

HOUSING RESOURCES COMMISSION

Quarterly Meeting

One Capitol Hill, Conference Room A

Providence, RI 02908

M I N U T E S of March 14, 2008

Susan Baxter, Chair, called the meeting of the RI Housing Resources Commission to order at 8:40 am in Conference Room A, One Capitol Hill, Providence, RI. Present were:

Commissioners & Designees:

Baxter, Susan-Chair

Aaronson, Roberta Hazen

Bodington, Susan

Cola, Jeanne

Gianfrancesco, Maria for S. O'Rourke

Hammarström, David

Hannifan, Chris

Kiesel, Marilyn

Novais, Ana

Ryczek, Jim

Roy, Corinna for G. Nadeau

Schwartz, Rhonda

Sekeres, Bonnie

Shorter, Eric for B. Fields

Tierney, Terence

Tondra, Mike for K. Flynn

Van Noppen, Mark

Walsh, Peter

Coleman, Marcy-Legal Counsel

Staff:

Shawcross, Noreen

De Los Santos, Doris

Kue, Simon

Neirinckx, Ray

Tondra, Mike

Guests:

Holderman, Meredith

Ventura, Carol

Boisseau, Dorothy

Cinotti, Amintha

Gorham, Chris

Gorbea, Nellie

Coleman, Paula

Voccio, Joe

Pursuant to Chapter 46 of Title 42 General Laws of Rhode Island, notice of this meeting was posted at the State House and at RI Housing Resources Commission offices.

1. Approval of Minutes of January 18, 2008.

Susan Bodington made a motion to approve the minutes; Peter Walsh seconded. Motion passed.

2. Report of the Chair

Susan Baxter updated the Commissioners regarding the budget both the FY 08 Supplemental and FY 09. She noted that since we last met, we have further information about the serious cuts to the Neighborhood Opportunities Program (NOP) and to our key ally, Rhode Island Housing. We've been working to realign our funding to continue our programs.

The Interagency Council on Homelessness met on January 22, 2008 and several department heads participated. A number of strategies that departments can work on together to help homeless persons were proposed. The Council goes back several years and this meeting was the result of its being reactivated.

The staff and I agreed that we should have a new format for the Annual Report. Simon Kue has done a great job in putting this together and we will present it to you later in the meeting.

We are still waiting for action on our suggested appointments to the Commission. We also have requested the reappointment of Mark Van Noppen, Kathy Bazinet, Kaveh Hajian, and Roberta Hazen Aaronson.

Ray Neirinckx was honored by Citizens Bank to celebrate the 30th

anniversary of the CRA at an event in the Governor's State Room. He was presented with a check for \$30,000 to give to a non-profit of his choice.

3. Resolution to Approve Funding: Building Homes Rhode Island
Susan Baxter called upon Carol Ventura of Rhode Island Housing to present the two projects recommended for funding. Carol did a Powerpoint review of the Church Community Housing, Sandy Woods Farm development in Tiverton showing the site plan, the unit design, and plans for self-sufficient and reduced utility costs through wind and solar energy. The project has already been given 9% tax credits. Commissioners asked questions with regard to the square footage of the homes (1,200-1,600 square feet), the percent of affordable units (50 of 74 with 25 more deeply subsidized), the availability of a pool of homebuyers (people are already waiting for these homes). This is a model for suburban development.

Carol also presented Trinity Place, a development proposed by SWAP. This is an urban infill development at the junction of Elmwood Avenue and Bridgham Street. It will have 22 apartments at or below 50% of AMI and homeownership for 1st time buyers. It will also have 3,000 square feet of commercial space on Elmwood. It will be combined as a single project with one down the street that is about to expire (Princeton Place) and it will work better with this economy of scale.

Jeanne Cola moved to approve the resolution to award BHRI funding

of \$2,193,724 to these developments. Mark Van Noppen seconded. It was unanimously approved.

4. Resolution to Amend Previous Contracts: Building Homes Rhode Island Bond

Noreen Shawcross explained the purpose of the resolution to enable us to go forward with previously approved NOP developments by utilizing BHRI funds for capital and NOP funds for operating. Operating funds are essential to fill the gap between what it costs the developer to operate a unit for a very low income households and persons with disabilities and what they can pay in monthly rent. Susan discussed the need for the state to honor contracts. She has reviewed projects with regard to timing and has some that can move capital funding needs forward. Operating cannot be replaced. We have identified some that will close in FY 2009. We amend contracts to move funds into FY 09 with authorization from the Commission. Jeanne noted that we should also look for funds that can be recaptured. Susan Baxter wanted to make it clear that while some had opposed forward commitment previously, this is an emergency situation and she recommends that we do so. Jim Ryczek noted that rather than forward committing, we are honoring our existing commitments. At the request of David Hammarström, Marcy Coleman, Legal Counsel, gave her approval. Unanimously approved.

5. Resolution for Authority to Amend the Building Homes RI Bond Regulations

The Commissioners were asked to approve the regulations for publication. This is necessary in order to continue NOP as the regulations prohibit using NOP and bond funds in the same unit. They are allowed in the same project. This involves deletion of a single phrase in the regulations. Mark Van Noppen noted that he had been hearing from legislators that there should be only one subsidy in a project due to concern about “double dipping.” Jim Ryczek noted that we will have to educate legislators about the need for multiple funding sources. Jim moved to approve the resolution; Peter Walsh seconded. David Hammarström noted that we might consider including a definition of “soft costs” since we are amending the regulations. Susan responded that there would be a problem if they were too tightly defined, but controlling soft costs is a valid concern and we do pay attention to it. Unanimously approved.

6. Update: Lead Hazard Mitigation Regulations

Noreen described the process that has been going on since the lawsuit in September which necessitated revisiting the regulations that the Commission had just approved in April of 2007. She reminded the Commissioners about the challenges of these regulations in terms of knowledge and expertise required since the initial effort. She also said that it was a challenge to address the concerns of those who had testified who were nearly all inspectors with a financial interest and the needs of the public in terms of cost.

The process for the regulations included a meeting of the Office, meetings with the attorneys involved in the lawsuit, a 3 hour public workshop, and a public hearing. Revisions were circulated following the earlier meetings. We are not ready for the Commission to act today on final amendments.

We do have a report ready following the public hearing that formally responds to comments. Noreen and Doris presented the initial part of the report. At the hearing on March 4, 2008, 5 lead inspectors, a representative of the RI Assoc. of Realtors and Childhood Lead Action Project testified. There were 4 sets of written comments.

Roberta Hazen Aaronson asked that this summary end as it was too technical and could not be understood as even she did not understand what we were saying. Ana Novais suggested that definitions qualify as substantive change and we may have to begin the APA process again. David Hammarström for clarification on testimony related to windows.

Roberta went on to express concern that comments of a member of her staff had not been given adequate consideration and the document has errors in spelling, grammar and formatting. She believed that something has been lost in the translation from the original intent. She said that the process had not been open and would be subject to litigation. She also said that Noreen had said that the focus would be on two areas, but that the entire regulations were

now being changed. Marilyn Kiesel asked about our response to comments on floors as a friction surface. Mark Van Noppen began a discussion of the complexities regarding lead, for example, some stair treads are not suspected of containing lead.

Noreen responded that the regulations had been before the Commission again and again and that she believed that there had been ample opportunity for comments. She noted that she believed the best process for “fine tooth comb” editing was to wait until all the content changes had been made and assured the Commissioners that that would be done. She also stated that once regulations were opened for amendments, that comments could not be limited to one area. Susan Baxter asked Roberta to communicate with Noreen on her concerns.

7. Annual Report

Commissioners had received a draft of the Annual Report in their mailing. It is in an entirely new format that will serve not only to fill the legal obligation, but also as an informational document about the work of the HRC. Susan Baxter asked if any of the Commissioners could assist with color printing of the document. David Hammarström said that MetLife would do it. Jim Ryczek said that the Coalition could be the non-profit recipient of this in-kind contribution. Comments are due to Noreen by Friday.

8. Public Comments

Jim Ryczek asked that the Commission urge the General Assembly and the Governor to continue to fund housing programs. Susan Bodington noted that Rhode Island Housing had proposed a plan to assist with the deficit by buying state properties and bonding them over the long term. Susan Baxter said if it was the pleasure of the Commission to put this in writing, she would ask that Jim make a motion. Jim Ryczek moved to send a letter from Susan stating how important NOP and Rhode Island Housing Funding are to affordable housing development. Jeanne Cola seconded. The motion passed. Ana Novais, Rhonda Schwartz, and Mike Tondra abstained.

Mark Van Noppen stated that he wanted to remind us of all of the progress that had been made in lead hazard mitigation. Ana agreed stating that DOH was working closely with us to identify ways that the Dept. could help with capacity issues.

Jim Ryczek invited all of the Commissioners to participate in the Coalition for the Homeless Conference and Awards Luncheon on March 24th.

Nellie Gorbea announced the first board meeting of Housing Works RI. A reception will be held following to celebrate the formal beginning of the organization.

The next meeting is scheduled for Friday, May 16, 2008 at 8:30 am, Conference Room A, 2nd Floor, One Capitol Hill, Providence. Meeting

adjourned at 10:30 a.m.