase residential housing; and
- Whereas,** Habitat for Humanity for Rhode Island, South County, Inc. (“Habitat”) creates safe, affordable homes for persons of low income; and
- Whereas,** The Loan Origination Program Agreement entered into by RIHousing and Habitat in 2016 and renewed in 2022 (the “Agreement”) will expire on March 1, 2025; and
- Whereas,** RIHousing finds:
- (1) That originating and closing Habitat loans is of public use and benefit; and
  - (2) That the renewal and extension of the Agreement will be under the authority of and consistent with the provisions of RIHousing enabling act, Chapter 55 of Title 42 of the Rhode Island General Laws.

**NOW THEREFORE, IT IS HEREBY:**

- Resolved,** that RIHousing be, and hereby is, authorized to enter into a new Agreement for a period not to exceed three (3) years, structured generally in accordance with the description contained herein and similarly to the Agreement entered into in 2022, with such changes as the Executive Director, Deputy Executive Director, and the designee of any such person may, in their sole discretion, determine to be necessary or advisable; and
- Resolved,** that the Executive Director, Deputy Executive Director, and the designee of any such person, each acting singly be, and hereby is, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolution, including without limitation the authority to negotiate the terms of the Agreement 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
- Resolved,** that all prior actions taken by the Executive Director, Deputy Executive Director, or the designee of any such person, which are consistent with the authority conferred herein, are hereby expressly ratified and confirmed.

Following the presentations, Chairman Pryor took a few moments to recognize Steven Richard, Outside Counsel, for serving as Board liaison. He thanked Mr. Richard for his service to the Board of Commissioners. The Chairman also thanked the advocates and practitioners who perform the daily work to ensure the mission is followed and to ensure that the Legislature agenda is being fulfilled. He acknowledged Brenda Clement, Executive Director of HousingWorks RI, Jeanne Cola, Executive

Director of LISC RI; Melina Lodge, Executive Director of the Housing Network, and Eric Hirsh. The Chairman expressed his appreciation for their hard work in the field, ensuring that housing is at the forefront of all endeavors.

Chairman Pryor then invited Secretary Deborah Goddard, as the incoming Chair of the RI Housing Board of Commissioners, to share a few remarks.

Secretary Goddard thanked Chairman Pryor for the opportunity to offer a few comments. She said that she has worked with RI Housing for the past several years and stated that she wants to be a good partner. As Chair she looks forward to achieving great outcomes together. Secretary Goddard stated that she has been lucky in her career and is fortunate to have a Governor who understands housing and supports those efforts. She thanked everyone for the opportunity to Chair the RI Housing Board of Commissioners.

There being no further business to discuss, Chairman Pryor asked for a motion to adjourn the Board of Commissioners meeting. Commissioner Orth 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 10:20 a.m.

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

Respectfully submitted,

Carol Ventura  
Secretary and Executive Director