

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

September 17, 2020

The Annual Meeting and the Regular Meeting of the Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIHousing”) Board of Commissioners was held on Thursday, September 17, 2020 at 9:30 a.m. The meeting was held via telephone conference call pursuant to Executive Order 20-46 (extended by Executive Order 20-75, and as may be further amended or extended).

Carol Ventura, Executive Director, introduced Carl Rotella, Director of Information Technology, who outlined the parameters of the meeting.

Mr. Rotella stated that (i) the meeting would be recorded and available for review on the RIHousing website within 3-5 business days after the meeting and (ii) except for the Board of Commissioners and specific RIHousing staff, all callers will be muted during the meeting. Mr. Rotella announced that if during the meeting anyone had technical difficulties with audio or accessing the call, they should call (401) 457-1240.

Next, Nicole Clement, General Counsel, provided additional information for those participating in the meeting. Ms. Clement stated that (i) pursuant to Executive Order 20-46 (as extended by Executive Order 20-75, and as may be further amended or extended) the meeting was being held via teleconference, (ii) members of the public could visit the RIHousing website to view the agenda and information on the actions being taken and (iii) in the event the teleconference was interrupted, staff would stop the meeting until audio was restored.

Ms. Clement also stated that Chairman Retsinas would preside over the meeting and requested that any Commissioner or staff to state their name prior to speaking and to mute the telephone if 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 9:38 a.m. Chairman Retsinas then invited Ms. Ventura to proceed with the roll call of Commissioners and RIHousing staff (in attendance).

Ms. Ventura then conducted a roll call vote of Commissioners and staff participating in the meeting. Commissioners participating via conference call were: Chairman Nicolas P. Retsinas; Brett Smiley, Director of the Department of Administration; LeeAnn Byrne, Designee for General Treasurer Seth Magaziner; Elizabeth Tanner, Director of the Department of Business Regulations; Kevin Orth; Stephen P. McAllister and Maria Barry.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer; Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Lisa Primiano, Chief Operating Officer; Leslie McKnight, Assistant Deputy Director of Loan Servicing; Bernadette MacArthur, Director of Finance; Eric Shorter, Director of Development; Peter Pagonis, Director of Homeownership; Christine Hunsinger, Assistant Deputy Director External Affairs, Policy & Research; Nicole Clement, General Counsel; Carl Rotella, Director of Information Technology.

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

Pursuant to Chapter 46 of Title 42 of the General Laws of Rhode Island, notice of the meeting of the Board of Commissioners was posted in the Offices of the Corporation, on the Corporation's web site www.rihousing.com and at the following link: <https://www.rihousing.com/rihousing-board-meeting-september-17-2020/>.

Approval of Minutes of Board Meeting held on August 17, 2020

Chairman Retsinas asked for a motion and a second for the approval of the Board of Commissioners meeting minutes held on August 17, 2020. A motion was made by Commissioner Designee Byrne and seconded by Commissioner Barry. There being no discussion, Nicole Clement, General Counsel conducted a roll call vote of the Commissioners. The commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then stated that the following was unanimously adopted:

VOTED: That the minutes of the Board Meeting held on August 17, 2020 hereby are approved.

Chairman's Remarks

Chairman Retsinas began by thanking everyone for participating in this morning's meeting and extended a special recognition to the Committee members and the Committee Chairs. The Chairman acknowledged that this month's agenda is quite lengthy, however all the items presented are important and deserve attention.

Executive Director's Review of Recent Activities and Trends

Carol Ventura, Executive Director, greeted everyone and proceeded with an update on the Corporation's activities.

Homeownership. Ms. Ventura was pleased to report that lending volume for the Homeownership Division continues to be high. Media attention has been significant regarding RIHousing's roll out of the Homeownership Division's new down payment assistance program, "10kDPA." The program provides a zero percent subordinate loan of ten thousand dollars to income-eligible first-time homebuyers. This program replaces the Spring 7500 down payment assistance program and will be funded by mortgage revenue bonds.

Loan Servicing. Ms. Ventura stated that delinquencies continue in the double-digit numbers. In August 2020, staff saw an increase in overall delinquency of 674 delinquent loans for a total of 1,789 delinquent loans out of the active portfolio of 12,616 loans. This is a delinquency rate of 14.18%. In August 2019, the active portfolio was 12,588 loans of which 1115 loans were delinquent. This is a delinquency rate of 8.86%.

The Loan Servicing Division continues to actively work with delinquent borrowers to utilize various assistance options. Additionally, under the HomeSafe program, partner agencies continue to provide one-time temporary financial assistance to eligible Rhode Island residents facing a short-term housing crisis.

Ms. Ventura was pleased to announce that as of August 31, seventy-seven (77) RIHousing borrowers have reinstated their mortgage.

Development. Ms. Ventura stated that the Development Division is extremely busy generating applications, as viewed by this month's extensive agenda. Also, staff is preparing for a HUD Risk-Sharing Program Assessment. HUD's Enforcement Center staff is conducting a HUD Risk-Sharing Program Assessment. There have been a series of interviews with RIHousing staff within the Development, Leased Housing & Rental Services and Executive Divisions, and the Finance Department with HUD personnel over the past two months. The purpose of the assessment is to evaluate RIHousing's compliance with its approved underwriting guidelines and all applicable HUD rules and federal regulations related to the HFA Risk-Sharing Program.

Ms. Ventura also mentioned that the Development Division staff closed on Babcock Village (151 units in Westerly) and Harris House (133 units in Cranston), preserving 284 units of affordable housing. Additionally, staff is diligently employed in getting Barbara Jordan II to closing.

Leased Housing and Rental Services. Ms. Ventura remarked that the Corporation is excited to announce two (2) new programs in the Leased Housing and Rental Services Division. First, RIHousing has launched a Landlord Incentive Program. Landlords who lease to a family with a RIHousing Housing Choice Voucher in the jurisdiction are eligible to receive incentive payments. The initial unit leased will be incentivized with \$2,000 and for each additional unit the landlord will receive \$500 when a housing assistance payment contract is executed. The program is funded by HUD's CARES Act funding made available to public housing authorities and will help in aiding additional families in need.

Secondly, Ms. Ventura announced the creation of an Emergency Tenant Based Rental Assistance Program ("HOME E-TBRA"). Low-to-moderate income families have been negatively impacted by the unprecedented loss of jobs and reduction in income due to the COVID-19 pandemic. The inability to pay rent threatens housing stability for tenants in addition to the financial viability of owners and operators of affordable housing. To address this challenge, RIHousing will utilize \$500,000 in federal HOME Program funding to establish a COVID-19 Emergency Tenant Based Rental Assistance Program to provide housing stability for vulnerable families.

Ms. Ventura referred the Commissioners to the chart illustrated in the Executive Director's report and invited them to review the data at their convenience.

Ms. Ventura then informed the Commissioners that the National Council for State Housing Agencies (NCSHA) is holding its annual conference online this year as a result of COVID-19. Over the course of four (4) days, beginning Monday, October 26, HFAs from across the country will be sharing best practices with colleagues. This year's agenda includes numerous sessions on HFA's responses to the COVID-19 health crisis as well as a focus on diversity and equity in housing.

Ms. Ventura was happy to share that various RIHousing staff members have been invited to present on three (3) of the Corporation's submissions to this year's NCSHA Annual Awards programs. Carl Rotella, Director of Information Technology, and the Communications Department have also been recognized for their outstanding work on the redesign of the Corporation's customer website.

Ms. Ventura then noted that on August 28, federal mortgage backing agencies (including GSEs, FHA, and VA) announced that the foreclosure moratorium for federally-backed single-family loans would be extended to December 31. The moratorium was initially set to expire on May 15 and was later extended to August 31.

Lastly, Ms. Ventura announced that on August 25 the Finance Department successfully executed a new bond issuance for the Multi Family Development Bond Program. This bond sale will provide \$34MM for the financing of two affordable housing developments, Harris House and Babcock Village and will refund \$10.5MM in aged, higher rate bonds, decreasing RIHousing's overall borrowing cost. This issuance received significant investor interest with over \$300MM in orders received for the \$44MM offering.

Ms. Ventura then asked if anyone had any questions. Chairman Retsinas asked if there is any evidence of flipping in the market. Peter Pagonis, Director of Homeownership, replied that flipping of homes are not an issue for RIHousing customers. Chairman Retsinas then asked if flipping of homes is prevalent in the general market place. Mr. Pagonis responded that yes, he has seen a few instances where homes have flipped within a six (6) month period.

Commissioner Designee Byrne noted that the delinquency rates are a concern for all. She referenced the foreclosure moratorium and asked what will happen in January 2021 if assistance is no longer available. Commissioner Designee Byrne also inquired about staff's ideas for those borrowers especially in the event RIHousing is not required by federal law to provide mediation.

Leslie McKnight, Assistant Deputy Director of Loan Servicing, replied that the expectation is that the COVID-19 pandemic will end but no one knows what January will bring. Furthermore, the possibility exists that the foreclosure moratoriums could be extended. However, RIHousing actively engages with its borrowers. Staff works and will continue to provide post forbearance loss mitigation services to customers. The Corporation has a significant number of options to offer borrowers. The critical issue is that customers must be returning to work with an income level sufficient to resume payments. If a borrower does not return to work and does not have the financial ability to resume payments, then they must look to alternate measures, such as disposition of the property. Ms. McKnight also mentioned that the Hardest Hit Fund (HHF) program allows unemployed borrowers to receive financial assistance for a longer period of time.

Commissioner Designee Byrne then inquired about the Housing Help RI Program remarking that it has been a significant challenge to administer. She expressed her appreciation for the breakdown and

status of the applications provided but wanted to know if staff could address the number of applications processed, how many have been assigned to RIHousing and the number of paid claims.

Ms. Ventura notified the Commissioners that James Comer, Deputy Executive Director, is taking the lead coordinating with the State on this initiative and would update the Commissioners.

Mr. Comer said that the Crossroads' program went live in May but by the time the applications were assigned to RIHousing it was July. Staff reached out to the 300 applicants assigned to RIHousing a total of three (3) times, asking them to establish an account but at that point it appeared that those looking for assistance possibly sought other avenues for aid or resolved the issue in a different manner. Presently, staff is reaching out with final notifications to the applicants that have yet to be processed.

Commissioner Designee Byrne asked if a plan is in place on how to redeploy the funds. Mr. Comer confirmed that staff is collaborating with the State on next steps for the CARES Act funding and have been engaged in numerous conversations regarding the distribution of resources. Mr. Comer announced that he has a meeting with the State to discuss best practices on how to deploy the capital and to strategize ways to operate in a timely and efficient manner. As these are CARES Act dollars targeted to address those in a crisis situation, staff wants to reestablish the program and structure it to function smoothly.

At this point of the meeting, at approximately 9:55am Ms. Ventura announced that Commissioner Tanner was present on the line.

Firm Approval of Financing for Maple Gardens II (North Providence)

Chairman Retsinas introduced Eric Shorter, Director of Real Estate Development, who gave this presentation.

Mr. Shorter stated that this request is for firm approval of taxable refinancing in an amount not to exceed \$10,360,000 for Maple Gardens II ("Maple Gardens II" or the "Development"), an existing affordable housing development currently financed by Rhode Island Housing and Mortgage Finance Corporation ("RIHousing"). Ferland Corporation is the developer ("Ferland" or "Developer").

Maple Gardens II is an existing elderly affordable housing development located in North Providence, RI. The Development consists of 90 units in 3 three-story buildings and a community building. The Development was built in 1983 and fully renovated in 2000. There are 84 one-bedroom and 6 two-bedroom units. The Development is subsidized by the U.S. Department of Housing and Urban Development ("HUD") through a Section 8 Housing Assistance Payment ("HAP") contract that is effective through May 2040.

The Development is owned by Maple Housing Group, LP (the "Borrower"). Ferland and MG Management LLC ("MGM") are co-general partners of the Borrower with each holding a 1% interest. The limited partners of the Borrower are Ferland (24.5%), MGM (49%), and A. Austin Ferland (24.5%). No change in either the general partner or a limited partner with greater than 25% ownership interest will occur as a result of this proposed transaction.

The Borrower will use the proceeds of the new financing to pay off the existing mortgage, undertake elevator, accessibility, and life safety upgrades to the Development, and recapitalize the replacement and operating reserves. The scope of the rehabilitation to be undertaken is moderate and Ferland will act as the self-performing general contractor. While architectural plans are not expected to be required, in the event that limited architectural drawings are required, The Robinson Green Beretta Corporation will provide the limited architectural services.

RIHousing's design and construction staff has reviewed and approved the proposed scope of work. The Borrower will capitalize a new replacement reserve account with \$315,000 or \$3,500 per unit. In addition, the Borrower will make annual deposits of \$29,500, or \$325 per unit, into the replacement reserve, which is sufficient to address potential capital needs over the next 15 years. RIHousing will require that a capital needs assessment ("CNA") be performed every 5 years and the Borrower may be required to recapitalize the replacement reserve to meet the capital needs of the property as determined by the CNA.

RIHousing currently holds the first mortgage and is familiar with the property and operations. In addition to the rehabilitation, the Borrower will withdraw a portion of accrued equity in the Development. The proposed refinancing is consistent with RIHousing's taxable loan program that has replaced the Treasury-HUD Federal Financing Bank ("FFB") HFA Multifamily Risk Sharing Loan Financing Initiative, which was suspended by HUD in 2018. As part of the underwriting process, staff has determined that the Development meets RIHousing's requirements. Broadly, this review included:

- Compliance with HUD's requirements
- Demonstrated responsible long-term ownership and management of the property
- A 20-year HAP Contract
- Adequately funded replacement and operating reserves
- Low vacancy rates
- Consistency with RIHousing's standard underwriting requirements
- Financially beneficial to RIHousing
- Execution of a new 40-year affordability agreement

The refinancing of the Development will extend the affordability for another 40 years. As part of this refinancing, RIHousing will receive an origination fee of \$153,600 and the Borrower will cover the fees associated with the financing.

RIHousing commissioned an appraisal seeking the as-is value assuming the lower of market rents or the current HAP rents. The proposed loan is underwritten to the lower of market or HAP rents.

This RFA is for firm approval of taxable refinancing in an amount of up to \$10,360,000 for the Development.

Commissioner Orth stated that the Credit Committee discussed the request noting that this is a long term strong, responsible borrower who has enough reserves set aside for the future. Commissioner Orth mentioned that the Committee also deliberated the equity take out proceeds along with the need to be competitive in the industry. The Credit Committee recommends approval.

Chairman Retsinas asked for a motion and a second for the Firm Approval of Financing for Maple Gardens II (North Providence).

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

There being no discussion, Nicole Clement, General Counsel, conducted a roll call vote of the Commissioners. The commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement 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 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 provide taxable loan funds for the purpose of financing qualified housing developments throughout the state;

Whereas: said loan 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 provide the capitalized interest if determined to be necessary;

Whereas: the applicant (“Applicant”) listed below has presented an application to RIHousing requesting mortgage refinancing to rehabilitate the development (the “Development”) as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Mortgage</u>
Maple Gardens II	Maple Housing Group, LP	\$10,360,000

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

Whereas: RIHousing finds:

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

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

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

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

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

NOW, THEREFORE, IT IS HEREBY:

Resolved: that, subject to the special conditions listed below, RIHousing hereby authorizes firm approval of taxable refinancing to the Applicant in an amount not to exceed \$10,360,000 for rental housing known as Maple Gardens II located in North Providence, Rhode Island;

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

- Approval by RIHousing of the final scope of the rehabilitation work.
- Approval by RIHousing of construction specifications and supporting construction documentation for the scope of rehabilitation work.
- FHA Risk Sharing approval from the U.S. Department of Housing and Urban Development (“HUD”) for a minimum of 50% of the first mortgage.
- 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, or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the foregoing resolutions.

Firm Approval of Financing for Geneva Plaza (Pawtucket)

Chairman Retsinas again recognized Eric Shorter, Director of Development, who presented the request.

Mr. Shorter stated that this request is for firm approval of a taxable refinancing in an amount not to exceed \$14,970,000 for Geneva Plaza (“Geneva Plaza” or the “Development”), an existing affordable housing development currently financed by Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”). Ferland Corporation is the developer (“Ferland” or “Developer”).

Geneva Plaza is an existing elderly affordable housing development located in Pawtucket, RI. The Development consists of 150 units in 2 buildings, built in 1979 and partially renovated in 2005. There are 136 one-bedroom and 14 two-bedroom units. The Development is subsidized by the U.S. Department of Housing and Urban Development (“HUD”) through a Section 8 Housing Assistance Payment (“HAP”) contract that is effective through April 2033.

The Development is owned by Geneva Apartments, L.P. (the “Borrower”). The co-general partners of the Development are Ferland Corporation (“Ferland”) and Cathedral Development Group, Inc. (“CDG”) with Ferland as the managing general partner. The limited partners are CDG (49%), A. Austin Ferland (24.5%), and Debra L. Ferland (24.4%). No change in either the general partner or a limited partner with greater than 25% ownership interest will occur as a result of this proposed transaction.

The Borrower will use the proceeds of the new financing to pay off the existing mortgage, undertake accessibility, and life safety upgrades to the Development, recapitalize the replacement and operating reserves, and make an equity distribution to the partners. The scope of the rehabilitation to be undertaken is moderate and Ferland will act as the self-performing general contractor. While architectural plans are not expected to be required, in the event that limited architectural drawings are required, The Robinson Green Beretta Corporation will provide the limited architectural services.

RIHousing’s design and construction staff have reviewed and approved the proposed scope of work. The Borrower will capitalize a new replacement reserve account with \$390,000 or \$3,500 per unit. In addition, the Borrower will make annual deposits of \$49,500, or \$325 per unit, into the replacement reserve, which is sufficient to address potential capital needs over the next 15 years. RIHousing will require a capital needs assessment (“CNA”) to be performed every 5 years and the Borrower will be required to recapitalize the replacement reserve to meet the capital needs of the property as determined by the CNA.

RIHousing currently holds the first mortgage and is familiar with the property and operations. In addition to the rehabilitation, the Borrower will withdraw a portion of accrued equity in the Development. The proposed refinancing is consistent with RIHousing’s taxable loan program that has replaced the Treasury-HUD Federal Financing Bank (“FFB”) HFA Multifamily Risk Sharing Loan Financing Initiative, which was suspended by HUD in 2018. As part of the underwriting process, staff has determined that the Development meets RIHousing’s requirements. Broadly, this review included:

- Compliance with HUD’s requirements
- Demonstrated responsible long-term ownership and management of the property
- A 20-year HAP Contract
- Adequately funded replacement and operating reserves
- Low vacancy rates
- Consistency with RIHousing’s standard underwriting requirements
- Financially beneficial to RIHousing
- Execution of a new 40-year affordability agreement

The refinancing of the Development will extend the affordability for another 40 years. As part of this refinancing, RIHousing will receive an origination fee of \$199,700 and the Borrower will cover the fees associated with the financing.

RIHousing commissioned an appraisal seeking the as-is value assuming the lower of market rents or the current HAP rents. The proposed loan is underwritten to the lower of market or HAP rents.

This RFA is for firm approval of taxable refinancing in an amount of up to \$14,970,000 for the Development.

Commissioner Orth confirmed that the Credit Committee had a similar discussion as for Maple Gardens. The Committee wants to retain the property in its portfolio, specifically as it’s situated in a great location. The Committee recommended approval.

Following the presentation, Chairman Retsinas asked for a motion and a second for Firm Approval of Financing for Geneva Plaza (Pawtucket).

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

Ms. Clement, General Counsel, then conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement 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 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 provide taxable loan funds for the purpose of financing qualified housing developments throughout the state;

Whereas: said loan 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 provide the capitalized interest if determined to be necessary;

Whereas: the applicant (“Applicant”) listed below has presented an application to RIHousing requesting mortgage refinancing to rehabilitate the development (the “Development”) as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Mortgage</u>
Geneva Plaza	Geneva Apartments, L.P.	\$14,970,000

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

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

provided for by the Rhode Island Housing and Mortgage Finance Corporation Act, Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved: that, subject to the special conditions listed below, RIHousing hereby authorizes firm approval of taxable refinancing to the Applicant in an amount not to exceed \$14,970,000 for rental housing known as Geneva Plaza located in Pawtucket, Rhode Island;

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

- Approval by RIHousing of the final scope of the rehabilitation work.
- Approval by RIHousing of construction specifications and supporting construction documentation for the scope of the rehabilitation work.
- FHA Risk Sharing approval from the U.S. Department of Housing and Urban Development (“HUD”) for a minimum of 50% of the first mortgage.
- 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, or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the foregoing resolutions.

Preliminary Approval of Financing for Sutton Place (East Providence)

Mr. Shorter also presented this request. He shared that this Request for Action (“RFA”) is for preliminary approval of a Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) first mortgage in the amount of \$1,315,000 for Sutton Place (the “Development”). Olneyville Housing Corporation d/b/a ONE Neighborhood Builders (“ONENB” or the “Developer”) is the developer.

ONENB has an option to purchase an existing 36-unit market rate property through an arms’ length transaction. The purchase price is \$3,420,000 or \$95,000 per unit. The Development is located on Sutton Street in the Riverside neighborhood of East Providence within walking distance of the eastside of Providence.

The seller of the property currently charges rents below 80% of the area median income (“AMI”), and therefore, the property is considered naturally occurring affordable housing (“NOAH”). As part of this proposed transaction, the units will be permanently restricted to households with incomes between 30% and 80% of the AMI. These restrictions will ensure affordability over the long term as the neighborhood around the property gentrifies and the market rents increase. ONENB intends to invest \$1.1 million or nearly \$32,000 per unit to renovate individual apartments as well as the common areas.

The Development consists of 2 nearly identical buildings constructed in 1970, located on a single tax lot. There is a large surface parking lot between the buildings. The buildings are in fair to average

condition and contain 22 one-bedroom units (450 square feet (“SF”) each) and 14 studio units (375 SF each). Proposed exterior repairs include new roofs, all new windows, new landscaping, and the installation of a ramp with modifications to doors in one building to allow for ADA accessibility. Interior work will include new kitchens and bathrooms in the apartments along with new flooring, doors and painting.

The capital stack is comprised of the following sources: (i) a taxable first mortgage, (ii) a HOME Investment Partnerships Program (the “HOME Program”) loan, (iii) a Housing Trust Fund Program (the “HTF Program”) loan, (iv) a grant from the city of East Providence, (v) a Preservation Loan Fund Program loan (“PLF”) from the Affordable Housing Trust (“AHT”) and (vi) a deferred developer fee.

This RFA seeks preliminary approval of a RIHousing first mortgage in the amount of \$1,315,000.

Commissioner Orth acknowledged that the Credit Committee reviewed the request. This is a relatively new program recognizing the importance of different housing needs, rent restrictions and is unique in its financing structure where it does not utilize tax credits. The Committee looked at the high purchase price reviewed against the appraisal and noted that the owner has pre-qualified residents ensuring that no one is displaced. The Committee endorses approval.

Chairman Retsinas asked for a motion and a second for the Preliminary Approval of Financing for Sutton Place (East Providence).

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

Following the motion and second, Ms. Clement conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported 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; and

Whereas: RIHousing intends to provide taxable loan funds for the purpose of financing qualified housing developments throughout the state; and

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

Whereas: the applicant (“Applicant”) listed below has presented an application to RIHousing requesting mortgage financing to acquire and rehabilitate the buildings as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Mortgage</u>
Sutton Place	Olneyville Housing Corporation d/b/a ONE Neighborhood Builders	\$1,315,000

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

Whereas: the Applicant intends to form a new entity to acquire Sutton Place; and

Whereas: RIHousing finds that:

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

(2) 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 Rhode Island Housing and Mortgage Finance Corporation enabling act, Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved: that, subject to the special conditions listed below, RIHousing hereby authorizes preliminary approval of taxable financing to the Applicant, or an affiliated entity, in an amount not to exceed \$1,315,000 for rental housing known as Sutton Place, located in East Providence, Rhode Island.

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

- The award of Preservation Loan Fund Program funds in amounts sufficient to make the project feasible, or the availability of alternative equity satisfactory to RIHousing.
- The award of HOME Investment Partnerships Program and Housing Trust Fund Program funds in amounts sufficient to make the project feasible, or the availability of alternative equity satisfactory to RIHousing.
- A final appraisal acceptable to RIHousing prepared by an independent appraiser demonstrating:
 1. The purchase price is supported and market oriented;
 2. The proposed affordable underwriting rents are attainable; and
 3. The first mortgage loan does not exceed 90% of the as-stabilized value of the property.
- Final approval by RIHousing of construction plans, specifications, and supporting construction documentation.
- Execution and delivery by the Applicant of a Construction Completion Guaranty in form and substance satisfactory to RIHousing.
- Completion of a capital needs assessment (“CNA”), which indicates the proposed scope of work on the existing units is adequate.
- Approval by RIHousing of management documentation.
- FHA Risk-Sharing approval from U.S. Department of Housing and Urban Development 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, or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the foregoing resolutions.

Approval of the Transfer of Physical Assets (TPA) for Stephens Hall Apartments (Providence)

Chairman Retsinas announced that Eric Shorter would present this request.

Mr. Shorter stated that this application was purely administrative in nature and is for the approval of the transfer of the limited partnership interest in Stephens Hall Apartments (the “Development”), an affordable family housing development located on Elmwood Avenue in Providence.

The Development, built circa 1928, was converted into affordable housing in 2000 under the Low-Income Housing Tax Credit (“LIHTC”) Program, and utilized financing from Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”). The Development consists of 32 apartments in a four-story building with 11 one-bedroom, 13 two-bedroom, and 8 three-bedroom units. All the apartments in the Development are currently encumbered with affordability use restrictions required by the LIHTC Program. The restrictions require that for the remaining term of the original 30-year mortgage period, which matures in 2031, 100% of the units must remain affordable to families with household incomes less than 60% of the area median income (“AMI”). The initial compliance period for the Development expired at the end of 2015. Accordingly, the financial benefits of the tax credits and depreciation losses have been substantially realized by the original tax credit investor.

West Elmwood Housing Development Corporation (“WEHDC”), has requested RIHousing’s approval of the transfer of the limited partnership interest to Hope Renewed Realty Corporation (the “Transferee”), a Rhode Island non-profit corporation wholly owned by WEHDC. Under RIHousing’s Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, as amended (the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets before conveying, assigning or transferring any ownership interest in a multifamily housing project.

Since project completion in 2000, WEHDC has endeavored to maintain the Development, making improvements as necessary to ensure sustainability. Vacancy has remained low since initial occupancy. The apartments are conveniently located relative to schools, retail, employment, public transportation and highway access.

The owner of the Development is Stephens Hall Development Associates, L.P. The current general partner of the development, SH Development Corp., a Rhode Island corporation, is an affiliate of WEHDC and holds a .01% interest in the partnership. The 2 current investor limited partner(s) in the Development are affiliates of Enterprise Community Partners. Together, The Housing Outreach Fund VII, LP and Enterprise Housing Partners III, LP (collectively the “Enterprise Limited Partners”), hold a 99.9% limited partner interest. The Enterprise Limited Partners intend to withdraw and donate their partnership interests to the Transferee.

WEHDC’s goal for the transfer is to facilitate the exit of the Enterprise Limited Partners and position itself to refinance and rehabilitate the Development in the next 12-18 months. WEHDC and RIHousing have had preliminary discussions regarding a future refinance utilizing tax-exempt bonds and 4% LIHTCs.

A capital needs assessment was conducted for the property in August 2018 and indicated significant need for external maintenance of the building envelope at the property. The fire alarm system is also at the very end of its useful life. However, should replacement of the fire alarm system be required before a refinancing occurs, the costs can be covered by the replacement reserve. At the time the property is refinanced, anticipated improvements would include structural and exterior work on the building, sitework, roof repair and partial replacement, and internal updates to some kitchens, baths, common areas and systems.

The staff of the Asset Management Department and Development Division jointly reviewed this request under the TPA Regulations and determined that the proposed transaction complies with the regulatory requirements. The Development received a score of 89 out of 100 under RIHousing’s risk rating protocol. The debt service coverage was 2.16 in December 2019, 1.63 in 2018 and 2.51 in 2017. The operating and replacement reserves are adequately funded. Annual operating expenses are considered average and acceptable for a 15-year-old property. Annual cash flow is minimal due to the existing rents, which are skewed to the 50% rent levels. First Realty Management (“FRM”) is the current property manager.

FRM has been managing the property prudently given the financial constraints and has been able to address the most significant maintenance issues at the Development. The transfer of the limited partnership interest in the Development will allow WEHDC to control the Development as it determines how best to refinance and rehabilitate while preserving the affordability of the property for the long term.

Commissioner Orth stated that this transaction is merely procedural, complies with TPA requirements and the Credit Committee endorsed approval.

Following the presentation, Chairman Retsinas asked for a motion and a second for the Approval of the Transfer of Physical Assets (TPA) for Stephens Hall Apartments (Providence).

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

Ms. Clement, General Counsel, then conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported 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, (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; and

WHEREAS: West Elmwood Housing Development Corporation (“WEHDC”), seeks approval of the transfer of the limited partnership interest in Stephens Hall Development Associates, L.P. (the “Development”) from The Housing Outreach Fund VII, LP and Enterprise Housing Partners III, LP (the “Enterprise Limited Partners”) to Hope Renewed Realty Corporation, an affiliate of WEHDC; and

WHEREAS: staff has reviewed this request under the TPA Regulations and determined that the proposed transaction complies with the regulatory requirements.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that the transfer of the limited partnership interest in the Development from the Enterprise Limited Partners to Hope Renewed Realty Corporation 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 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; and
2. Receipt by RIHousing of the transfer Processing Fee, as defined in 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 is authorized to execute and deliver on behalf of RIHousing all documents necessary or advisable to consummate such transfer and to take such further actions as he or she shall deem necessary or advisable in connection therewith.

Approval of the Transfer of Physical Assets (TPA) for Bellevue Apartments (Providence)

Mr. Shorter also made this presentation.

Mr. Shorter stated that this request is for approval of the transfer of the limited partnership interest in Bellevue Apartments (the “Development”), an affordable scattered site family housing development located in the West End neighborhood in Providence.

The Development is a scattered site project comprised of 7 two- and three-story buildings containing a total of 19 apartments located on Hollis Street and Bellevue Avenue in Providence. In 1997, the existing buildings were converted into affordable housing under the Low-Income Housing Tax Credit (“LIHTC”) Program and utilized financing from Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”). The Development consists of 10 two-bedroom, 5 three-bedroom, and 4 four-bedroom units. All the apartments in the Development are currently encumbered with affordability use restrictions required by the LIHTC Program. The restrictions

require that for the remaining term of the original 30-year mortgage period, which matures in 2028, 100% of the units must remain affordable to families with household incomes less than 60% of the area median income (“AMI”). The initial compliance period for the Development expired at the end of 2012. Accordingly, the financial benefits of the tax credits and depreciation losses have been substantially realized by the original tax credit investor.

West Elmwood Housing Development Corporation (“WEHDC”), has requested RIHousing’s approval of the transfer of the limited partnership interest of the Development to Hope Renewed Realty Corporation (the “Transferee”), a Rhode Island non-profit corporation wholly owned by WEHDC. Under RIHousing’s Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, as amended (the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets before conveying, assigning or transferring any ownership interest in a multifamily housing project.

Since project completion, WEHDC has endeavored to maintain the Development, making improvements as necessary to ensure sustainability. In general, vacancy has remained low since initial occupancy. The apartments are conveniently located relative to schools, retail, employment, public transportation and highway access.

The owner of the Development is Bellevue Development Associates, L.P. The current general partner of the development, Hollis Development Corp., a Rhode Island corporation, is an affiliate of WEHDC and holds a 1% interest in the partnership. The current investor limited partner in the Development is The Housing Outreach Fund VI, LP (“HOF VI”), an affiliate of Enterprise Community Partners. HOF VI holds a 99% limited partner interest. HOF VI intends to withdraw from the partnership and donate their interest to the Transferee.

WEHDC’s goal for the transfer is to facilitate the exit of HOF VI and position itself to refinance and rehabilitate the Development in the next 12-18 months. WEHDC and RIHousing have had preliminary discussions regarding a future refinance utilizing tax-exempt bonds and 4% LIHTCs.

Annual cash flow is minimal due to the existing rents, which are skewed to the low end of the AMI income limits. A capital needs assessment was conducted for the property in August 2018 and it indicated significant needs across all building sites. When the property is refinanced, anticipated improvements would include structural and exterior work on the buildings, sitework, roof repairs and replacement, and internal updates to some kitchens, baths, common areas and systems.

The staff of the Asset Management Department and Development Division jointly reviewed this request under the TPA Regulations and determined that despite the challenges to the physical condition and the limited cash flow, the proposed transaction complies with the regulatory requirements. The Development received an average score under RIHousing’s risk rating protocol. The debt service coverage (“DSC”) was 2.3 in 2018 but fell to .13 at the end of 2019 due to an increase in turn over and the need to complete significant repairs to the vacant units. The DSC has increased back to 2.55 as of year to date 6/30/2020. The operating and replacement reserves are adequately funded. Annual operating expenses are considered average and acceptable for a 23-year-old property. First Realty Management (“FRM”) is the current property manager.

FRM has been managing the property prudently given the financial constraints and has been able to address the most significant maintenance issues at the Development. The transfer of the limited partnership interest in the Development will allow WEHDC to control the Development as it determines how best to refinance and rehabilitate the property to preserve the long-term affordability of the units.

Commissioner Orth stated that the Credit Committee voted to approve the request.

Chairman Retsinas then asked for a motion and a second for the Approval of the Transfer of Physical Assets (TPA) for Bellevue Apartments (Providence).

A motion was made by Commissioner Orth and seconded by Commissioner Barry. Ms. Clement, General Counsel, next conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported 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 (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; and

WHEREAS: West Elmwood Housing Development Corporation (“WEHDC”), seeks approval of the transfer of the limited partnership interest in Bellevue Development Associates, L.P. (the “Development”) from The Housing Outreach Fund VI, LP (“HOF VI”) to Hope Renewed Realty Corporation, an affiliate of WEHDC; and

WHEREAS: staff has reviewed this request under the TPA Regulations and determined that the proposed transaction complies with the regulatory requirements.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that the transfer of the limited partnership interest in the Development from HOF VI to Hope Renewed Realty Corporation 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 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; and
2. Receipt by RIHousing of the transfer Processing Fee, as defined in 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 is 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.

Preliminary Approval of Reservation of HOME Investment Partnerships Program Funds

Chairman Retsinas stated Eric Shorter would report on this recommendation.

Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has administered the U.S. Department of Housing and Urban Development (“HUD”) HOME Investment Partnerships Program (the “HOME Program”) since 1992. The State of Rhode Island’s 2020 HOME Program year allocation is \$3,617,597. Combined with the remaining balance from past program years and program income, RIHousing has \$9,349,545 available for approval of preliminary reservation to projects.

In March of 2020, RIHousing issued a Request for Proposals (“RFP”) for HOME Program funds. In response to the RFP, RIHousing received 9 proposals requesting \$7,710,332 in HOME Program funds.

After initial review of the application packages, RIHousing requested additional information where necessary to ensure applications were complete. The HOME Program applications were then reviewed in accordance with RIHousing’s threshold criteria for awards:

- Applications must be complete, including all attachments.
- The applicant must be an eligible applicant for the funding source being sought.
- Properties and activities proposed for consideration must be eligible.
- Developer must demonstrate capacity to complete the proposed project.
- Proposals must be financially feasible as presented.
- Projects must be ready to proceed within 6 months of firm financing commitment.
- Proposed assistance amounts must meet all appropriate funding source requirements.
- Proposals must meet all applicable construction and rehabilitation guidelines.
- Proposals must be consistent with the State Land Use Plan, applicable Municipal Affordable Housing Plan, State Comprehensive Housing Plan, and State Consolidated Plan.

- Projects must meet funding priority requirements.
- Projects must be consistent with the appropriate HOME Program income targeting requirements.

Eligible HOME Program applications deemed to have met threshold requirements were then reviewed by RIHousing staff and scored based upon the criteria outlined in the HOME Program Annual Action Plan, as approved by HUD.

RIHousing program staff reviewed and scored qualifying applications and conducted cost allocations to ensure funding requests conformed with HOME Program subsidy limits. On August 18, 2020, RIHousing program staff met with senior staff and reviewed the applications based on thresholds and scoring. As a result of that review, 4 HOME Program proposals seeking program resources in the amount of \$4,565,696 are being recommended for preliminary reservation at this time. The recommended developments will help build 86 units, 31 of which will be HOME Program-assisted. The projects are located in Exeter, Woonsocket, Central Falls and East Providence. All recommended applications in this round were submitted by non-profit developers.

The resolution authorizing the preliminary reservation of up to \$4,565,696 in HOME Program funds is contingent upon (i) the availability of HOME Program funding, (ii) completion of environmental reviews as necessary in accordance with requirements of 24 CFR §92.352, and (iii) compliance with HOME Program regulations including underwriting and subsidy layering review. A request for firm approval of reservation will be presented to the Board of Commissioners upon completion of final underwriting.

Commissioner Orth stated that the Credit Committee noted that RIHousing has \$5 million remaining for this program and staff will hold another funding round for applications. The Committee was pleased to see the diverse geographic locations and the uniqueness of some of the applications. Commissioner Orth stated that the Committee was in favor of this request.

Following the presentation, Chairman Retsinas asked for a motion and a second for the Preliminary Approval of Reservation of HOME Investment Partnerships Program Funds.

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

A brief discussion followed. Commissioner Designee Byrne asked Mr. Shorter if additional rounds are planned to disperse the remaining funds. Mr. Shorter deferred the question to Eric Alexander, Assistant Director Development/Housing Programs, who replied that an additional round is planned for later this fall.

Ms. Clement, General Counsel, then conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye

Commissioner Designee Byrne Aye

Ms. Clement then reported 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”) expects to enter into an agreement with the U.S. Department of Housing and Urban Development to administer the HOME Investment Partnership Program (“HOME Program”); and

WHEREAS: RIHousing is authorized to issue HOME Program funds to promote the acquisition, rehabilitation or preservation of affordable housing; and

WHEREAS: RIHousing anticipates authorization to disburse \$4,565,696 in HOME Program funds to eligible entities in order to create affordable housing opportunities; and

WHEREAS: the applicants listed in Attachment A have submitted applications, which meet the requirements of the HOME Program; and

WHEREAS: staff of RIHousing have reviewed each of the eligible applications submitted and recommend that HOME Program funds be preliminarily reserved to the proposals listed in Attachment A; and

WHEREAS: staff of RIHousing have determined that the recommended proposal may qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies; and

WHEREAS: RIHousing finds:

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

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

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

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

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

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that RIHousing be, and hereby is authorized, to preliminarily reserve HOME Program funds in an amount up to \$4,565,696 in accordance with the program description as approved by the U.S. Department of Housing and Urban Development.

RESOLVED: that RIHousing be, and hereby is authorized, to approve a preliminary reservation of HOME Program funds to the proposals as recommended by RIHousing staff in Attachment A in accordance with the HOME program guidelines and regulations, and contingent on (i) the availability and receipt of HOME Program funding, (ii) completion of environmental reviews as necessary in accordance with requirements of 24 CFR §92.352, and (iii) compliance with HOME Program regulations including underwriting and subsidy layering review.

RESOLVED: that the Executive Director, Deputy Executive Director and the Director of Development, each acting singly be, and hereby is, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions.

Attachment A
Summary of Recommendations

HOME Program Funds recommended for preliminary reservation
for new projects in current funding round \$ 4,565,696

Distribution of recommended funds

Community Housing Development Organizations	\$ 1,817,497
Other Nonprofit Organizations	\$ 2,748,199
For Profit Organizations	\$ 0

Leveraging with recommended current round HOME Program funds:

HOME Cost	Total Cost	# of HOME Units	Total # of Units	HOME Cost per HOME Unit
\$4,565,696	\$20,790,682	31	86	\$147,280

Preliminary project recommendations are as follows:

- Women’s Development Corporation, Pine View Apartments, Exeter (\$1,459,000 in HOME Program funds) - New construction of 40 affordable units comprised of 5 one-bedroom and 35 two-bedroom units, of which 11 will be HOME Program-assisted. The site is located on South County Trail adjacent to the Oak Harbor Village commercial center. Of the 40 units, 3 units will be restricted to 30% of area median income (“AMI”), 5 units will be restricted to 50% AMI and 32 will be restricted to 60% AMI. There will be 8 project-based vouchers (“PBV”) provided by the Coventry Housing Authority.

Sources		Uses	
HOME	\$ 1,459,000	Acquisition	\$ 1,340,000
HTF	\$ 515,000	Construction	\$ 7,825,828
RIH 1st Mortgage	\$ 2,150,000	Contingency	\$ 785,452
Deferred Developer Fee	\$ 374,703	Soft Costs	\$ 1,015,818
Housing Tax Credit (equity)	\$ 3,232,534	Financing	\$ 708,188
BHRI	\$ 4,640,000	Developer Fee	\$ 1,072,000
CMF	\$ 625,000	Operating reserve	\$ 203,956
		other reserves	\$ 44,995
TOTAL	\$ 12,996,237	TOTAL	\$ 12,996,237

- Central Falls Housing Authority, School Street Apartments, Central Falls (\$1,289,199 in HOME Program funds) - Central Falls Housing Authority, in partnership with Women’s Development Corporation, proposes to build a 6-unit affordable housing development, of which 5 will be HOME Program-assisted. The project will be comprised of 1 one-bedroom unit, which will be Housing Trust Fund (HTF)-assisted and have a PBV, 1 two-bedroom unit, which will be HOME Program-assisted and have a PBV, with the remaining 4 HOME Program-assisted units comprised of 1 three-bedroom unit, which will be income restricted to 50% AMI and 3 three-bedroom units, which will be restricted to 60% AMI. The new units will replace the existing 2 unit two-bedroom building on the site.

Sources		Uses	
HOME	\$ 1,289,199	Acquisition	\$ 155,000
HTF	\$ 171,801	Construction	\$ 1,180,686
RIH 1st Mortgage	\$ 414,000	Contingency	\$ 114,040
		Architect/Engineer	\$ 95,000
		Soft Costs	\$ 106,474
		Financing	\$ 87,500
		Reserves	\$ 14,500
		Developer Fee	\$ 121,800
TOTAL	\$ 1,875,000	TOTAL	\$ 1,875,000

- ONE Neighborhood Builders, Sutton Street Apartments, East Providence (\$1,392,497 in HOME Program funds) – Sutton Place is a 36-unit development comprised of 22 one-bedroom units and 14 studio apartments located between the Downtown and Rumford

neighborhoods of East Providence, within walking distance of the eastside of Providence. Of the 36 units, 11 will be HOME Program-assisted. 9 units will be restricted at 30% AMI (with PBV and Continuum of Care subsidies), 3 HOME Program-assisted units at 50% AMI and 8 HOME-assisted units at 60% AMI. The remaining 16 apartments will be restricted at 80% AMI.

Sources		Uses	
HOME	\$ 1,392,497	Acquisition	\$ 3,420,000
Deferred Fee	\$ 65,903	Construction	\$ 1,037,804
HTF	\$ 1,189,921	Contingency	\$ 103,780
RIH 1st Mortgage	\$ 1,315,000	Soft Costs	\$ 140,095
EP Waterfront	\$ 200,000	Financing	\$ 47,900
RIH PLFP	\$ 1,080,000	Developer Fee	\$ 300,000
		Operating Reserve	\$ 98,000
		Replacement Reserve Yr 1	\$ 72,000
		Other Reserves	\$ 23,742
TOTAL	\$ 5,243,321	TOTAL	\$ 5,243,321

- NeighborWorks Blackstone River Valley (“NWBRV”), 146 Sayles Street (Frontline Childcare Worker Residence), Woonsocket (\$425,000 in HOME funds) - The overall objective of this rehabilitation project is to provide affordable housing for workers in NWBRV's state licensed elementary school-age before-and-afterschool program, which is located in the lower level of the building. The project is located in the Constitution Hill neighborhood in Woonsocket. It will consist of 4 single resident occupancy (SRO) units with a shared kitchen. All units will be HOME Program-assisted. Two (2) units will be restricted to 30% AMI. Two (2) additional units will be restricted to 50% AMI.

Sources		Uses	
HOME	\$ 425,000	Acquisition	\$ 239,400
Cash	\$ 11,724	Construction	\$ 276,142
Property Donation	\$ 239,400	Contingency	\$ 30,682
		Financing	\$ 7,500
		Soft Costs	\$ 30,400
		Reservers	\$ 32,000
		Developer Fee	\$ 60,000
TOTAL	\$ 676,124	TOTAL	\$ 676,124

Approval of Preliminary Reservation of Housing Trust Fund (HTF) Program Funds

Mr. Shorter gave this presentation.

Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has administered the U.S. Department of Housing and Urban Development (“HUD”) Housing Trust Fund (“HTF”) Program (the “HTF Program”) since FY 2016. The State of Rhode Island’s 2020 HTF Program year

allocation is \$3,000,000. Combined with the remaining balance from program year 2019, RIHousing has \$4,567,871 for preliminary reservation to projects.

In March of 2020, RIHousing issued a Request for Proposals (“RFP”) for HTF Program funds. In response to the RFP, RIHousing received 8 proposals requesting \$7,401,722 in HTF funds.

After initial review of the application packages, RIHousing requested additional information where necessary to ensure applications were complete. HTF applications were then reviewed in accordance with RIHousing’s threshold criteria for awards:

- Applications must be complete, including all attachments.
- The applicant must be an eligible applicant for the funding source being sought.
- Properties and activities proposed for consideration must be eligible.
- Developer must demonstrate capacity to complete the proposed project.
- Proposals must be financially feasible as presented.
- Projects must be ready to proceed within 6 months of firm financing commitment.
- Proposed assistance amounts must meet all appropriate funding source requirements.
- Proposals must meet all applicable construction and rehabilitation guidelines.
- Proposals must be consistent with the State Land Use Plan, applicable Municipal Affordable Housing Plan, State Comprehensive Housing Plan, and State Consolidated Plan.
- Projects must meet funding priority requirements.
- Projects must be consistent with the appropriate program income targeting requirements.

Eligible HTF applications deemed to have met the threshold requirements were then reviewed by RIHousing staff and scored based upon the criteria outlined in the HTF Program Annual Action Plan, as approved by HUD.

RIHousing program staff reviewed and scored qualifying applications and conducted cost allocations to ensure funding requests conformed with HTF program subsidy limits. On August 18, 2020, RIHousing program staff met with senior staff and reviewed the applications based on thresholds and scoring. As a result of that review, 3 HTF Program proposals seeking program resources in the amount of \$1,876,722 are being recommended for preliminary reservation at this time. These recommended developments will help build and/or preserve 86 units, including 13 extremely-low income rental units. Projects recommended for funding are located in Exeter, Woonsocket, Central Falls and East Providence. All 3 recommended applications in this round were submitted by non-profit developers.

The resolution authorizing preliminary reservation of up to \$1,876,722 in HTF Program funds from PY2019 and anticipated from PY2020 is contingent on (i) the availability of HTF Program funding, (ii) completion of environmental reviews as necessary in accordance with requirements of 24 CFR §93.301 (f)(1) and (2), and (iii) compliance with HTF Program regulations including underwriting and subsidy layering review. A request for firm approval of reservation will be presented to the Board of Commissioners upon completion of final underwriting.

Commissioner Orth affirmed that the Credit Committee supports approval. Commissioner Orth remarked that unfortunately five (5) applications did not meet thresholds due to financial feasibility and/or the lack of required documentation. However, staff has plans to initiate an additional funding round where the applicants will have another opportunity to apply for this capital.

Chairman Retsinas then asked for a motion and a second for the Approval of Preliminary Reservation of Housing Trust Fund (HTF) Program Funds.

A motion was made by Commissioner Orth and seconded by Commissioner Barry. Ms. Clement, General Counsel, next conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported 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”) has entered into an agreement with the U.S. Department of Housing and Urban Development to administer the Housing Trust Fund Program (“HTF Program”); and
- WHEREAS: RIHousing is authorized to issue HTF Program funds to promote the acquisition, rehabilitation or preservation of affordable housing; and
- WHEREAS: RIHousing anticipates authorization to disburse \$1,876,722 in HTF Program funds from PY2019 funds and anticipated PY2020 funds to eligible entities to create affordable housing opportunities; and
- WHEREAS: the applicants listed in Attachment A have submitted applications, which meet the requirements of the HTF Program; and
- WHEREAS: staff of RIHousing have reviewed each of the eligible applications submitted and has recommended that HTF Program funds be preliminary reserved to the proposals listed in Attachment A; and
- WHEREAS: staff of RIHousing have determined that the recommended proposals qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies; and
- WHEREAS: RIHousing finds:
- (1) that there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons and families of low or moderate income can afford within

the general housing market area to be served by the proposed housing development;

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

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

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

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

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that RIHousing be, and hereby is authorized, to preliminarily reserve HTF Program funds in an amount up to \$1,876,722 in accordance with the program regulations and as approved by the U.S. Department of Housing and Urban Development.

RESOLVED: that RIHousing be, and hereby is authorized, to approve a preliminary reservation of HTF Program funds to the proposals as recommended by RIHousing staff in Attachment A in accordance with the HTF Program guidelines and regulations, and contingent on (i) the availability and receipt of HTF Program funding, (ii) completion of environmental reviews as necessary in accordance with requirements of 24 CFR §93.301 (f)(1) and (2), and (iii) compliance with HTF Program regulations including underwriting and subsidy layering review.

RESOLVED: that the Executive Director, Deputy Executive Director and the Director of Development, each acting singly be, and hereby is, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions.

Attachment A

Summary of Recommendations

HTF Funds recommended for preliminary reservation
in current funding round

\$1,876,722

Distribution of recommended funds

Community Housing Development Organization(s):	\$1,189,921
Other Nonprofit Organization(s):	\$686,801
For Profit Organization(s):	\$0

Leveraging with recommended current round HTF funds:

HTF Cost	Total Cost	# of HTF Units	Total # of Units	HTF Cost per HTF Unit
\$1,876,722	\$ 20,114,558	13	86	\$144,363

Preliminary recommendations include:

- Women’s Development Corporation, Pine View Apartments, Exeter (\$515,000 in HTF funds) - New construction of 40 affordable units comprised of 5 one-bedroom and 35 two-bedroom units, of which 3 will be HTF-assisted. The site is located on South County Trail adjacent to the Oak Harbor Village commercial center. Of the 40 units, the 3 HTF-assisted units will be restricted to 30% of area median income (“AMI”). In addition, 5 units will be restricted to 50% AMI and 32 will be restricted to 60% AMI. There will be 8 project-based vouchers (“PBV”) provided by the Coventry Housing Authority.

Sources		Uses	
HOME	\$ 1,459,000	Acquisition	\$ 1,340,000
HTF	\$ 515,000	Construction	\$ 7,825,828
RIH 1st Mortgage	\$ 2,150,000	Contingency	\$ 785,452
Deferred Developer Fee	\$ 374,703	Soft Costs	\$ 1,015,818
Housing Tax Credit (equity)	\$ 3,232,534	Financing	\$ 708,188
BHRI	\$ 4,640,000	Developer Fee	\$ 1,072,000
CMF	\$ 625,000	Operating reserve	\$ 203,956
		other reserves	\$ 44,995
TOTAL	\$ 12,996,237	TOTAL	\$ 12,996,237

- Central Falls Housing Authority, School Street Apartments, Central Falls (\$171,801 in HTF funds) - Central Falls Housing Authority, in partnership with Women’s Development Corporation, proposes to build a 6-unit affordable development comprised of 1 one-bedroom unit, which will be HTF-assisted and have a PBV, 1 two-bedroom unit, which will be HOME Investment Partnerships Program-assisted (“HOME Assisted”) and have a PBV. Of the remaining 4 HOME-assisted units, 1 three-bedroom unit will be income restricted to 50% AMI and 3 three-bedroom units will be restricted to 60% AMI. The new units will replace the existing 2 unit two-bedroom building on the site.

Sources		Uses	
HOME	\$ 1,289,199	Acquisition	\$ 155,000
HTF	\$ 171,801	Construction	\$ 1,180,686
RIH 1st Mortgage	\$ 414,000	Contingency	\$ 114,040
		Architect/Engineer	\$ 95,000
		Soft Costs	\$ 106,474
		Financing	\$ 87,500
		Reserves	\$ 14,500
		Developer Fee	\$ 121,800
TOTAL	\$ 1,875,000	TOTAL	\$ 1,875,000

- ONE Neighborhood Builders, Sutton Street Apartments, East Providence (\$1,189,921 in HTF funds) – Sutton Place is a 36-unit development comprised of 22 one-bedroom units and 14 studio apartments located between the Downtown and Rumford neighborhoods of East Providence, within walking distance of the eastside of Providence. There will be 9 HTF-assisted units, restricted at 30% AMI (with PBV and Continuum of Care subsidies). The remaining units are comprised of 3 units at 50% AMI and 8 units at 60% AMI, with 16 apartments restricted at 80% AMI.

Sources		Uses	
HOME	\$ 1,392,497	Acquisition	\$ 3,420,000
Deferred Fee	\$ 65,903	Construction	\$ 1,037,804
HTF	\$ 1,189,921	Contingency	\$ 103,780
RIH 1st Mortgage	\$ 1,315,000	Soft Costs	\$ 140,095
EP Waterfront	\$ 200,000	Financing	\$ 47,900
RIH PLFP	\$ 1,080,000	Developer Fee	\$ 300,000
		Operating Reserve	\$ 98,000
		Replacement Reserve Yr 1	\$ 72,000
		Other Reserves	\$ 23,742
TOTAL	\$ 5,243,321	TOTAL	\$ 5,243,321

Approval of Supportive Housing Acquisition Program Awards

Chairman Retsinas directed James Comer, Deputy Executive Director, to present this request.

This Request for Action (“RFA”) is for approval of financing in the amount of \$2,058,700 for the acquisition of three (3) supportive housing properties to be used in the short term to alleviate the effects of COVID-19, and in the long term as affordable permanent supportive housing.

In response to the COVID-19 public health crisis, the State of Rhode Island is making up to \$7,000,000 available, whether from unrestricted State revenue or the State’s Coronavirus Relief Fund allocation under the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, to acquire real property for the immediate purpose of providing supportive housing for individuals and families experiencing homelessness.

In July 2020, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) published a Request for Proposals (“RFP”) to solicit applications for the acquisition of real property to be used to alleviate the effects of COVID-19 on persons and families experiencing homelessness, and for the long term as permanent supportive housing. Notably, to allow the State flexibility to fund the program with federal Coronavirus Relief Fund dollars, the RFP requires initial occupancy no later than November 30, 2020 and restricts the eligible use to acquisition. Capital improvements and operating expenses are ineligible. The RFP is included as Attachment A, which attachment is included as part of the September 17, 2020 Board of Commissioners meeting package. The financial assistance will take the form of a zero-interest forgivable loan, and will be evidenced by a note, and secured by a mortgage and program agreement.

RIHousing received three (3) applications totaling \$2,058,700. Each application was reviewed by a committee of Development Division staff and has been determined to meet the selection criteria set forth in the RFP. The three (3) applications proposed for award are summarized in Attachment B, which attachment is included as part of the September 17, 2020 Board of Commissioners meeting package.

Commissioner Orth stated that this endeavor was a tall order for staff. The turnaround time for RFP was two weeks, leaving minimal time to locate fully functional properties to meet the deadline. Commissioner Orth also mentioned that the Credit Committee discussed what would happen if the November 30 deadline for occupancy for COVID funds is not met. Commissioner Orth said that staff confirmed the State will honor the obligation. Commissioner Orth also noted that the physical issues associated with Rockville Mill were rectified and mentioned that one of the partner agencies has already identified a homeless population for these properties.

Chairman Retsinas then asked for a motion and a second for Approval of Supportive Housing Acquisition Program Awards.

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

A short conversation followed with Commissioner Designee Byrne asking if there is any plan for the remaining \$5 million allocated for this project. Mr. Comer replied that the funds will reside with the State who would possibly support another round. However, if another round is proposed, it would require clarity from the State.

Commissioner Smiley remarked that Mr. Comer is correct in stating the funds will be returned to the State to go into the CARES Act general pool. Commissioner Smiley also mentioned that there are other projects identified for the funds but said there exists some optimism that the timeline will be extended. Commissioner Smiley then extended his, the Governor’s, and the Department of Administration’s gratitude for coordinating this effort during extraordinary times of housing insecurity. Commissioner Smiley also noted that he is excited about the program and recognized that this effort will afford another asset for affordable housing in the State.

Commissioner Designee Byrne recused/abstained from the discussion or vote of this application as the Treasurer is a Board member of Crossroads RI, one of the applicants considered for this funding.

Ms. Clement, General Counsel, next conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Abstained

Ms. Clement stated that the following resolution was adopted with six (6) votes in favor, one (1) abstention and zero (0) nay votes. Commissioner Designee Byrne abstained from the vote.

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

Whereas: the State of Rhode Island has agreed to make up to \$7,000,000 available for the acquisition of real property for the immediate purpose of providing supportive housing for individuals and families experiencing homelessness during the COVID-19 public health emergency;

Whereas: Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has agreed to assist the State of Rhode Island to make awards to qualified subawardees by carrying out a competitive process and administering a financial assistance program;

Whereas: the applicants (“Applicants”) listed below have each presented an application to RIHousing requesting funds to acquire the following properties:

<u>Development</u>	<u>Applicant</u>	<u>Award</u>
520 West Avenue	AIDS Care Ocean State, Inc.	\$570,000
Rockville Mill	Marathon Construction, Inc.	\$775,000
371 Pine Street	Crossroads Rhode Island	\$713,700

Whereas: staff has reviewed each submission and determined that the developments meet threshold criteria for Supportive Housing Acquisition Program funds, as such criteria were set forth in the applicable request for proposals;

Whereas: subawards will be contingent upon the housing sponsor’s agreement to long term affordability restrictions among other representations and covenants in a note, mortgage, and other program documents held by RIHousing;

Whereas, RIHousing finds that:

(1) in order to address the public health crisis precipitated by the COVID-19 virus, there is a need for additional housing for shelter-dependent homeless individuals;

(2) that there is a lack of housing currently available to this vulnerable population such that innovative options should be pursued;

(3) that the housing sponsor or sponsors undertaking the proposed housing development will supply well planned, well designed housing for shelter-dependent homeless individuals;

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

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

NOW, THEREFORE, IT IS HEREBY:

Resolved: that, subject to the special conditions listed below, RIHousing hereby authorizes approval of Supportive Housing Acquisition Program funding in the total amount of \$2,058,700 to the aforementioned developers and their respective projects as set forth in Attachment B.

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

- Availability of sufficient funds from the State of Rhode Island;
- Final written agreement by and between the State of Rhode Island and RIHousing;
- Satisfactory terms of the acquisition transactions;
- Execution and delivery of all documents necessary to effectuate each transaction;
- Concurrence by appropriate agencies of the State of Rhode Island that the projects meet the intent and criteria of the Supportive Housing Acquisition Program;
- Zoning, planning and occupancy approval provided by the municipality in which each site is located; and
- Completion of all items required for closing in accordance with the timeline specified in the request for proposals.

Resolved: that the Executive Director, the Deputy Executive Director, or the Director of Development, each acting singly, shall and are hereby authorized to take any and all actions they deem necessary to carry out the foregoing resolutions, including the execution of such agreements, instruments, or documents as may be relevant to the transactions.

Approval of Amendments to the RIHousing Administrative Plan

Chairman Retsinas acknowledged Claribel Shavers, Director of Lease Housing and Rental Services, who presented this request.

Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) operates several federal housing programs, one of which is the Section 8 Housing Choice Voucher Program (the “HCV Program” or the “Program”). The HCV Program offers rental subsidies to help income-qualifying families, senior citizens and disabled individuals afford safe, healthy homes of their choosing. RIHousing serves as a Public Housing Authority (“PHA”) in those Rhode Island communities that do not have standalone municipal housing authorities. RIHousing’s operation of the HCV Program is governed by an Administrative Plan, as provided by federal regulation.

In connection with RIHousing’s ongoing efforts to reduce administrative burdens on Program participants and adopt best practices in the administration of the Program, staff performs periodic targeted reviews of the Administrative Plan. During the most recent such review, staff identified an opportunity to transition to a fully electronic process for purging the waitlist, which will ensure data integrity, preserve security, and reduce expense and administrative inefficiency.

Additionally, RIHousing wishes to implement a targeted funding opportunity offered by the U.S. Department of Housing and Urban Development (“HUD”) known as the Foster Youth Initiative. Staff is proposing a change to the Administrative Plan to include the Foster Youth Initiative among its targeted funding uses.

Proposed Administrative Plan changes are summarized in the table provided at Attachment B, which attachment is included as part of the September 17, 2020 Board of Commissioners meeting package. hereto. The full text of the changes is provided as Attachment C, which attachment is included as part of the September 17, 2020 Board of Commissioners meeting package. The amendments will become effective upon approval and adoption by the Board of Commissioners.

Staff recommends that the Board of Commissioners approve the resolution adopting the amendments to the Administrative Plan, substantially in the form presented at the meeting.

Commissioner Smiley stated that the Management Committee reviewed the amendments, was very supportive of the initiative to include a provision for young adults transitioning from foster care and addressed questions regarding utilizing emails for notification of the purge to vulnerable applicants. Commissioner Smiley stated that the Management Committee recommends approval of the revisions to the Administrative Plan.

Chairman Retsinas then asked for a motion and a second for Approval of Amendments to the RIHousing Administrative Plan.

A motion was duly made by Commissioner Smiley and seconded by Commissioner Designee Byrne. Ms. Clement, General Counsel, next conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye

Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported 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”) has been designated by the United States Department of Housing and Urban Development (“HUD”) as a Public Housing Authority (“PHA”) in connection with the Section 8 Housing Choice Voucher Program (the “HCV Program”);

WHEREAS: Part 982.54 of title 24 of the Code of Federal Regulations requires each PHA to administer its HCV Program according to an Administrative Plan;

WHEREAS: the Administrative Plan must establish local policies for administration of the HCV Program in accordance with HUD requirements and must be adopted by the PHA Board of Commissioners; and

WHEREAS: staff has undertaken a review of the Administrative Plan and has established the need for certain amendments.

NOW, THEREFORE, BE IT:

RESOLVED: that RIHousing hereby approves and adopts the amendments to the RIHousing Administrative Plan substantially in the form presented at this meeting; and

RESOLVED: that the Executive Director, Deputy Executive Director, and the Director of Leased Housing and Rental Services, each acting singly, is, and hereby are, authorized to execute any document or take any other action necessary to carry out the foregoing resolutions.

Approval of Delegation of Corporate Authority

Chairman Retsinas instructed Nicole Clement, General Counsel, to present this request.

Ms. Clement stated that this request is for authorization of designated officers and/or employees to act on behalf of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”), and to execute and deliver any contracts, documents or instruments, which may be entered into by RIHousing pursuant to the Rhode Island Housing and Mortgage Finance Corporation Act, Chapter 55 of Title 42 of the General Laws of Rhode Island (the “Act”).

The Board of Commissioners last updated RIHousing’s corporate signatory authority in 2017. Staff believes it is prudent and in the best interest of RIHousing to periodically update its corporate signatory authority to allow for any changes in staffing and reorganization of functions.

This designation of officers and/or employees authorized to act on behalf of RIHousing shall supersede any previous designation.

The resolution authorizing designated officers and/or employees to act on behalf of RIHousing and exercise corporate signatory authority was recommended for approval.

Commissioner Smiley stated that this authorization is merely an administrative, housekeeping item that the Management Committee recommends approval.

Chairman Retsinas then asked for a motion and a second for Approval of Delegation of Corporate Authority.

A motion was duly made by Commissioner Smiley and seconded by Commissioner Designee Byrne. Ms. Clement, General Counsel, next conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported that the following resolution was unanimously adopted:

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

WHEREAS, Article VII, Section 1 of the by-laws of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) provide that the Board of Commissioners may authorize any officer or officers or employee or employees of RIHousing to enter into any contract or to execute and deliver any instrument in the name of and on behalf of RIHousing, which may be entered into by RIHousing under Rhode Island law, and such authority may be general or confined to specific instances.

NOW, THEREOFE, IT IS HEREBY:

RESOLVED, that the Chairman, the Executive Director (or his or her designee), the Deputy Executive Director and the Chief Financial Officer, each acting singly, be and hereby is authorized, empowered and directed to execute and deliver any and all agreements, contracts, certificates, loan commitments, discharges, amendments, or other instruments of any type in the name of and on behalf of RIHousing, in furtherance of any actions by RIHousing authorized from time to time by the Board of Commissioners, including, without limitation, (i) the issuance, remarketing, refunding or redemption of

any bonds of RIHousing, (ii) the granting, amending or discharging of any loan or mortgage securing the same of RIHousing, and (iii) any agreements, documents, certificates or other instruments regarding the U.S. Department of Housing and Urban Development;

RESOLVED, that the Chairman, the Executive Director (or his or her designee), the Deputy Executive Director, and the Chief Financial Officer, each acting singly, be and hereby is authorized, empowered and directed to take any and all such further actions as each may deem necessary, convenient or advisable, in such officer's sole discretions, to carry out the foregoing resolution; and

RESOLVED, that the resolution of the Board of Commissioners dated September 14, 2017 granting corporate signatory authority for certain employees and officers is revoked and is no longer of any force and effect.

Approval of Appointment of MERS Corporate Signing Officers

Peter Pagonis, Director of Homeownership, gave this presentation.

Mr. Pagonis stated that this request is for the appointment of signing officers for the purpose of Rhode Island Housing and Mortgage Finance Corporation's ("RIHousing") membership in the Mortgage Electronic Registration Systems, Inc. ("MERS") System.

MERS owns and operates an electronic registry, known as the "MERS System." Throughout the MERS System, MERS tracks the servicing rights and ownership of mortgages located throughout the country. To perform this tracking, MERS assigns a Mortgage Identification Number to each mortgage loan that is registered on the MERS System and requires MERS members to name MERS as the mortgagee on each mortgage loan that it originates.

RIHousing became a MERS member in 2016. As part of its membership, each year RIHousing obtains a corporate resolution from MERS through which certain RIHousing employees are designated as MERS Signing Officers and, as part of that designation, are granted limited authority to perform certain actions, such as executing mortgage discharges, on behalf of MERS. The MERS System Rules of Membership specify that MERS Signing Officers must be officers and/or employees of the MERS member.

Commissioner Smiley reiterated that this is another administrative request that the Management Committee approved.

Chairman Retsinas then asked for a motion and a second for Approval of Appointment of MERS Corporate Signing Officers.

A motion was duly made by Commissioner Smiley and seconded by Commissioner Designee Byrne. Ms. Clement, General Counsel, next conducted a roll call vote of the Commissioners, eligible to vote. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye

Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement then reported that the following resolution was unanimously adopted:

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

WHEREAS, Article VII, Section 1 of the Bylaws of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) provides that the Board of Commissioners may authorize any officer or officers or employee or employees of RIHousing to enter into any contract or to execute and deliver any instrument in the name of and on behalf of RIHousing that it may enter into under Rhode Island law.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED, that the Chief Financial Officer, Assistant Deputy Director of Loan Servicing, Director of Homeownership, and any Assistant Director of Homeownership or Assistant Director of Loan Servicing, be and hereby is appointed as MERS Signing Officers and, in that capacity, have the authority to perform any actions that MERS may authorize them to perform as if they were officers of RIHousing; and

RESOLVED, that the Executive Director be and hereby is authorized to delegate her authority as an officer of RIHousing to the MERS Signing Officers as may be necessary to carry out the foregoing resolution.

Executive Session Pursuant to R.I.G.L. Sec. 42-46-5(a)(1) to Review the 2020 Performance Goals of the Executive Director

Following the Open Meeting, Chairman Retsinas called for a closed session pursuant to R.I.G.L. Section 42-46-5 (a)(1) to review the 2020 performance goals of the Executive Director.

Chairman Retsinas asked for a motion to convene the closed session. A motion was duly made by Commissioner Smiley and seconded by Commissioner Barry.

Ms. Clement next conducted a roll call vote of the Commissioners, eligible to vote, in response to the call for a closed session. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye

Commissioner Designee Byrne Aye

Ms. Clement then stated the motion to convene in closed session was unanimously approved.

Nicole Clement, General Counsel, then announced that the Executive Director has been informed in writing of her right to have the discussion conducted in open session and did not specify any objection to a closed session and would not exercise her right to having the discussion occur in open session.

The Board of Commissioners entered in closed session at approximately 10:33 a.m.

The closed session ended at approximately 10:48 a.m., and Chairman Retsinas reconvened the Board of Commissioners in open session. Chairman Retsinas stated that no votes or other actions had been taken in closed session.

Chairman Retsinas then asked for a motion to seal the minutes of the closed session. A motion was duly made by Commissioner Designee Byrne and seconded by Commissioner Barry.

Ms. Clement then conducted a roll call vote of the Commissioners, eligible to vote, in response to the motion to seal the minutes of the closed session. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Nicole Clement, General Counsel, stated that the motion to seal the minutes of the closed session was unanimously approved.

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

Ms. Clement then conducted a roll call vote of the Commissioners, eligible to vote, in response to a vote for adjournment. The Commissioners voted as follows:

Chairman Retsinas	Aye
Commissioner Smiley	Aye
Commissioner Orth	Aye
Commissioner Tanner	Aye
Commissioner McAllister	Aye
Commissioner Barry	Aye
Commissioner Designee Byrne	Aye

Ms. Clement announced that the motion to adjourn was unanimously approved. The meeting was adjourned at 10:50am.

Chairman Retsinas thanked everyone for participating in the morning's telephonic Board meeting.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director