

Rhode Island Housing Resources Commission

Minutes of May 15, 2009

Quarterly Meeting

The meeting was called to order by Susan Baxter, Chair at 8:40 am

Commissioners & Designees Attending

Baxter, Susan – Chair

Aaronson, Robert Hazen

Barge, Denise

Bodington, Susan

Cola, Jeanne

William DeLuca

Michael Evora

Fields, Barbara

Flynn, Kevin

Grenon, Paul

Hajian, Kaveh

Hannifan, Chris

Kiesel, Marilyn

McGunagle, Joanne

Sekeres, Bonnie

Tierney, Terence

Van Noppen, Mark

Walsh, Peter

Staff:

Coleman, Marcy

DeLos Santos, Doris

Kue, Simon

Neirinckx, Ray

Shawcross, Noreen

Tondra, Michael

Caitlin Frumerie

Guests

Nellie Gorbea, Dori Boisseau

Approval of March 13, 2009 Minutes

Marilyn Kiesel moved acceptance. Peter Walsh seconded. Minutes approved.

Report of Chair

Susan Baxter reported that due to our responsibilities related to

distribution of funds, we may need to reschedule HRC meetings from time to time in order to be in line with grant schedules. When this is required, we will give the Commissioners a least 4 weeks notice. At this time, we anticipate rescheduling our July 18 meeting to August.

The Commission staff are heavily involved with both the Neighborhood Stabilization Program (NSP) and the Homeless Prevention and Rapid Re-Housing Program (HPRP). Susan urged Commissioners to make themselves aware of these programs through checking websites for plans submitted to HUD, program information, applications and other important information. The websites are:

www.hrc.ri.gov/NSP.php

www.hrc.ri.gov/HPRP.php

Noreen noted that Karriem Van Leesten has been hired to staff the Neighborhood Stabilization Program. Interviewing is underway for a person to coordinate the Homeless Prevention and Rapid Re-Housing Program. Rhode Island Housing and the Office of Housing and Community Development staff are meeting weekly to review NSP applications and discuss ongoing issues.

At this writing, suggested new appointments and reappointments to the Commission continue to be pending. We have followed up on this, but have not been able to confirm that they will be made prior to the end of the session.

The Commission's program budget has been level funded at \$2,170,000. The Building Homes Rhode Island Bond is in the Capital Budget at \$12,500,000. The Neighborhood Opportunities Program is not in the budget but advocates are working on this.

Susan noted that before moving onto the next item on the agenda, she wished to let the Commissioners know that the BHRI distribution committee, chaired by Jeanne, met on May 5, 2009. She reminded the commissioners that the committee makes recommendations to the HRC based upon review of applications and underwriting by Rhode Island Housing and thanked both the committee and RIH for their work.

Finally, she noted that the BHRI fund distribution is at the discretion of the HRC

Resolution to Approve Funding: Building Homes Rhode Island Bond

Susan asked Raymond Neirinckx to provide a summary of recommended awards. The funds being distributed were recaptured when a developer withdrew. As a result, \$238,765 for homeownership became available. We received 17 applications for \$2 million dollars for this funding. Five are being recommended to the Commissioners for approval.

Proposed were:

Church Community Housing \$ 100,000

Habitat-Providence	\$	50,000
Habitat-Providence	\$	25,000
Pawtucket CDC	\$	45,265
SWAP	\$	18,500

Jeanne Cola explained that there had been discussion at the meeting regarding some coming back to BHRI for a “second bite of the apple” in order to lower the price of units to reach the income level of potential buyers.

There were two scenarios regarding completed developments: programs that did not get funding and those that received funds and cannot sell at the price point planned. We determined that we could not give funds to those who had not received BHRI. However, Marcy Coleman, Legal Counsel, suggested that we operate under the waiver provision. The committee would consider the written waiver which would show good cause exists, in this case, to protect a prior investment. Funds will repay development costs. It was determined that PCDC would have to seek a waiver from regulations to write down the cost of three more homeownership units in a project that was already completed. BHRI regulations do contain a “Right to Waive Regulations.”

Mark Van Noppen questioned the need as a development is not completed until sold. However, Marcy thinks that we should do the additional step of a waiver so there will be no questions.

The Resolution was amended to allow PCDC to apply for a waiver. The amount requested would be reduced to \$193,500 taking out \$45,265 for the Pawtucket CDC. Paul Grenon moved approval of the amendment. Kevin Flynn seconded.

Motion to approve the Resolution was made by Mark Van Noppen. Denise Barge seconded. Motion passed. Barbara Fields abstained.

Peter Walsh suggested that developers be informed about the policy related to the above discussion so that they will not reapply if not eligible.

Resolution to Approve: Report on the Status of Implementation of the Comprehensive Housing Production and Rehabilitation Act of 2004

Noreen Shawcross briefly reviewed the factual findings in the report with data from Rhode Island Housing and the reports to the HRC combined. BHRI is the most important factor in generating units. Some towns have local trust funds. There is a potential to use foreclosed properties. HousingWorks RI education and awareness work is clearly still very important. Noreen recognized the work of Caitlin Frumerie, an intern who had completed much of the work.

There was extensive discussion of how a community may be given

credit or found to not be making progress. There are issues in terms of finding sites, planners who are opposed by town councils and other complexities. Mark Van Noppen moved that a bullet be added that specifies which communities have not succeeded in generating any planned units. Motion approved.

Michael Evora asked about delays and costs due to litigation of proposed developments. Our state funds are impacted by legal fees as cases may go on for years as happened with Sweetbriar in Barrington.

Marilyn Kiesel reported that the RI Assoc. of Realtors government relations committee is not clear on the definition of affordable housing. It was clarified that in the report, what counts is actually “low/moderate income housing.” Ray cautioned against REOs being considered affordable due to conditions and “flipping.”

Terence Tierney moved to approve the Resolution. Jeanne Cola seconded. Unanimous approval.

Annual Report

Noreen noted that the Annual Report has not been completed due to other priorities of the HRC. The Tenth Anniversary document produced by Housing Works RI had, however, been distributed in March. She will send the Commissioners a report in letter format as is done by other boards and commissions for their input prior to

sending it out to public officials.

Public Comments

Bonnie Sekeres informed the group that the Global Medicaid Waiver process includes a subcommittee on housing. She suggested that the HRC contact Secretariat on Health and Human Services in order to find out if they wish to have our input.

There was a question regarding impact of the stimulus funds on the HRC. Noreen briefly explained the Homelessness Prevention and Rapid Re-housing Program which is related to the HRC's work but funding goes through the OHCD, not the HRC.

Michael Evora notified the group of the need to support pending legislation regarding the Fair Housing Practices Act that would prohibit discrimination based upon source of income or housing subsidy. This would prohibit discrimination against Section 8 voucher holders among others. Susan explained that as necessary we communicate by letter from her due to the problems backing legislation presented by the HRC being within the Dept. of Administration. Michael suggested that there be an agenda item on fair housing bills in the future.

Nellie Gorbea announced that HousingWorks RI is completing the annual Fact Book and that the next "Issue Brief" would be on

BHRI-Year 2.

The meeting adjourned at 10:10 am. The next meeting is to be determined.