

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

A regular meeting of the Rhode Island Housing and Mortgage Finance Corporation Board of Commissioners was held on Thursday, January 19, 2006 at 8:30 a.m. at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Commissioners in attendance were: Chairman Anthony Marouchoc; Vice Chairwoman Denise Barge; A. Michael Marques, Director of Department of Business Regulation; George Carvalho, designee for General Treasurer Paul J. Tavares; Kevin Flynn, designee for Beverly E. Najarian, Director of Department of Administration; Jose Monteiro and Christine Curley.

Also in attendance were: Richard H. Godfrey, Jr., Executive Director; Thomas F. Hogg, Chief Financial Officer; Susan Bodington, Deputy Director; John Gordon, Director of Asset Management; Carol Ventura, Director of Development; Cathleen Paniccia, Director of Homeownership and Administration; Leslie McKnight, Director of Servicing; Michael V. Milito, Deputy Assistant Director of Law and Human Resources and Chris Barnett, Public Information Officer.

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 and at the second floor bulletin board in the State House.

Chairman Marouchoc called the meeting to order at approximately 8:35 a.m.

**Approval of Minutes of Board Meeting Held December 15, 2005 and the Working Session Held on December 2, 2005**

Upon a motion made by Commissioner Barge and seconded by Commissioner Marques, the following was unanimously adopted:

VOTED:           That the Minutes of the Board Meeting held December 15, 2005 and the Working Session held on December 2, 2005 hereby are approved.

**Chairman's Report**

Chairman Marouchoc congratulated Mr. Godfrey on his collaboration with the Governor's office in endorsing the Tax Lien Bill long with speaking and participating at the Governor's press conference on January 17, 2006. Rhode Island Housing has been instrumental in designing a new bill for the general assembly pertaining to tax liens.

**Committee Reports**

An Audit Committee meeting was held on December 15, 2005. Commissioner Marques summarized the findings as follows: (1) the auditor's opinion was unqualified, (2) the report on internal controls listed no material weaknesses, (3) the review of major Federal programs contained two findings, and (4) there were no observations in the Management Letter.

The Audit Committee expressed satisfaction with the audit and accepted the audit and the auditor's report. Minutes of the Audit meeting have been provided in the January 19, 2006 board package.

**Executive Director’s Report**

Mr. Godfrey deferred his report until the end of the action items.

**Final Approval of Financing for 171 Broadway (aka Cranston Apartments)**

Mr. Godfrey made this presentation.

This Request for Action (RFA) is for Final Approval of financing for 171 Broadway (aka Cranston Apartments), an existing Section 8 development located in Newport. The owner has requested new financing through Rhode Island Housing to conduct capital improvements and to preserve the property’s long term affordability. As part of this transaction, Rhode Island Housing will issue new debt to fund the development and permit the use of existing project reserves for rehabilitation.

Mark Tigan of Statewide Office of Housing was present to answer questions.

Upon a motion made by Commissioner Marques and seconded by Commissioner Flynn 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 (the “Corporation”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of the Corporation have promise 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,** The applicant (“Applicant”) listed below has presented an application to the Corporation requesting mortgage financing to acquire and rehabilitate the building as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Amount</u>
<b>171 Broadway</b>	<b>Statewide Affordable Housing, Inc.</b>	<b>\$300,000</b>

**Whereas,** Corporation staff has reviewed the submission and determined that this development may qualify for financing under the Corporation’s enabling legislation, regulations, guidelines and policies; and

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That, subject to the special conditions listed below, the Corporation hereby declares final approval for taxable mortgage financing in an amount not to exceed \$300,000 for rental housing known as 171 Broadway (AKA Cranston Apartments) located at 171 Broadway, Newport, Rhode Island.

**Resolved,** That the foregoing resolutions are subject to the following conditions:

- Completion of all items required for firm commitment and closing in accordance

with normal underwriting and processing requirements.

- Acceptable appraisal by an independent appraiser demonstrating that the first mortgage does not exceed 90% of the as-stabilized value of the property.
- Approval by RIH of Development Team members.
- Final approval of the new operating budget.
- Approval by RIH of construction plans, specifications, and supporting construction documentation.

**Resolved,** That the Executive Director, any Deputy Director, and the Director of Development each acting singly, are authorized to take any and all actions they deem necessary to carry out the foregoing Resolutions.

### **Final Approval of Preservation Financing for Mt. Vernon/Temple North**

This item was withdrawn from the agenda.

### **Preliminary Approval of Preservation Financing for Harris House Apartments**

Mr. Godfrey made this presentation.

This Request For Action (RFA) is for Preliminary Approval of financing for Harris House, an existing elderly housing development originally financed by Rhode Island Housing. The owners have requested new financing through the Preservation Program to preserve the property's long term affordability.

As part of this transaction, Rhode Island Housing will issue new debt to fund the rehabilitation work and permit the use of existing project reserves. The Affordable Housing Trust (AHT) will receive a preservation fee in the amount of \$215,417.

Representatives of Harris House Apartments were in attendance at the board meeting.

Upon a motion made by Commissioner Barge and seconded by Commissioner Carvalho 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 (the "Corporation") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of the Corporation have promise 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,** The Corporation intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

**Whereas,** Said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

**Whereas,** The applicant (“Applicant”) listed below has presented an application to the Corporation requesting mortgage financing to acquire and rehabilitate the building as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Amount</u>
Harris House	Cathedral Development Group, Inc.	\$6,708,000

**Whereas,** Corporation staff has reviewed the submission and determined that this development may qualify for financing under the Corporation’s enabling legislation, regulations, guidelines and policies; and

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That, subject to the special conditions listed below, the Corporation hereby declares preliminary approval for tax exempt mortgage financing in an amount not to exceed \$6,708,000 for rental housing known as Harris House located at 28 Harris Avenue, Cranston, Rhode Island.

**Resolved,** That the Corporation hereby declares that the preliminary approval of financing for the Borrower constitutes the affirmative official act of the Corporation of its intention to issue bonds to finance up to \$6,708,000 in permanent mortgage funds, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced develop pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. This resolution shall take effect immediately upon adoption.

**Resolved,** That the foregoing resolutions are subject to the following conditions:

- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements.
- Acceptable appraisal by an independent appraiser demonstrating that the first mortgage does not exceed 90% of the as-stabilized value of the property.
- Completion of a Capital Needs Assessment.
- Approval by HUD of the requested rent increase.
- Approval by Rhode Island Housing of Development Team members.
- Final approval of the new operating budget.
- Approval by Rhode Island Housing of construction plans, specifications, and supporting construction documentation.
- Approval by bond underwriter and bond counsel that the loans will satisfy all required bond provisions for the bond issue.
- FHA Risk-Sharing approval from HUD for a minimum of 50% of the first mortgage.
- Evidence that Fannie Mae will not be purchasing the LIHTC’s as Fannie Mae is the key buyer of Rhode Island Housing bonds and cannot participate in both sides of the transaction.

**Resolved,** That the Executive Director, either Deputy Director, and the Director of Development, each acting singly, shall take any and all actions they deem necessary to carry out the foregoing Resolutions.

**Approval of Financing for the Groves at Johnston**

Mr. Godfrey outlined this request.

This Request for Action (“RFA”) seeks approval of a resolution evidencing Rhode Island Housing’s intent to issue tax-exempt bond financing for The Groves at Johnston (“The Groves”). Final approval of the transaction and bond documents will be required prior to closing.

The Dolben Company, Inc. (“Dolben”) has obtained approval for a Comprehensive Permit from the Town of Johnston to develop The Groves, a 300 unit mixed-income development. Under the Comprehensive Permit approval, the project will be required to set aside 20% of the dwelling units for families whose incomes do not exceed 50% of the area median income (AMI). The remaining 80% of the units will be market rate and unrestricted. Upon completion, there will be 78 one bedroom units, 150 two bedroom units and 72 three bedroom units. The affordable units will be evenly distributed among the bedroom sizes. Under the Comprehensive Permit, Dolben must begin construction by April 1, 2006.

Andrew Dolben, Senior Vice President of the Dolben Company thanked the board and Rhode Island Housing’s staff.

Upon a motion made by Commissioner Curley and seconded by Commissioner Monteiro 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 (the "Corporation") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of the Corporation 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, the Corporation intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

Whereas, said bonds shall have a term not to exceed forty (40) years and shall be in the approximate amount sufficient to finance the mortgage, to pay the costs of issuance, to fund a Capital Reserve Fund, and to provide capitalized interest if determined to be necessary;

Whereas, the applicant (the "Applicant") listed below has presented an application to the Corporation requesting tax exempt bond financing to fund a first mortgage to acquire and construct The Groves at Johnston, as set forth below:

<b>Development</b>	<b>Applicant</b>	<b>First Mortgage</b>
The Groves At Johnston	The Dolben Company, Inc.	Up to \$35 Million

Whereas, Corporation staff has determined that this development may qualify for conduit financing under the Corporation's enabling legislation, regulations, guidelines and policies;

NOW, THEREFORE, IT IS HEREBY:

Resolved, That, subject to the special conditions listed below, the Corporation hereby approves a first mortgage loan to The Dolben Company, Inc., or an affiliated partnership (the "Borrower") in an amount not to exceed \$35,000,000 for rental housing to be located at The Groves at Johnston in Johnston, Rhode Island to be financed by tax-exempt bonds.

Resolved, The Corporation hereby declares that the approval of financing for the Borrower constitutes the affirmative official act of the Corporation towards the issuance of bonds sufficient to finance up to a \$35,000,000 first mortgage, plus the required reserve funds, and the related costs of issuance for the Bond issue for the above named development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. This resolution shall take effect immediately upon adoption.

Resolved, That the foregoing resolutions are subject to the following conditions:

1. Receipt of acceptable documentation for the financing guarantees being provided by FNMA or Freddie Mac, a LOC Provider with an acceptable rating and The Dolben company, Inc.
2. Final approval of all financing terms by the Board.
3. Final acceptance of closing requirements by Rhode Island Housing staff.

### **Final Approval of Financing for Omni Point and Maple Gardens**

Mr. Godfrey made these presentations.

#### **Maple Gardens I**

This Request for Action (RFA) is for firm approval of financing for Maple Gardens I, an existing elderly development located in North Providence and originally financed by Rhode Island Housing. The new owners have requested financing through RIH's Preservation Program to preserve the property's long-term affordability.

Joe Caffey and Beverly Courville of Omni Development expressed their gratitude and appreciation for the continued support from Rhode Island Housing.

Upon a motion made by Commissioner Curley and seconded by Commissioner Barge the following resolution for Maple Gardens I was adopted:

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

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of the Corporation 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,** the Corporation intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

**Whereas,** said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

**Whereas,** the applicant (“Applicant”) listed below has presented an application to the Corporation requesting tax-exempt financing to acquire and rehabilitate the building as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Tax Exempt Financing</u>
Maple Gardens I	Omni Development Corporation	\$2,600,000

**Whereas,** Corporation staff has reviewed the submission and determined that this development may qualify for non-recourse financing under the Corporation’s enabling legislation, regulations, guidelines and policies.

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That, subject to the special conditions listed below, the Corporation hereby approves tax exempt mortgage financing to Omni Development Corporation and its to be formed limited partnership in an amount not to exceed \$2,600,000 for rental housing located in North Providence, Rhode Island to be financed by tax-exempt bonds;

**Resolved,** That the Corporation hereby declares that the firm approval of financing for the Borrower constitutes the affirmative official act of the Corporation of its intention to issue bonds to finance up to a \$2,600,000 first mortgage, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced develop pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. This resolution shall take effect immediately upon adoption.

**Resolved,** That the foregoing resolutions are subject to the following conditions:

- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements with mutually acceptable documentation.
- Approval by RIH of construction plans and specifications, and construction documentation.
- FHA Risk-Sharing approval for up to 50% of the first mortgage.
- Approval by bond underwriter and bond counsel that the loan will satisfy all required bond provisions for the bond issue.
- The establishment of an escrow, to be held by Rhode Island Housing, of no less than \$1,485,000 for the refinancing of Omni Point.

**Omni Point**

This Request for Action (RFA) is for firm approval of financing for Omni Point Apartments, an existing family development originally financed by Rhode Island Housing (RIH) in 1989. The owner has

requested that the financing be restructured through RIH's Preservation Program to preserve the property's long-term affordability.

Located in Providence, Omni Point is a fifty-one unit tax credit development consisting of twenty-three two-bedroom units and twenty-eight three bedroom units. The development was originally constructed and financed in 1989 and is currently subsidized through the State Rental Assistance Program. Omni Point has experienced both physical and financial difficulty over the past several years. Debt service payments were suspended in August of 2000 in an effort to help cash flow. Rhode Island Housing provided capital for improvements in August of 2002 to repaint the exteriors and make other necessary repairs. Rhode Island Housing and Omni Development have been working together over the past 2 years to craft a refinancing proposal that will stabilize the property and ensure affordability for the residents.

Upon a motion made by Commissioner Marques and seconded by Commissioner Curley the following resolution for Omni Point was adopted:

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

- Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of the Corporation 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,** the Corporation intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;
- Whereas,** said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;
- Whereas,** the applicant ("Applicant") listed below has presented an application to the Corporation requesting tax-exempt financing to acquire and rehabilitate the building as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Tax Exempt Financing</u>
<b>Omni Point Apartments</b>	<b>Omni Development Corporation.</b>	<b>\$2,500,000</b>

**Whereas,** Corporation staff has reviewed the submission and determined that this development may qualify for non-recourse financing under the Corporation's enabling legislation, regulations, guidelines and policies.

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That, subject to the special conditions listed below, the Corporation hereby approves tax exempt mortgage financing to Omni Development Corporation and its newly formed limited partnership in an amount not to exceed \$2,500,000 for rental housing located in Providence, Rhode Island to be financed by tax-exempt bonds;

**Resolved,** That the Corporation hereby declares that the firm approval of financing for the Borrower constitutes the affirmative official act of the Corporation of its intention to issue bonds to finance up to a \$2,500,000 first mortgage, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced develop pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. This resolution shall take effect immediately upon adoption.

**Resolved,** That the foregoing resolutions are subject to the following conditions:

- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements with mutually acceptable documentation.
- Syndication equity from the sale of LIHTC in an amount sufficient to achieve financial feasibility.
- Escrowed cash from the Maple Gardens refinancing proceeds to payoff \$1,485,000 of Omni Point's former first mortgage.
- Approval of a new operating budget.
- Approval by RIH of construction plans, specifications and construction documentation.
- FHA Risk-Sharing approval for 50% of the first mortgage.
- Approval by bond underwriter and bond counsel that the loan will satisfy all required bond provisions for the bond issue.

### **Approval of Lead Inspectors Contract**

Mr. Godfrey made this presentation.

Rhode Island Housing seeks to contract with six Lead Inspection Firms to perform comprehensive environmental lead inspections and clearances on properties enrolled in the Lead Program. These inspections are required by both HUD as part of Lead Hazard Control Grant Agreement and by the State of Rhode Island Housing Resources Commission as part of the "Rules and Regulations of the Commission" in administering the State of Rhode Island lead funds.

In April, the Corporation solicited proposals from qualified Lead Inspection Firms. Six firms responded to the Request for Proposals. The RFP Review Committee, comprised of Rhode Island Housing staff, has reviewed the proposals and recommends that the contract for these services be awarded to all six firms. In December, the firms agreed to the Inspection Protocols and standardized pricing for the various services. Overall, there will be a slight (5%) increase in inspection costs. The Committee concluded that if all the firms agreed to standardized pricing for services, then there was not a reason to exclude firms from participating. The Inspection Firms are all well-established companies currently operating in the state and well qualified to perform the services needed. All six firms agreed to the pricing schedule. The firms are:

1. Environmental Lead Detection
2. Certified Lead Testing, Inc.
3. Lead Safe Inspections & Consulting, Inc.
4. RW Environmental
5. Northeast Lead Management, Inc.
6. Rhode Island Lead Technicians, Inc.

Upon a motion made by Commissioner Carvalho and seconded by Commissioner Curley the following resolution was adopted:

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

WHEREAS: Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) has entered into agreements with the U.S. Department of Housing and Urban Development to administer the Lead Hazard Control Program and with the Rhode Island Housing Resources Commission to administer the State of Rhode Island Lead Program;

WHEREAS: The Corporation has solicited proposals from lead inspections firms and is authorized to enter into contractual agreements for lead inspection services and;

WHEREAS: Staff of the Corporation have reviewed each of the submitted services proposals and recommend awarding the contract to all six (6) firms listed in Attachment B;

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: That the Corporation is authorized to award contracts for lead inspection services to the firms listed in Attachment B.

RESOLVED: That the Executive Director, the Deputy Director for Programs 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 resolution.

**Approval of Reservation of 2006 Tax Credits**

Carol Ventura, Director of Development, made this presentation.

Mr. Godfrey recused himself from involvement in the review and recommendations regarding these proposals since SWAP, whose executive director is Mr. Godfrey’s wife, submitted a proposal for funding. Commissioner Curley represented the board during the review of the proposals.

Chairman Marouchoc asked that the record reflect the non-participation of Mr. Godfrey during the entire process of the tax credit rounds. Neither staff nor the commissioners had any discussions with Mr. Godfrey, via verbal or written communications, regarding the applicants.

**The Anchorage**

This Request for Action is for a reservation of up to \$296,157.00 in 2006 9% Low Income Housing Tax Credits (LIHTC) for the Anchorage development in Middletown.

The Sponsor, Church Community Housing Corporation (“CCHC”), has proposed to redevelop a former Navy housing site into a revitalized neighborhood containing 102 rental units (54 affordable tax credit units and 48 market rental units), 60 homeownership units (31 affordable and 29 market rate) and 8 units of commercial space on the ground floor of 4 existing buildings with residential units above. The affordable tax credit units will include 48 two-bed units, 4 three-bed units and 2 four-bedroom units. The Sponsor is requesting a combination of 9% LIHTC, first and second mortgage financing, HOME, Thresholds and Community Development Block Grant (“CDBG”), Neighborhood Opportunities Program

(“NOP”) and Lead funds, as well as grant funding from several sources to undertake the proposed rental portion of the redevelopment project.

Steve Ostiguy of Church Community Housing spoke on behalf of the developer.

Upon a motion made by Commissioner Marques and seconded by Commissioner Curley the following resolution was adopted:

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

**Whereas,** the Low Income Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** Rhode Island Housing staff has determined that the applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** The Applicant has submitted an application to Rhode Island Housing for the reservation of tax credits from the tax credit authority available in the calendar year 2006 ("the Tax Credit") as follows:

<b>Applicant</b>	<b>Development</b>	<b>9% Tax Credits</b>
Church Community Housing Corporation	The Anchorage	\$296,157

**Whereas,** Rhode Island Housing staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under Rhode Island Housing’s enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$296,157 of allocated 2006 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the “Rules and Regulations of the Corporation”), and that the Executive Director, either Deputy Director and the Director of Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of Rhode Island Housing to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. The award of HOME Program funds in the amount of \$645,156 or the availability of alternative equity satisfactory to Rhode Island Housing;
2. The award of NOP funds in the amount of \$900,000 or the availability of alternative equity satisfactory to the corporation;

3. The award of Thresholds funds in the amount of \$150,000 or the availability of alternative equity satisfactory to the corporation;
4. The award of first mortgage loan funds from Rhode Island Housing;
5. The award of AHT loan funds from the Affordable Housing Trust.
6. The award of CDBG funds and grant funds in amount sufficient to achieve project feasibility;
7. Syndication equity from the sale of LIHTCs in amounts sufficient to achieve project feasibility;
8. Development of plans and specifications that meet Rhode Island Housing design criteria;
9. Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units;
10. Approval by Rhode Island Housing of all management related issues;
11. A fully executed Sales Agreement with GMH no later than June 30, 2006;
12. Satisfactory and timely performance in accordance with the schedule established by Rhode Island Housing staff and sponsor.

### **Southside Gateway**

This Request for Action is for the reservation of up to \$816,139 in 9% tax credits for the Southside Gateways development in Providence.

The Sponsor, SWAP, has proposed a 53-unit scattered site development in South Providence. SWAP is requesting a combination of 9% Low Income Housing Tax Credits (LIHTC), first and second mortgage financing and HOME funds to undertake the proposed rehabilitation and new construction

Carla DeStefano, executive director of SWAP, thanked staff and the Commissioners for their support.

Upon a motion made by Commissioner Curley and seconded by Commissioner Barge the following resolution was adopted:

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

**Whereas,** the Low Income Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** Staff for Rhode Island Housing has determined that the Applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** The Applicant has submitted an application to Rhode Island Housing for the reservation of tax credits from the tax credit authority available in the calendar year 2006 ("the Tax Credit") as follows:

<b>Applicant</b>	<b>Development</b>	<b>9% Tax Credits</b>
SWAP, Inc.	Southside Gateways	\$816,139

**Whereas,** Rhode Island Housing staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under Rhode Island Housing’s enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$816,139 of allocated 2006 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of Rhode Island Housing applicable to the Allocation of Low-Income Housing Tax Credits (the “Rules and Regulations of the Corporation”), and that either Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of Rhode Island Housing to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. The award of HOME Program funds in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing;
2. The award of Lead funds in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing;
3. The award of NOP funds in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing;
4. The award of BBC funds in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing;
5. The award of first mortgage and targeted loan funds from Rhode Island Housing;
6. Syndication equity from the sale of LIHTC in an amount sufficient to achieve project feasibility;
7. Development of plans and specifications that meet Rhode Island Housing design criteria;
8. Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units;
9. Acceptable market study from an independent consultant regarding the commercial component of the development performed by April 2006;
10. Approval by Rhode Island Housing of all management related issues;
11. Satisfactory and timely performance in accordance with the schedule established by corporation staff and sponsor.

**Parkis Avenue**

This Request for Action is for the reservation of up to \$398,462 in 9% tax credits for the Parkis Avenue development in Providence.

The Sponsor, Greater Elmwood Neighborhood Services (GENS), has proposed a 29-unit scattered site development in the Parkis Avenue section of South Providence. GENS is requesting a combination of

9% Low Income Housing Tax Credits (LIHTC), first and second mortgage financing and HOME funds to undertake the proposed new construction.

The Director of Greater Elmwood was on hand to answer questions from the Commissioners and thank staff.

Upon a motion made by Commissioner Curley and seconded by Commissioner Carvalho the following resolution was adopted:

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

**Whereas,** the Low Income Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** Staff for the Corporation has determined that the applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** The Applicant has submitted an application to the Corporation for the reservation of tax credits from the tax credit authority available in the calendar year 2006 ("the Tax Credit") as follows:

<b>Applicant</b>	<b>Development</b>	<b>9% Tax Credits</b>
Greater Elmwood Neighborhood Services	Parkis Avenue	\$398,462

**Whereas,** Corporation staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under the Corporation's enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$398,462 of allocated 2006 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the "Rules and Regulations of the Corporation"), and that either Deputy Director and the Director of Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of the Corporation to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. The award of HOME Program funds in the amount of \$500,000 or the availability of alternative equity satisfactory to RIH;

2. The award of NOP funds in the amount of \$375,000 or the availability of alternative equity satisfactory to the corporation;
3. The award of first mortgage and targeted loan funds from Rhode Island Housing;
4. Syndication equity from the sale of LIHTCs in amounts sufficient to achieve project feasibility;
5. Development of plans and specifications that meet Rhode Island Housing design criteria;
6. Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units;
7. Approval by Rhode Island Housing of all management related issues;
8. Satisfactory and timely performance in accordance with the schedule established by the sponsor and approved by Rhode Island Housing staff.

### **Discussion of Legislative Policy**

Mr. Godfrey gave a brief overview of the legislative process.

Mr. Godfrey also gave an update on Rhode Island Housing's strategic planning activities, 2005 results and goals for 2006. Staff has been actively working on the first six initiatives and plans have been drafted for review and implementation.

Rhode Island Housing continues to work on the Five Year Strategic Housing Plan with the goal of producing 5000 new affordable housing units in the next five years.

Mr. Godfrey also announced the staff has approved the consolidated plans of 28 out of 29 of Rhode Island's communities. Discussions are still in progress with the other community.

Mr. Godfrey also reported that Rhode Island Housing received an award from the Providence Preservation Society for the revitalization of Lydia Street in Providence.

A brief discussion followed the presentation.

There being no further business to discuss, a motion was duly made by Commissioner Curley and seconded by Commissioner Carvalho to adjourn the open meeting at approximately at 10:15 a.m.

Respectfully submitted,

Richard H. Godfrey, Jr.  
Secretary and Executive Director