

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

November 20, 2025

A regular Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Thursday, November 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 Terry Lehane, Director of Information Technology, who summarized the parameters of the meeting.

Mr. Lehane 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. Lehane also asked that, to prevent any feedback or background noise, telephone participants should mute their telephones if they are not speaking. Additionally, Mr. Lehane announced that if, during the meeting, anyone had technical difficulties with audio or accessing the call, they should call (401) 429-1427.

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 Chairwoman Goddard 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 Chairwoman Goddard to call the meeting to order.

A quorum being present, Chairwoman Goddard introduced herself and officially called the meeting to order at approximately 9:32 a.m. The Chairwoman 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: Deborah Goddard, Secretary, Rhode Island Executive Office of Housing; Robert Craven, Designee for James Diossa, General Treasurer; Kevin Orth; Stephen P. McAllister, and Maria Barry. Rebecca Webber, Designee for Jonathan Womer, Director of the Department of Administration, was absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Melanie Brewer, Director of Real Estate Development; Christine Hunsinger, Chief Strategy and Innovation Officer; Peter Pagonis, Director of Homeownership; Elizabeth Bioteau; Director Strategic Initiatives & Partnerships; Corinne Myers, General Counsel; and Terry Lehane, Director of Information Technology.

Members of the public were also present.

Approval of Minutes of Board Meeting held on October 16, 2025

Chairwoman Goddard asked for a motion and a second for the approval of the minutes of the Board of Commissioners meeting held on October 16, 2025. A motion was duly made by Commissioner Diosa and seconded by Commissioner McAllister.

There being no comments or discussion, Chairwoman Goddard conducted a voice vote of the Commissioners.

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

Chairwoman Goddard then officially stated for the record that the following was adopted:

VOTED: That the minutes of the Board Meeting held on October 16, 2025, are hereby approved.

Chairwoman's Remarks

Chairwoman Goddard announced that the Consolidated Funding round has been released, with some applications directed to the Executive Office of Housing. She expects the first Homeownership funding round to be available by year-end. Acquisition program funds are also out, with proposals due in a few weeks.

Revolving loan funds for nonprofits are underway and will be structured as lines of credit, allowing quick access without further approvals. Applicants must match the \$5 million bond fund one-to-one.

The Home Repair RFP is live, and following last Friday's press conference, 1,100 applications were received by Tuesday. Due to high demand, the Department may pause funding to manage expectations.

Similarly, staff anticipate the Infrastructure Program will be oversubscribed.

Chairwoman Goddard acknowledged recent negative media coverage but emphasized that staff are fortunate to work in a state where leadership strongly supports their mission. She reminded the team that their work positively impacts lives daily, and the strategy remains: stay focused, demonstrate value, and continue improving outcomes for Rhode Islanders.

Executive Director's Review of Recent Activities and Trends

Executive Director Carol Ventura welcomed attendees and shared her monthly report, an updated Strategic Plan, a CoC update by Elizabeth Bioteau, and a five-year financial forecast from CFO Kara Lachapelle.

She noted continued high demand for Homeownership programs, with 58 active lenders and brokers as of early November.

Ms. Ventura also announced the release of the 2026 Affordable Housing Development RFP, which includes 9% and 4% LIHTC, Tax-Exempt Bonds, and five new funding sources totaling \$6.6 million from the 2024 State Housing Bonds. The RFP is available on RIHousing's website, with applications due December 18.

Ms. Ventura reported that ERA2 funds have been fully expended, with grant closeout expected by the month's end.

In October, 64 new housing units were placed in service, including 40 at Summer Street Apartments for residents at or below 30% AMI.

RIHousing participated in several events, including the groundbreaking for Hope & Main West Kitchens in Providence's West End, supported by Acquisition and Revitalization Program funds. Staff also joined the Walker Lofts groundbreaking in Lincoln, a redevelopment of a blighted mill into 126 units—32 affordable—funded through State Fiscal Recovery programs.

Ms. Ventura noted that staff attended the Joint Committee on Legislative Services meeting on November 14. In response to a performance audit request by House Minority Leader Chippendale, Deputy Executive Director James Comer delivered a statement on her behalf. While no action was taken, Speaker Shekarchi requested a meeting between Chippendale and RIHousing to address concerns. Staff had already requested such a meeting.

Ms. Ventura invited Ms. Bioteau to report on the Continuum of Care (CoC) and HUD's proposed changes.

Ms. Bioteau explained that CoC is a federal program supporting housing and services for individuals experiencing homelessness. RIHousing serves as both the organizer of HUD funding applications for the RICOc and as the CoC grantee, managing a \$5 million annual contract for permanent housing.

She emphasized that CoC funding is competitive, not guaranteed. Rhode Island currently holds 37 annual grants totaling \$17.3 million, reflecting the RICOc's strong track record.

Last week, HUD released a significantly revised NOFO that could severely impact Rhode Island and RIHousing.

Previously, CoCs could renew 100% of their permanent housing grants. The new NOFO imposes a 30% cap, limiting Rhode Island to just \$5 million of its current \$14.5 million in permanent housing funding. This change threatens housing and services for at least 681 households (1,020 individuals), and jeopardizes rental income for landlords and nonprofits maintaining those units.

Additionally, 70% of the CoC portfolio will now be subject to a national merit-based competition, using criteria that conflict with Rhode Island's proven strategies and local policies. As a result, RIHousing may lose critical renewal funding.

Ms. Bioteau warned this could trigger a housing crisis for over 1,000 formerly homeless Rhode Islanders in 2026, with an estimated 170,000 households affected nationwide.

Ms. Bioteau updated Commissioners on RIHousing's response to HUD's revised NOFO. As the designated applicant for the RICoC, staff are developing a required local competition aligned with HUD's new criteria and tight deadlines, which unfortunately includes mandated funding cuts.

RIHousing is also advocating with the Congressional delegation to delay these changes by 12 months, though success appears unlikely.

She noted that 15 CoC grantee agencies in Rhode Island, including RIHousing, face major funding gaps due to HUD's late NOFO release and potential legal challenges. Delays in HUD's process could push awards to summer 2026, with many programs at risk of being cut, reduced, or deemed ineligible.

Ms. Bioteau noted the situation is evolving and will keep Commissioners informed. She then invited questions.

Commissioner Orth asked whether sponsors compete annually for operational funding. Ms. Bioteau confirmed they do, but historically, 90% of RIHousing's portfolio was not nationally competitive—renewals were typically assured if performance standards were met. With the new 30% cap and expanded national competition, many units may no longer be eligible for renewal, likely shrinking the portfolio.

She clarified that not all funds cover operations—\$14.5 million of the \$17 million supports permanent housing. A detailed funding memo will be shared with Commissioners.

Chairwoman Goddard noted that permanent supportive housing was once central to the CoC program, and while residents may move on, the housing itself still requires ongoing support.

Commissioner Barry highlighted the risk to both residents and service providers. Ms. Ventura added that landlords are also at risk and expect litigation nationwide. However, ongoing lawsuits delay funding, leaving staggered grants without renewal options.

Commissioner Barry asked if affected organizations are concentrated and whether LIHTC deals could help bridge the gap. Ms. Ventura confirmed that some LIHTC projects include

supportive housing. Ms. Bioteau added that operating funds support such units in the Asset Management portfolio, and staff are compiling a list to share.

Ms. Ventura noted that RIHousing previously shifted toward public units, though a few providers will still be affected.

Chairwoman Goddard thanked Ms. Bioteau for her presentation.

Ms. Ventura then introduced CFO Kara Lachapelle, who provided a brief overview of the five-year financial forecast. The forecast begins with the current fiscal year and projects trends through FY2030, assuming stable market conditions and no major federal policy changes. It serves as a baseline for planning, with actual results subject to economic shifts.

The top section outlines new loan production, with conservative estimates for single-family home prices and multifamily projections based on the current pipeline, showing a decline starting in FY2028.

Income is broken down by division—multifamily, single-family, loan servicing, and leased housing—based on new production and the existing portfolio. Prepayment speeds remain low due to high interest rates, but are expected to rise as rates fall, impacting net interest income and servicing fees.

Leased housing admin fees remain unchanged due to federal budget uncertainty. Expenses are categorized with most assuming a 3% inflation rate. Higher costs are projected for medical insurance, IT, and depreciation.

Ms. Lachapelle stated the forecast shows stable financial health for the next five years—critical for bond issuance, maintaining credit ratings, and delivering housing resources. The chart also outlines potential net income investments to preserve capital reserves and support RIHousing’s mission.

Ms. Lachapelle then welcomed questions. Commissioner Orth expressed satisfaction with the format, and Chairwoman Goddard thanked her for the presentation.

Ms. Ventura then presented the revised Strategic Plan. She explained that in early 2024, the former Secretary of Housing and Board Chair requested a review to reassess goals, identify emerging needs, evaluate post-COVID funding availability, and prioritize future programs.

In June 2024, RIHousing engaged Ninigret Partners to review and update the 2022 Strategic Plan. Ninigret conducted over 50 stakeholder interviews and reviewed key reports and documents, including studies by HousingWorksRI, RIPEC, The Furman Center, and RIHousing’s 5-Year Production Plan.

Ms. Ventura noted that the original 2020 plan predated the creation of the Executive Office of Housing. Interview feedback revealed confusion about roles and responsibilities between RIHousing and the new Office, which staff addressed in the updated plan.

She directed Commissioners to page 8 of the report, highlighting that Goal 1 remains largely unchanged but includes new tasks: maintaining the five-year production and capital finance plans, enhancing the starter home program, setting guidelines for the Land Bank program, and launching a Development Cost Containment Initiative focused on LIHTC projects. Staff also plan to incentivize innovative building techniques and explore cost-effective accessibility improvements.

Goal 2 also remains, focusing on clarifying roles between RIHousing and the Executive Office of Housing, with a timeline for implementation already underway. Staff aim to strengthen partnerships across government and community sectors to expand funding for housing rehabilitation and development, including support for NOAH projects. This goal reinforces RIHousing's role in preserving and creating affordable housing statewide.

Ms. Ventura stated that Goal 3 remains focused on driving innovation in housing development. One task was moved to an earlier section, but staff will continue supporting non-traditional mortgage products like FirstGenHomeRI and HomeSecure to address barriers to homeownership. The goal also includes enhancing leased housing programs by securing special purpose vouchers, addressing expiring subsidies, and funding tenant protection vouchers. The Continuum of Care program will be increasingly vital.

Page 11 outlines updates to Goal 4, which focuses on improving communication and transparency around RIHousing's role. Key revisions include boosting brand awareness, implementing new performance metrics with quarterly reporting, launching customer satisfaction surveys and training, and forming a working group with the Executive Office of Housing to explore new financial products. A communications strategy will also be developed to explain financial and organizational changes, helping Rhode Islanders better understand RIHousing's impact.

Page 12 includes a minor update to Goal 5, reaffirming RIHousing's commitment to remain a flexible, high-performing housing finance agency.

Chairwoman Goddard then invited questions and comments.

Commissioner McAllister noted that regularly reviewing the Strategic Plan is valuable and helps clarify questions that arise during the process. He found the update effort worthwhile.

Chairwoman Goddard agreed, suggesting future reviews be conducted quarterly or semi-annually.

Approval of External Charitable Donations and Contributions

Chairwoman Goddard acknowledged James Comer, Deputy Executive Director, who gave the presentation.

Summarizing a document from the Board packet, Mr. Comer said the request was for the 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 several 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 first adopted a 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 donations. This Section, last amended in November 2015, 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.

An attachment included as part of the October 16, 2025, board package, set forth events for which RIHousing has or will make a Charitable Donation or Contribution. The attachment identified 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 requires any disclosure under the Rhode Island Code of Ethics.

RIHousing’s support of the work of the organization(s) listed on an attachment that was included as part of the November 20, 2025, Board package furthers the Agency’s corporate purposes of encouraging and promoting homeownership for low- and moderate-income Rhode Islanders as set forth in R.I.G.L. §42-55-2(a). The Rhode Island Mortgage Bankers Association (“RIMBA”) strives to bring together those businesses operating in the mortgage industry to effectively promote and sustain responsible home lending in Rhode Island and directly supports the work that we do. The Annual Dinner and Installation of Officers will review RIMBA’s work in 2025, present its future priorities, and approve the 2026 slate of Directors.

Following the presentation, Chairwoman Goddard thanked Mr. Comer and asked for a motion and a second for the Approval of External Charitable Donations and Contributions.

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

Next, Chairwoman Goddard conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Chairwoman Goddard 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 homeownership is an essential economic driver and offers an opportunity for households to accumulate assets and build wealth over time through equity.; and
- Whereas,** RIHousing is authorized by statute to take action to encourage homeownership in Rhode Island; 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 homeownership 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 set forth in Attachment A, specifically, a \$680 contribution to the Rhode Island Mortgage Bankers Association, is hereby approved and ratified.
- Resolved,** that the Executive Director, Deputy Executive Director and the Chief Administrative Officer, each acting singly, are hereby authorized and directed to take any and all actions they deem necessary and appropriate to carry out the foregoing resolutions.

Approval of Engagement of Residential Real Estate Appraisal Firms

Chairwoman Goddard announced that Peter Pagonis, Director of Homeownership, would report on the request.

Reviewing a document from the Board meeting package, Mr. Pagonis noted that the request seeks approval to engage residential real estate appraisal firms to support its single-family loan origination and servicing operations.

To comply with the requirements of mortgage loan investors/insurers and applicable loan origination and servicing laws and regulations, RIHousing must engage qualified residential real estate appraisal firms who can produce industry-standard short form and full appraisals. Appraisals must be performed in connection with each mortgage loan that the Homeownership Division underwrites, and the Loan Servicing Division engages appraisers to evaluate distressed properties in its servicing portfolio. Approximately two hundred and ten (210) appraisals were transacted through the Homeownership Division in 2025, while the Loan Servicing Division expects to order approximately twenty-one (21) appraisals in connection with servicing activities performed this year.

In August 2025, RIHousing issued a Request for Proposals (“RFP”) seeking proposals from qualified, licensed residential real estate appraisal firms to provide appraisal services for the benefit of these business areas. The RFP was posted on RIHousing’s website and the website maintained by the State of Rhode Island Department of Administration, Division of Purchases. In response to the RFP, RIHousing received proposals from the following ten (10) firms:

- AMC Appraisal Co., Inc.
- Appraisal Resource
- Appraisal Solutions LLC
- Appraise RI, Ltd.
- Nicholas Sammartino d/b/a NAS Appraisal Service
- Prescott Appraisal Service, Inc.
- Garry Reilly d/b/a Reilly Appraisal Co.
- Daniel M. Couture d/b/a Stone Bridge Appraisal Services
- United Appraisal Group, Inc.
- White Appraisal Co., Inc.

A selection committee comprised of RIHousing staff from Loan Servicing and Homeownership reviewed the proposals and rated them based on the criteria set forth in an attachment that was included as part of the November 20, 2025, Board meeting package. Staff determined that all respondent firms are qualified and able to support RIHousing’s single-family loan origination and servicing activities in Rhode Island.

The selected firms will be engaged for a period of two (2) years, with an option to renew each engagement for an additional one (1) year period. The firms will be engaged as necessary based on next availability and will be compensated according to a uniform schedule at rates ranging from approximately \$175-\$775, depending on the nature of the appraisal order. There is no guarantee of any level of spending activity to any individual firm.

Following the presentation, Chairwoman Goddard asked for a motion and a second for the Approval of the Engagement of Residential Real Estate Appraisal Firms.

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

Chairwoman Goddard asked about the appraiser engagement process. Mr. Pagonis explained that it follows a round-robin system, though firms occasionally request temporary pauses when they're at capacity.

There being no other questions, Chairwoman Goddard conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Chairwoman Goddard then announced that the following resolution was unanimously adopted:

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

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

Whereas: RIHousing has determined that engaging residential real estate appraisal firms to perform appraisals in connection with its single-family loan origination and servicing activities is in the best interests of the corporation; and

Whereas: RIHousing has solicited proposals pursuant to an open competitive process for firms to perform residential real estate appraisals, and who are able to substantially meet the requirements associated with this set of functions; and

Whereas: A selection committee comprised of RIHousing staff reviewed the proposals for these services, evaluated them pursuant to the criteria set forth in the Request for Proposals, and determined that all respondents are qualified and able to support RIHousing's single-family loan origination and servicing activities in Rhode Island.

NOW THEREFORE, IT IS HEREBY:

Resolved: That RIHousing be, and hereby is, authorized to engage the following firms to provide residential real estate appraisal services as set forth in the Request for Proposals and the proposals submitted in response thereto:

- AMC Appraisal Co., Inc.
- Appraisal Resource
- Appraisal Solutions LLC
- Appraise RI Ltd.
- Nicholas Sammartino d/b/a NAS Appraisal Service
- Prescott Appraisal Service, Inc.
- Garry Reilly d/b/a Reilly Appraisal Co.
- Daniel M. Couture d/b/a Stone Bridge Appraisal Services

- United Appraisal Group, Inc.
- White Appraisal Co., Inc.; and

Resolved: That RIHousing be, and hereby is authorized, to engage the above-listed firms as needed based on next availability in accordance with a uniform schedule at rates ranging from approximately \$175-\$775, depending on the nature of the appraisal order, for a period of two (2) years, with an option to renew each engagement for an additional one (1) year period; and

Resolved: That the Executive Director, Chief Operating Officer, Assistant Deputy Director of Loan Servicing, and Director of Homeownership, each acting singly, be and hereby are authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions, including without limitation the authority to negotiate the terms and fees of the engagements as he or she may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.

Firm Approval of Financing for Lippitt Mill

Chairwoman Goddard invited Melanie Brewer, Director of Real Estate Development, to give the presentation.

Ms. Brewer mentioned that she would report on both the approval of financing and the request for authorization to issue a tax-exempt loan to support the construction of Lippitt Mill.

Ms. Brewer recapped a written request for firm approval of RIHousing tax-exempt financing in an amount not to exceed \$15,500,000 for Lippitt Mill (hereinafter referred to as the “Development”). Marathon Development, LLC is the developer (the “Developer”). The Development received preliminary approval for this financing from the Board of Commissioners on April 17, 2025 (“Preliminary Approval”).

Lippitt Mill, originally built in 1809, is a historic mill located in West Warwick. The project aims to preserve the structure and revitalize the site by renovating the property into 71 new affordable housing units, which is an increase of three units from Preliminary Approval. All 71 units will be made available to households at or below 60% of area median income (“AMI”) and will include a unit mix of 15 efficiency, 33 one-bedroom, and 23 two-bedroom units.

Over the last 10 years, several developers have attempted to redevelop the project, which resulted in two receiverships and a building that is currently 65% complete. The Developer was a development consultant for the first developer and has historical knowledge of the project. The Developer acquired the project from the most recent receiver in the fall of 2024.

The construction cost since Preliminary Approval has increased by \$3,736,015. The cost increase is primarily driven by tariff escalation; however, since Preliminary Approval, it was also determined that

the existing installed HVAC system needs to be removed and replaced, radon mitigation piping needs to be installed throughout the building, and three additional units were added to the scope.

The site previously received allocations of federal historic tax credits and RebuildRI Tax Credits, all of which have been retained through the receivership. The Developer was also awarded State Low-Income Housing Tax Credits ("SLIHTC"), which are being redeemed at \$0.79 per credit. The syndicator for the Federal Low-Income Housing Tax Credits ("LIHTC") and Federal Historic Tax Credits has changed since Preliminary Approval and the new syndicator, National Equity Fund, Inc., is paying \$0.85 per credit, which is an increase of \$0.05 per credit since Preliminary Approval.

This is a conduit transaction in which JPMorgan Chase Bank, N.A. ("Chase") will provide the capital for RIHousing's tax-exempt issuance. The proceeds will be loaned as a construction loan to the Borrower in the amount of \$15,500,000 (the "Construction Loan"). The funding for the Construction Loan is non-recourse to RIHousing, and Chase will be assuming all the financial risk. RIHousing will charge a one-time issuer fee of 1% and an annual servicing fee of 25 basis points on the construction and permanent loans.

Chase has provided term sheets and drafted the loan documents for the proposed loans. Once the rate is locked, the final size of the permanent loan will be determined. In any event, the size of the permanent loan will be limited to 85% loan-to-value ("LTV") with debt service coverage of 1.20 and not less than 1.10X throughout the permanent period in proforma.

Ms. Brewer then recapped some of the changes from preliminary approval. She stressed that there was an increase in federal tax credit pricing of five cents, the change of syndicator to NEF, an increase to the scope of work, and construction costs.

In closing, Ms. Brewer said that staff recommend approval of an amount not to exceed \$15,500,000 in tax-exempt financing for Lippitt Mill, subject to certain conditions.

Following the presentation, Chairwoman Goddard asked for a motion and a second for Approval of Revisions to the Purchasing Policy.

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

Chairwoman Goddard asked if total development costs included expenses from the prior owner. Ms. Brewer explained some were absorbed into construction costs.

She then asked if this request signals the start of tariff-related cost increases. Staff noted Lippitt Mill is the first deal showing such increases, with another expected soon. Mr. Comer added that the impact varies by construction type and whether developers can lock in supply prices. Ms. Ventura said staff are tracking and categorizing these increases.

Commissioner Orth confirmed the deal excludes state historic tax credits. Ms. Brewer agreed, and he expressed support for expanding their use. Ms. Ventura concurred.

Chairwoman Goddard concluded that a single vote would cover both the financing request and the authorization to issue a tax-exempt loan for Lippitt Mill.

Following the comments, Chairwoman Goddard conducted a voice vote of the Commissioners. The Commissioners unanimously voted to approve the motion.

Chairwoman Goddard then announced that the following resolution was unanimously adopted:

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

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

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

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

Whereas, on April 17, 2025, the RIHousing Board of Commissioners granted preliminary approval of tax-exempt Bond financing to Marathon Development, LLC (“Applicant”) to acquire and/or rehabilitate the affordable housing to be known as Lippitt Mill (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>
Lippitt Mill	Marathon Development, LLC	\$15,500,000

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 Bond financing and determined that the Development qualifies for financing under RIHousing’s enabling legislation, regulations, guidelines, and policies.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that subject to the special conditions listed below, RIHousing hereby declares firm commitment for tax-exempt mortgage financing for Marathon Development, LLC or

other affiliated entity of the Applicant (the “Borrower”) in an amount not to exceed \$15,500,000 for rental housing known as Lippitt Mill located in West Warwick, 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 \$15,500,000 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 JPMorgan Chase Bank, N.A. (the “Chase 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, Director of Finance, General Counsel, and Manager of Treasury and Capital Planning (each, an “Authorized Officer”), acting singly, be and each hereby is authorized to enter into such documents with JPMorgan Chase Bank, N.A. as it may require to evidence the Chase Loan, including, without limitation, a funding loan agreement, note, and pledge and security agreement, each containing such terms and conditions as the Authorized Officer shall approve, each such determination to be conclusively evidenced by his/her execution thereof and each such determination is hereby fully and completely approved and adopted as the valid action of and by RIHousing, approved in all respects by the Board of Commissioners of RIHousing.

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

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

- Syndication equity from the allocation of federal Low-Income Housing Tax Credits (“LIHTC”) in an amount sufficient to achieve project feasibility;

- Syndication equity from the allocation of Federal Historic Tax Credits, State Low-Income Housing Tax Credits, and Rebuild RI equity 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;
- Final 955/Developer Tax Certificate along with final 50% bond test;
- Approval by bond counsel that the proposed conduit loan will satisfy all required bond requirements;
- RIHousing approval of all JPMorgan Chase Bank, N.A. 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, 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 Lippitt Mill

Melanie Brewer gave the presentation.

Ms. Brewer proceeded with the presentation, summarizing a document from the Board packet saying that as part of the process of financing the construction of Lippitt Mill in West Warwick, staff has requested the Board of Commissioners to approve the issuance by RIHousing of a tax-exempt note not to exceed \$15,500,000. Lippitt Mill will provide 71 units of housing, of which 100% will be affordable to households with incomes at or below 60% of area median income. The developer, Marathon Development, LLC (“Marathon”), has formed a limited liability company, Lippitt Mill Restoration LLC (the “Borrower”), which will be the owner of the project and the recipient of the loan.

The Request for Action was for authorization to enter into a tax-exempt private placement back-to-back loan structure with JPMorgan Chase Bank, N.A. (“Chase”) to fund the loan for Lippitt Mill.

Chase will make a direct loan to RIHousing and RIHousing will issue a tax-exempt note to Chase evidencing the loan. RIHousing, in turn, will advance the loan proceeds to the Borrower under the agency’s tax-exempt bond volume cap that will otherwise go unused. The back-to-back loan proceeds will be deemed tax-exempt. RIHousing and the Borrower will undertake all of the standard obligations related to a tax-exempt facility. Upon construction completion, Chase will also be the Permanent Loan funder. Because the loan is considered to be tax-exempt financing, the Development will be eligible to receive 4% low-income housing tax credits and generate approximately \$8 million in equity to fund development costs.

The loan will be non-recourse to RIHousing. RIHousing will only need to provide an assignment of its rights under the loan to Chase. The Borrower note and mortgage will also be assigned to Chase. During construction and post-conversion to the permanent loan, Chase will bear the financial risk.

This structure provides a number of advantages to the participants. The Borrower incurs reduced transaction fees and the closing process is expedited. Chase is able to record this transaction as a loan for purposes of its evaluation under the Community Reinvestment Act. RIHousing will receive a one-time origination fee of 1.0% of the principal amount of the loan, plus an annual issuer fee equal to 25 basis points of the outstanding loan, without having to service the loan to the Borrower or bearing any financial risk from the Borrower's default. Marathon will pay all costs associated with the transaction.

Attachments that set forth the terms of the loan agreement between RIHousing and Chase and the terms of the loan agreement between RIHousing and the Borrower were included as part of the November 20, 2025, Board packet.

RIHousing staff recommends approval authorizing a loan from Chase in an amount up to \$15,500,000 to finance a tax-exempt loan to the Borrower for the acquisition and rehabilitation of Lippitt Mill, and the execution of the loan agreements in substantially the form set forth in attachments that were provided as part of the November 20, 2025, Board package.

After the presentation, Chairwoman Goddard asked for a motion and a second Preliminary Approval of Financing for Sweetbriar (Barrington).

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

Chairwoman Goddard then conducted a voice vote of the Commissioners. The Commissioners unanimously voted for the Authorization to Issue Tax-Exempt Loan to Support Construction of Lippitt Mill.

Chairwoman Goodard then officially announced that the resolution was unanimously adopted in the form as presented at the meeting.

There being no further business to discuss, Chairwoman Goddard asked for a motion to adjourn the Board of Commissioners meeting. Commissioner McAllister duly made the motion, which was seconded by Commissioner Diossa.

Chairwoman Goddard then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to adjourn the meeting.

Chairwoman Goddard then announced that the motion to adjourn was unanimously approved. The meeting was adjourned at 10:15 a.m.

Chairwoman Goddard then thanked everyone for participating in the Board meeting.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director