

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

November 10, 2021

The Regular Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Wednesday, November 10, 2021 at 9:30 a.m. The meeting was held at the main office of the Corporation, 44 Washington Street, Providence, RI 02903, Conference Library and via telephone conference call.

Carol Ventura, Executive Director, stated that this was an in-person meeting of the RIHousing board of Commissioners. As an additional means of promoting public participation, the meeting was also being made available via live teleconference. Ms. Ventura then introduced Carl Rotella, Director of Information Technology, who outlined 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 the 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 Chairman Retsinas would preside over the meeting and requested that any Commissioner or staff wishing to comment state their name prior to speaking and to mute the phone when not speaking. She then invited Chairman Retsinas to call the meeting to order.

A quorum being present, Chairman Retsinas introduced himself and officially called the meeting to order at approximately 9:34 a.m. The 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: Nicolas P. Retsinas; LeeAnn Byrne, Designee for General Treasurer Seth Magaziner; James Thorsen, Director of the Department of Administration; Elizabeth Tanner, 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; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Lisa Primiano, Chief Operating Officer; Leslie McKnight, Assistant Deputy Director of Loan Servicing; Christine Hunsinger, Chief Strategy

and Innovation Officer; Bernadette MacArthur, Director of Finance; Peter Pagonis, Director of Homeownership; Anne Berman, Director of Real Estate Development; Claribel Shavers, Director of Leased Housing and Rental Services; Corinne Myers, General Counsel; and Carl Rotella, Director of Information Technology.

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

Approval of Minutes of Board Meeting held on October 21, 2021

Chairman Retsinas asked for a motion and a second for the approval of the minutes of the Board of Commissioners meeting held on October 21, 2021. A motion was made by Commissioner Tanner and seconded by Commissioner Thorsen.

There being no discussion, Corinne Myers, General Counsel, 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 October 21, 2021 hereby are approved.

Chairman's Remarks

Chairman Retsinas did not have anything to report.

Executive Director's Review of Recent Activities and Trends

Carol Ventura, Executive Director, greeted everyone and commented on a few topics of interest for the Corporation's monthly activities.

Ms. Ventura began by announcing that Claribel Shavers, Director of Leased Housing and Rental Services, is leaving her position at the Corporation. Ms. Ventura stated that Ms. Shavers will be missed and wished her all the best as she moves on to a new and exciting opportunity in Cambridge, Massachusetts. Ms. Shavers has performed an outstanding job overseeing the Leased Housing and Rental Services division. She is a dedicated professional and a tremendous role model for all who know and work with her. Ms. Ventura thanked Ms. Shavers for her commitment during her years at the Corporation.

Ms. Shavers expressed her appreciation to Ms. Ventura, Chairman Retsinas and the Board for the well wishes. She stated that it's been a privilege to work at RIHousing and the amazing staff of the Corporation.

Homeownership. Ms. Ventura reported that despite low inventory and a slight increase in interest rates, Homeownership lending recorded its highest monthly dollar volume on record with volume of nearly fifty-one million dollars in October 2021. The previous high came in at \$48.4 million in July 2018.

In terms of unit production, the 163 first mortgages closed represented the highest figure since December 2019. RIHousing is on target to meet this year's goals.

Loan Servicing. Ms. Ventura was pleased to share that RIHousing once again experienced a decrease in overall delinquency with 473 delinquent loans for a total of 1,402 delinquent loans out of the active portfolio of 11,171 loans. In October, the active portfolio was 12,398 loans of which 1875 loans were delinquent. This is a delinquency rate of 15.12%. The number of seriously delinquent loans (90+ days) was 868 (7.77%) in October 2021, compared to 1143 (9.22%) in October 2020.

Development. Ms. Ventura said that the Development Division is aggressively working on numerous funding opportunities. On October 29, RIHousing received applications under the Homeownership Investment Fund (HIF) RFP. RIHousing received eight (8) applications covering seven (7) communities for 25 single family homeownership units and one rental unit. The total amount requested is approximately \$2.05MM. Ms. Ventura stated that staff expects to make funding recommendations in December.

Continuing, Ms. Ventura announced that Dean Harrison has joined the Development Division as Assistant Director. Ms. Ventura officially introduced and welcomed Mr. Harrison to the Corporation.

Leased Housing and Rental Services. Ms. Ventura informed the Commissioners that during the pandemic the FSS program, which overwhelmingly engages participants in their homes, had to re-imagine the process, switching to an entirely virtual platform of maintaining connectedness with participating families, and developing connections with potential new participants. Ms. Ventura was proud to report that this has resulted in enrollment of 26 new participants with 11 graduations. Upon graduation participants received an average of \$8,300. Graduates report that they will use these funds to buy a home, start a small business, and purchase a reliable vehicle.

Next, Ms. Ventura announced that despite the low level of affordable housing inventory available in the State, RIHousing received an additional 117 Emergency Housing Voucher (EHVs). Currently staff have issued 95 vouchers, leasing up 28 households. Voucher holders continue to struggle to identify available apartment homes. We've had success through RIHousing's Housing Navigator or helping families to lease in place with the more permanent subsidy. We've also helped a new family being served through the Continuum of Care.

Ms. Ventura was delighted to celebrate successes when applicable and mentioned that Compliance staff visited Curtis Arms for their first in-person inspection of a LIHTC development since the pandemic began. The inspection not only passed with flying colors, but staff commented on the amazing transformation that has occurred at this development. The Director praised the new owner, property manager and RIHousing's development team for helping to revitalize this once troubled property. The development has quickly built a robust waiting list and RIHousing staff was encouraged by exchanges with long term residents who are incredibly proud of their newly renovated homes. One of the Corporation's asset managers reported several residents standing outside their doors requesting that their unit be inspected so they could "show off". The residents were thrilled to have visitors from RIHousing.

Finally, Ms. Ventura briefly mentioned that there's a lot activity on the Federal and State level. Ms. Ventura then referenced the detailed summary in her report provided by Amy Rainone and invited the Commissioners to review the summary at their convenience.

Ms. Ventura then welcomed questions from the Commissioners.

Commissioner Thorsen announced that he participated in a series of meetings regarding the Governor's Rhode Island 2030 Plan. The report listed some immediate housing challenges, including homelessness, inadequate senior housing, and an aging housing stock. Homelessness is one of the most critical priorities and the Commissioner mentioned that a lot of discussion revolved around the use of HOME funds to tackle the issue.

Commissioner Thorsen also commented that there was talk regarding the sale of group homes and utilizing them for affordable housing. However, there are specific laws governing the disposition.

Commissioner Thorsen wanted to inform the Board of what's happening with the Rhode Island 2030 Plan and solicit advice for solutions to the problems. The Commissioner also noted that he was asked to represent RIHousing on the Land Use Commission and remarked that the development process requires considerable time and money to navigate. The Commissioner said that he will keep RIHousing and the Board informed on the progress of the Commission.

A short conversation followed with the Commissioners discussing the homeless situation and funding required to address the issue. Ms. Ventura acknowledged that successful strategies must involve both housing and supportive services.

James Comer, Deputy Executive Director mentioned that with respect to federal dollars, the typical approach is to engage advocacy groups, develop a housing plan, allow for a 30 day comment period and then forward those recommendations to HUD for approval. Mr. Comer has participated in numerous conversations to utilize federal funds for rapid acquisition of properties and to act quickly once those properties are identified.

Commissioner Thorsen then announced that he has instructed his office to identify State owned properties that would be suitable for the cause and connect with RIHousing. The Commissioner noted that the challenge is that some of those properties are not in convenient geographic locations.

Commissioner Barry advised that the funding to support the initiative should also include a Medicaid services component that will connect that most vulnerable population to various services needed for success.

Mr. Comer agreed, stating that the key component of the proposal is to incorporate a service provider such as Crossroads or House of Hope. The question is how to centralize Medicaid billing unit for supportive services. A discussion ensued as to other possible funding sources for supportive services, such as HOME or BHRI.

Ms. Berman then stated that RIHousing is now requiring and allocating points to developers that provide permanent supportive services to their developments in the QAP guidelines.

Commissioner Orth suggested reaching out to NCSHA.

Commissioner Barry also advised connecting with the California housing finance agency, as they seem to have designed an effective model for providing services to homeless persons.

Commissioner Tanner asserted that her office is also participating in the conversations for the State and offered her services and assistance.

Noting the attention being paid to housing and the amount of federal financial support available, the Chairman said that this is a once-in-a-lifetime opportunity to tackle the problem.

Commissioner Orth then noted that RIHousing is recording a record number of first mortgages but observed that the portfolio is dwindling. He asked if RIHousing is exploring options to mitigate the loss of loans in its portfolio. Ms. Ventura confirmed that Ms. Lachapelle, Ms. McKnight and Mr. Pagonis are working on a refinance product to retain those loans. That program is a top priority of the Corporation.

Approval of External Charitable Donations and Contributions

Chairman Retsinas introduced James Comer, Deputy Executive Director, who gave the presentation.

Mr. Comer said that this request is for approval and ratification of external Charitable Donations and Contributions of RIHousing pursuant to the Quasi-Public Corporations Accountability and Transparency Act, Chapter 155 of Title 42 of the Rhode Island General Laws (the “Act”).

RIHousing is a public corporation of the State of Rhode Island. In carrying out its statutorily-defined public purposes, RIHousing collaborates with a number of organizations that share and advance its mission. In some instances, RIHousing is asked to financially support programs and activities of organizations engaged in activities that are consistent with and further its public purposes. RIHousing is often invited by its community partners to attend or gain recognition at community events, such as annual meetings or fundraisers, where our organizational presence is necessary or desirable.

At its meeting of December 11, 2014, the Board of Commissioners adopted the Handbook of Policies and Procedures to Ensure Accountability (the “Handbook”) pursuant to the Act. Section C of the Handbook sets forth RIHousing’s policy on charitable and civic donation. This Section provides that, consistent with the Act, all Charitable Donations and Contributions must be approved or ratified by the full Board of Commissioners at an open meeting.

Attachment A, which attachment is included as part of the November 10, 2021 Board of Commissioner package, sets forth events for which RIHousing has or will make a Charitable Donation or Contribution. The attachment identifies the recipient of the expenditure, the amount of the expenditure, the nature of the event, the reason for supporting the event or recipient, each Commissioner or employee who will receive any benefit from the expenditure, and the general ledger account number where the expenditure will be recorded in RIHousing’s accounting system. None of these expenditures require any disclosure under the Rhode Island Code of Ethics.

RIHousing’s support of the work of the organization(s) listed on Attachment A furthers its corporate purposes of encouraging and stimulating the development of housing to alleviate the shortage of safe and sanitary residential housing for low- and moderate-income persons as set forth in R.I.G.L. §42-55-2(a). For example, HousingWorks RI at Roger Williams University (“HWRI”) is an authoritative source for information about housing in Rhode Island, and for conducting research and analyzing data to inform public policy. The 2021 Housing Fact Book contains regional data on the communities

comprising the 39 cities and towns in the State of Rhode Island and the annual release event is an opportunity for RIHousing staff to learn the latest on this data. United Way of Rhode Island is dedicated to uniting community and resources to build racial equity and opportunities for all Rhode Islanders. Their 95th annual celebration honors extraordinary community volunteers. The work of these organization furthers and supports the mission of RIHousing.

Following the presentation, Chairman Retsinas asked for a motion and a second for Approval of External Charitable Donations and Contributions.

A motion was duly made by Commissioner Tanner and seconded by Commissioner Thorsen.

There being no discussion, Corinne 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 legislative findings set forth in Rhode Island Housing and Mortgage Finance Corporation’s (“RIHousing”) enabling act (R.I.G.L. §42-55-2(a)) provide that the serious shortage of safe and sanitary residential housing leads to environmental decline, depreciated value, reduced tax-paying capacity and impaired investment in the communities of the state; and
- Whereas,** RIHousing is authorized by statute to take action to encourage new housing in an orderly and sustained manner and to encourage and stimulate the construction of such housing through public financial support; and
- Whereas,** the organization(s) set forth in Attachment A presented at this meeting have asked RIHousing to provide financial support of their activities as described in Attachment A; and
- Whereas,** the organization(s) set forth in Attachment A plays an important role in supporting community revitalization and the development of affordable homes for low- and moderate-income families and individuals and policies that impact RIHousing’s mission; and
- Whereas,** RIHousing staff has reviewed the request for financial support and determined that it is consistent with RIHousing’s legislative purposes; and
- Whereas,** Attachment A sets forth the information required by the Quasi-Public Corporations Accountability and Transparency Act, Chapter 155 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that the expenditure(s) set forth in Attachment A are consistent with and in furtherance of the mission and policy initiatives of RIHousing.

Resolved, the expenditure(s) set forth in Attachment A are hereby approved and ratified.

Resolved, that the Executive Director, Deputy Executive Director and the 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 forgoing resolutions.

Firm Approval of Financing for Riveredge Apartments (Providence)

Chairman Retsinas announced that Anne Berman, Director of Real Estate Development would give this presentation.

Ms. Berman said that this request is for firm approval for a for the firm approval of RIHousing tax-exempt financing in an amount not to exceed \$17,000,000.00 for Riveredge Apartments (hereinafter referred to as “Riveredge” or the “Development”). Cornell Management Corp., a Massachusetts corporation registered to do business in Rhode Island, is the developer (“CMC” or the “Developer”). The Development received preliminary approval for this financing from the Board of Commissioners on June 17, 2021 (“Preliminary Approval”).

Riveredge Apartments is a six-story building with 89 one-bedroom and 10 two-bedroom apartments for elderly and disabled households. Amenities include a community room, business center, outside patio and sitting areas. The Section 8 HAP contract which covers all 99 units was recently renewed for 20 years with rents marked up to market.

CMC will undertake a \$6,100,000.00 rehabilitation of the property as part of this proposed transaction, an increase of \$1,100,000.00 from Preliminary Approval. While completing due diligence, some code and access issues were identified. Additionally, the cost to complete the original scope of work increased approximately \$1,400,000.00. The Developer has covered the increase utilizing a larger permanent loan, additional Low-Income Housing Tax Credits (“LIHTCs”), and solar credits, which will be sold to the syndicator.

Following the presentation, Chairman Retsinas asked for a motion and a second for the Firm Approval of Financing for Riveredge Apartments (Providence).

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

Commissioner Orth mentioned that this was a straightforward request for financing and acknowledged that the Credit Committee reviewed and discussed the proposal. Commissioner Orth noted that the owner is a responsible, experienced entity that is actively engaged in maintaining the development. The Committee also addressed the pricing of the credits at a respectable amount of 92 cents along with the bridge loan that meets all RIHousing bridge loan requirements.

Commissioner Orth also said that staff has proactively increased the hard debt and the Committee recommended approval.

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 tax-exempt financing at an economically acceptable rate to promote the acquisition, rehabilitation, or preservation of affordable housing;

Whereas, on June 17, 2021 the RIHousing Board of Commissioners granted preliminary approval of tax-exempt mortgage financing to Cornell Management Corp. (“Applicant”) to acquire and/or rehabilitate the affordable housing to be known as Riveredge Apartments (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>
Riveredge Apartments	Cornell Management Corp.	\$17,000,000.00

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; 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 Riveredge Apartments, LP, or other affiliated entity of the Applicant (the “Borrower”) in an amount not to exceed \$17,000,000.00 for rental housing known as Riveredge Apartments 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 tax-exempt bonds to finance up to \$17,000,000.00 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. This resolution shall take effect immediately upon adoption;

Resolved, that the Executive Director, Deputy Executive Director, Director of Finance, General Counsel, and Manager of Treasury and Capital Planning (each, an “Authorized Officer”) 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 the foregoing resolutions are subject to the following special conditions:

- Syndication equity from the allocation of low-income housing tax credits in an amount sufficient to achieve project feasibility.
- Final approval by RIHousing of construction plans, specifications, and supporting construction documentation.
- Execution and delivery by the Developer 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 management documentation.
- Approval by bond underwriter and bond counsel that the loans will satisfy all required bond provisions for the bond issue.
- FHA Risk-Sharing approval from HUD for a minimum of 50% of the first mortgage loan.
- 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 Development, each acting singly, are hereby authorized to take any and all actions they deem necessary to carry out the foregoing resolutions.

Approval of Reservation of Low-Income Housing Tax Credits and Firm Approval of Financing for Joseph Caffey Apartments & Jordan Caffey Townhomes (Providence)

- a. Joseph Caffey Apartments (Providence)
- b. Jordan Caffey Townhomes (Providence)

Chairman Retsinas instructed Anne Berman to present the request.

Ms. Berman prefaced the request by noting that this matter would be addressed in two (2) phases; the Approval for Joseph Caffey Apartments followed by Jordan Caffey Townhomes. Additionally, due to the phased structure of the deal, two (2) votes would take place.

Mr. Berman explained that this request is for firm approval of RIHousing tax-exempt financing in an amount not to exceed \$7,700,000.00, a HOME Investment Partnership Program (“HOME”) loan of \$1,600,000.00, a Capital Magnet Fund (“CMF”) loan of \$999,999.00, a permanent taxable loan in the amount of \$2,700,000.00 and a Housing Trust Fund (“HTF”) loan of \$1,960,000.00 for Jordan Caffey Townhomes (hereinafter referred to as “JCT”). This request also seeks approval of a reservation of \$1,298,250.00 in 2021 and/or 2022 9% Low-Income Housing Tax Credits (“LIHTC”) for the Joseph Caffey Apartments (hereinafter referred to as “JCA”). Omni Development Corporation and Wingate Capital Partners, LLC are the co-developers (“Omni/Wingate”) and have formed a joint venture partnership, Upper South Providence Partners, LLC (“USPP” or the “Developer”) to develop the site. Both JCT and JCA received approval of financing for LIHTC and preliminary approval for financing from the Board of Commissioners on May 20, 2021.

The development site, comprised of JCT and JCA, is formerly known as Barbara Jordan 2 Apartments (“BJ2”). BJ2 consisted of 74 units and has been vacant since 2015. The U.S. Department of Housing and Urban Development (“HUD”) foreclosed on the site several years ago and transferred the property to RIHousing in 2020. The development of JCT and JCA at the BJ2 site (the “Development”) entails the acquisition and demolition of BJ2 and the new construction of 79 affordable rental units in 11 buildings. The Developer is using a bifurcated 9%/4% structure to fund the Development. JCT will have 40 units and be funded with tax-exempt bonds and 4% LIHTC and JCA will contain 39 units and be funded with 9% LIHTC.

Financing has changed since Preliminary Approval. The total development cost of JCT and JCA has decreased approximately \$475,000.00 due primarily to lower acquisition costs. RIHousing carrying costs are lower than originally anticipated resulting in a lower sale price. JCT realized further savings from a decrease in projected interest expense. At Preliminary Approval, a tax-exempt loan of \$9,000,000.00 was approved for JCT. The JCT tax-exempt loan has been re-sized to \$7,700,000.00 and will be repaid at conversion. In addition, the RIHousing Deferred Payment Loan of \$222,723.00 approved at Preliminary Approval has been eliminated due to a combination of lower total development costs (“IDC”) and a larger permanent loan. RIHousing will now provide the permanent

loan for JCT. For the JCA transaction, Citizens Bank will provide the construction financing and the City of Providence will remain the permanent lender.

Chairman Retsinas thanked Ms. Berman for the presentation and asked for a motion and a second for the Approval of Reservation of Low-Income Housing Tax Credits and Firm Approval of Financing for Joseph Caffey Apartments.

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

Commissioner Orth announced that there was an overall feeling of optimism from the Credit Committee regarding this transaction. A lot of work was accomplished by everyone, from staff to partners, the community, residents and the developer. Commissioner Orth acknowledged that it's been a process, but it has been steady and productive.

The Committee also expressed some concern due to the complex and complicated nature of the financing structure. The Committee's caution was also based on the troubled operating history of the Barbara Jordan II complex. Staff highlighted the strong team assembled by the developer, which includes experienced attorneys, staff, and service providers. Staff thinks that the project may exceed underwriting projections.

Finally, Commissioner Orth said that the Committee is cautiously optimistic and recommended approval of the request.

Commissioner Designee Byrne asked for a brief refresher on the community engagement process for the development. Ms. Ventura said that she recalls conversations with Senator Reed regarding Barbara Jordan II spanning quite a few years. Once HUD foreclosed on the development, RIHousing bought the property and worked with Providence Housing Authority to relocate any residents still housed in Barbara Jordan II with the understanding that once rebuilt those residents had the option to return to the new site.

In April 2018, RIHousing engaged Camiros, Ltd. to conduct a community engagement process. Camiros initiated a community engagement process with residents, anchor institutions, elected officials, neighborhood organizations and other stakeholders in the upper south side of Providence to create a vision for the redevelopment of BJII. These stakeholders also participated in a full range of public engagement activities. At the conclusion of the engagement process, staff solicited proposals from external parties addressing all the matters that were important to the community. That included the housing structure, the quality of services provided to the residents along with open spaces and amenities. The process was thorough and inclusive.

Ms. Ventura then congratulated Sharon Morris, Executive Director of Omni Development who has accomplished a fantastic job of moving the project forward along with keeping the community engaged in the overall process.

Corinne Myers, General Counsel, then conducted a voice vote of the Commissioners. The commissioners unanimously voted to approve the motion for financing for Joseph Caffey Apartments.

Ms. Myers 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, 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 the applicant listed below (“Applicant”) is eligible for the Program under the laws of the State of Rhode Island and the federal tax code;

Whereas, on May 20, 2021, the RIHousing Board of Commissioners granted preliminary approval of a reservation of low-income housing tax credits available in calendar years 2021 and/or 2022 (the “Tax Credits”) to Upper South Providence Partners, LLC, a joint venture partnership between Omni Development Corporation and Wingate Capital Partners, LLC to acquire and/or rehabilitate the affordable housing then referred to as Joseph Caffey Apartments Phase A and now known as Joseph Caffey Apartments (the “Development”);

Whereas, the Applicant is requesting firm approval of 9% Low Income Housing Tax Credits for the Development as set forth below:

Applicant	Development	9% LIHTCs
Upper South Providence Partners, LLC	Joseph Caffey Apartments	\$1,298,250.00

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 \$1,298,250.00 of allocated 2021 and/or 2022 Tax Credits be reserved for the Applicant (or an affiliate of Applicant) 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 the Director of Development, each acting singly be, and hereby are, authorized and empowered in the name of and on behalf of RIHousing 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 applicant complies with the requirements of the Act and the RIHousing Regulations.

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;
- Approval by RIHousing of all management related issues including the marketing and tenant selection plans;
- Approval by RIHousing of design and construction plans, specifications and construction documentation;
- Execution and delivery by the Applicant of a Construction Completion Guaranty in form and substance satisfactory to RIHousing and any lender;
- The simultaneous closing of both phases of the Development including construction financing and all condominium related documentation;
- A taxable construction loan from Citizens Bank or another lender in an amount sufficient to achieve project feasibility;

- Commitment of permanent loan funds from the Providence Redevelopment Authority or another lender in an amount sufficient to achieve project feasibility; 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 the Director of Development, each acting singly, are hereby authorized to take any and all actions they deem necessary to carry out the foregoing resolutions.

b. Jordan Caffey Townhomes (Providence)

Ms. Berman briefly recapped that the information previously provided and asked if the Board of Commissioners had any questions regarding the financing for Jordan Caffey Townhomes. No questions were presented.

Chairman Retsinas then asked for a motion and a second for the Approval of Financing for Jordan Caffey Townhomes.

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

There being no discussion, Corinne Myers, General Counsel, then conducted a voice vote of the Commissioners. The commissioners unanimously voted to approve the motion.

Ms. Myers next 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 tax-exempt financing at an economically acceptable rate to promote the acquisition, rehabilitation, or preservation of affordable housing;

Whereas, on May 20, 2021, the RIHousing Board of Commissioners granted preliminary approval of tax-exempt mortgage financing to Upper South Providence Partners, LLC, a joint venture partnership between Omni Development Corporation and Wingate Capital Partners, LLC (“Applicant”) to acquire and/or rehabilitate the affordable

housing then referred to as Joseph Caffey Apartments Phase B and now known as Jordan Caffey Townhomes (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>HOME Funds</u>	<u>CMF Funds</u>	<u>Taxable Loan</u>	<u>HTF</u>
Jordan Caffey Townhomes	Upper South Providence Partners, LLC	\$7,700,000	\$1,600,000	\$999,999	\$2,700,000	\$1,960,000

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; 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 Jordan Caffey Townhomes, LLC, or other affiliated entity of Applicant (the “Borrower”) in an amount not to exceed \$7,700,000.00 for rental housing known as Jordan Caffey Townhomes located in Providence 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 tax-exempt bonds to finance up to \$7,700,000.00 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. This resolution shall take effect immediately upon adoption.

Resolved, that the Executive Director, Deputy Executive Director, Director of Finance, General Counsel, and the Manager of Treasury and Capital Planning (each, an “Authorized Officer”) 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 permanent taxable loan to the Borrower, in an amount not to exceed \$2,700,000.00 for rental housing known as Jordan Caffey Townhomes located in Providence.

Resolved, that, subject to the special conditions listed below, RIHousing hereby grants firm approval for a HOME Investment Partnerships Program loan to the Borrower, in an amount not to exceed \$1,600,000.00 for rental housing known as Jordan Caffey Townhomes located in Providence.

Resolved, that, subject to the special conditions listed below, RIHousing hereby grants firm approval for a Housing Trust Fund loan to the Borrower, in an amount not to exceed \$1,960,000.00 for rental housing known as Jordan Caffey Townhomes located in Providence.

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 \$999,999.00 for rental housing known as Jordan Caffey Townhomes located in Providence.

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

- Syndication equity from the allocation of LIHTC credits in amounts sufficient to achieve project feasibility;
- Approval of HOME Investment Partnerships Program loan from the City of Providence in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to RIHousing;
- Approval by RIHousing's bond underwriter and bond counsel that the tax-exempt loan will satisfy all required financing provisions as well as assurance that the equity investors will not also be involved in the transaction as purchasers of the RIHousing bonds used to fund the loan;
- The simultaneous closing of both phases of the Development including construction financing and all condominium related documentation;
- Construction completion and repayment guarantees from the Borrower, Upper South Providence Partners, LLC, and each general partner; All liquidity requirements will be equal to those required by Citizens Bank for their construction loan on the Joseph Caffey Apartments;
- 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; 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 the Director of Development, each acting singly, are hereby authorized to take any and all actions they deem necessary to carry out the foregoing resolutions.

Approval of Transfer of Physical Assets (TPA) for Colonial Village Apartments (North Smithfield)

Chairman Retsinas asked Ms. Berman to present this recommendation.

Ms. Berman noted that this action was a procedural matter to comply with RIHousing's TPA regulations.

Ms. Berman explained that this approval is for the transfer of the limited partnership interest in Colonial Village Apartments (the "Development"), an affordable housing development for elderly and disabled households located in North Smithfield.

The owner of the Development is Colonial Village Associates, Limited Partnership. The current general partner of the development is CVA Developers, LLC, which holds a .01% interest in the partnership. The two current investor limited partners in the Development are The Washington Trust Company, of Westerly and Washington Financial LLC (collectively the "Washington Trust Companies"). The Washington Trust Companies hold a 99.99% limited partner interest. The Washington Trust Companies intend to withdraw and sell their partnership interests to CVALP Investor, LLC (the "Transferee"). Both the current general partner and the Transferee are affiliated with Cathedral Development Group, Inc., the developer.

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

The current property manager is Property Advisory Group, Inc. ("PAG"). The owner and PAG are affiliated entities. No change in the management agent is contemplated. The Development received a 93a on its most recent REAC score and PAG provided a list of capital improvements made over the past eight years. The transfer will allow the Transferee to buy out the limited partners after the tax credits have been fully utilized but before the initial compliance period expires.

Chairman Retsinas thanked Ms. Berman for the presentation and asked for a motion and a second for the Approval of Transfer of Physical Assets (TPA) for Colonial Village Apartments (North Smithfield).

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

Commissioner Orth verified that the Credit Committee reviewed the request, acknowledged that it's an administrative matter to comply with TPA requirements, with no outstanding issues. The Committee recommended approval.

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

Ms. Myers then officially 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, Cathedral Development Group, Inc. seeks approval of the transfer of the limited partnership interests in Colonial Village Associates, Limited Partnership, the owner of Colonial Village Apartments (the “Development”), from The Washington Trust Company, of Westerly and Washington Financial LLC to CVALP Investor, 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 interests in the Development from The Washington Trust Company, of Westerly and Washington Financial 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 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.

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

Corinne 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 10:16 a.m.

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

Respectfully submitted,

Carol Ventura
Secretary and Executive Director