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**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, March 20, 2014 at 9:00 a.m. at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Trustees in attendance were Richard Godfrey and James DeRentis. Michael Milito, Deputy Assistant Director was also present.

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 first floor bulletin board in the State House.

The Trustees convened the meeting at approximately 10:00 a.m.

Approval of Minutes of the Affordable Housing Trust Meeting of February 13, 2013

Mr. Godfrey motioned and Mr. DeRentis approved the following:

VOTED: That the Minutes of the Affordable Housing Trust Meeting held on February 13, 2013 be, and hereby are, approved.

Authorization to Distribute Trust Funds to Support the State Rental Assistance Program

Mr. Godfrey gave this presentation.

Rhode Island Housing and Mortgage Finance Corporation (“Rhode Island Housing”) was Grantor of the Affordable Housing Trust Fund (the “Trust”) pursuant to a Trust Agreement dated July 1, 1988, which Agreement was restated and amended by a Third Amendment to and Restatement of the Affordable Housing Trust Fund, effective as of January 16, 1997 (as amended, the “Agreement”). The fundamental purpose of the Trust, as set forth in the Agreement, is to make housing more affordable to low- and moderate-income residents of the State of Rhode Island.

The attached Resolution approves the allocation of up to \$1,400,000.00 from the Trust in fiscal year 2014 to support rental assistance payments in connection with the State Rental Assistance Program (“State RAP”). Such funds will preserve the affordability of apartments in certain existing Rhode Island Housing-financed developments as State RAP incrementally winds down its operation. During this wind-down process, State RAP subsidies are gradually being phased out until rents reach tax credit rent levels.

The FY2014 budget of Rhode Island Housing approved by the Rhode Island Housing Board of Commissioners on September 19, 2013 provided for the payment of the 2014 State RAP from the Trust.

The attached Resolution, which relates to the funding of rental assistance payments at existing Rhode Island Housing-financed developments in connection with State RAP, is hereby recommended for approval.

Upon a motion made by Mr. Godfrey and seconded by Mr. DeRentis 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”) was established by the Rhode Island Housing and Mortgage Finance Corporation pursuant to that certain Trust Agreement dated July 1, 1988 (as subsequently amended and restated, the “Agreement”); and
- WHEREAS, The purpose of the Trust, as stated in the Agreement, is to “[make] housing more affordable to low and moderate income residents of the State of Rhode Island;” and
- WHEREAS, The Agreement provides that the Trustees have certain powers, including the power “To distribute trust property, whether income or corpus or a combination therefor, to (i) public and private agencies, commissions, corporation, organizations, authorities and the like whose purposes include making affordable housing available to low and moderate income residents of the State of Rhode Island, (ii) persons or families of low and moderate income desiring to become homeowners or to occupy housing in the State of Rhode Island and (iii) individuals, partnerships and corporations both for profit and not for profit, that develop or construct housing to be occupied by low and moderate income residents of the State of Rhode Island, such distributions to be made loan, grant, subsidy or a combination or hybrid thereof upon such terms and conditions and with such security, if any, as Trustee may deem advisable and in the best interests of the trust consistent with the purposes of the trust...;” and
- WHEREAS, The State Rental Assistance Program (“State RAP”) provides rental assistance subsidies to qualifying persons and families or low and moderate income residing in certain Rhode Island Housing-financed developments; and
- WHEREAS, Rhode Island Housing has made a request for a distribution of Trust property to support State RAP rental subsidies in fiscal year 2014, and the

Trustees have determined that such distribution would be consistent with the purpose and terms of the Trust;

NOW, THEREFORE, BE IT:

RESOLVED: That the Trust hereby declares the approval of a distribution of Trust property in an amount not to exceed \$1,400,000.00 to fund rental assistance subsidies in fiscal year 2014 in connection with State RAP;

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

There being no further business, Mr. Godfrey adjourned the meeting at 10:05 a.m.

Respectfully submitted,

Richard Godfrey,
Secretary and Executive Director