

DRAFT

MINUTES OF MEETING OF THE TRUSTEES OF THE AFFORDABLE HOUSING TRUST

A meeting of the Trustees of the Affordable Housing Trust Fund of Rhode Island Housing and Mortgage Finance Corporation was scheduled for Thursday, February 23, 2006 at 9:30 a.m. at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Trustees in attendance were Richard Godfrey, Anthony J. Marouchoc, and Thomas Hogg.

Pursuant to Chapter 46 of Title 42 of the General Laws of Rhode Island, notice of the meeting of the Trustees was posted in the Offices of Rhode Island Housing, and at the second floor bulletin board in the State House.

The Trustees convened the meeting at approximately 9:35 a.m.

Approval of Minutes of the Affordable Housing Trust Fund Meeting Held January 19, 2006

Upon a motion made by Anthony Marouchoc and seconded by Tom Hogg the following was approved:

VOTED: That the Minutes of the Affordable Housing Trust Fund Meeting held January 19, 2006 be, and hereby are, approved.

Approval of Financing for Wickford Village Apartments

Mr. Godfrey presented this request.

This Request for Action (RFA) is for firm approval of financing for Wickford Village Apartments, an existing family development originally financed by HUD. The owners have requested new financing through RIH's Preservation Program to preserve the property's long-term affordability.

Located in North Kingstown, Wickford Village Apartments is a 129-unit development consisting of 70 one-bedroom units, 27 two-bedroom units, and 32 three-bedroom units. The development was originally constructed and financed in 1976 and has received Section 8 rental assistance through a Housing Assistance Payment (HAP) contract for 124 units. Five units are market rate units which we expect will be awarded project based subsidy from the Newport Housing Authority. This current HAP contract expires in April of 2009, at which point the Borrower will seek a twenty-year HAP contract with annual renewals.

This development was brought to the Rhode Island Housing Board on January 17, 2002 for approval of a new loan to finance capital improvements, but failed to close due to a dispute between the co-General Partners. The General Partners have settled their dispute in Court and have entered into an Agreement to transfer the property to a new partnership. Jacquelyn McDonald will be the sole General Partner of this new partnership.

Wickford Village Apartments, L.P., a to be formed entity, will be the new owner. North Dartmouth Properties, Inc., an affiliate of new ownership will manage the property. As part of the proposed transaction under Rhode Island Housing's Preservation Program, Wickford Village Apartments, L.P. will acquire the property, extend the property's affordability restrictions, and complete approximately \$5,900,000 in improvements.

The primary source of financing for the transaction will be a 40-year tax-exempt first mortgage from Rhode Island Housing supported by the lower of market or HAP rents. Other sources include existing project reserves; equity proceeds from the sale of 4% Low Income Housing Tax Credits, and a loan from the Affordable Housing Trust.

Renovations to the complex will include replacement of the septic system, exterior siding, windows, kitchen cabinets along with other mechanical and safety upgrades. The new owner will establish a new reserve account to cover the costs of necessary upgrades and improvements forecasted in future years.

The Request for Action is for commitment of financing for Wickford Village Apartments in an amount not to exceed \$856,500.

Upon a motion made by Mr. Marouchoc and seconded by Mr. Hogg the following resolution was adopted:

**Resolution of the Board of Trustees
of The Affordable Housing Trust Fund**

Whereas: The Affordable Housing Trust Fund (the "Trust") is authorized to make loans to mortgagors or sponsors for the development of housing to be occupied by low- and moderate-income persons or families in Rhode Island;

Whereas: The applicant ("Applicant") listed below has presented an application to the Trust requesting a loan to refinance and rehabilitate 129 units of existing housing as set forth below (the "Development"):

<u>Development</u>	<u>Applicant</u>	<u>AHT Loan</u>
Wickford Village Apartments	Wickford Village Apartments, L.P.	Up to \$856,500

Whereas: Trustees have reviewed the submission and determined that the Development qualifies for a loan under the Trust Agreement dated July 1, 1988, as amended; and

NOW, THEREFORE, IT IS HEREBY:

Resolved: That, subject to the special conditions listed below, the Trust hereby declares firm commitment of a loan to Wickford Village Apartments or its assignee in an amount not to exceed \$856,500 for rental housing located at in North Kingstown, Rhode Island.

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

- Evidence, satisfactory to the Trust, of sufficient financing to undertake the proposed transaction.
- Completion of all items required by Rhode Island Housing for firm commitment and closing in accordance with normal underwriting and processing requirements.

Resolved: That the Trustees are authorized to set the terms and conditions of the loan as they seem advisable and in the best interests of the Trust, and be, and are hereby authorized to take any actions as they deem necessary to carry out this Resolution.

There being no further business, a motion to adjourn the meeting at 9:41 a.m. was made by Mr. Hogg and seconded by Mr. Marouchoc.

Respectfully submitted,

Richard H. Godfrey, Jr.
Secretary and Executive Director