

Rhode Island Housing Resources Commission
Approved Minutes of March 22, 2013
Quarterly Meeting



Commissioners & Designees:

Cola, Jeanne – Chair

Botts, Christine; Representing Craig Stenning
DeLuca, William, Representing Paul McGreevy
Susan Bodington; Representing James DeRentis
Hannifan, Chris
Hazen Aaronson, Roberta
Kravitz, Thomas
Leddy, Julie, Representing James Reed
McGunagle, Joanne

Moore, Jamie
Raymond, Joseph
Ryczek, Jim
Sekeres, Bonnie
Taylor, Catherine
Valliere, Albert
Vanderslice, Robert; Representing Dr. Fine
Zaslow, Carrie

Staff:

Dennehy, Peter
House, June
Kue, Simon
Neirinckx, Ray

Price, Darlene
Sullivan, Laura
Tondra, Michael
Vittorioso, Dawn

Guests

Archambault, Laura
Bell, Gretchen
Boney, Adrian
Brophy, Michelle

Coleman, Paula
Lagale, Nicole
Rawson, Freeda
Ventura, Carol

1. **Call to Order**

The meeting was called to order by Jeanne Cola, Chair at 9:04 a.m.

2. **Approval of January 11, 2013 Meeting Minutes – for vote**

Jeanne asked for a motion to approve the meeting minutes of January 11, 2013. William DeLuca moved to approve the minutes of January 11, 2013 as submitted. The motion was seconded by Albert Valliere. There was no further discussion and the motion passed unanimously.

3. **Report of the HRC Chair/Director**

Jeanne introduced Mike Tondra who then discussed the following items:

Lead – The HRC has reactivated the Lead working group. Gregory Shultz is currently chairing that group. He and HRC staff are working to organize the meeting structure to assure it is best coordinated with (and not duplicative of) other groups/meetings. Darlene Price has been assigned to staff this office and has participated in a training conducting for State building officials.

Coordinators – All the necessary paperwork for the two Office of Housing and Community Development (OHCD) positions available (one focused on homelessness, and one program manager) have been submitted to Human Resources. Once approved, Commissioners will be notified of the postings.

Commissioners – The Governor’s Office is finalizing commissioner appointments. For the most part, candidates have been contacted and letters of appointment are anticipated shortly. Senate confirmation will follow. While appointments must be for three-year terms, reappointments will be staggered to avoid a mass exodus of commissioners in any year.

The State has received a CDBG supplemental for Disaster Recovery and is currently seeking proposals that directly address needs arising from Sandy; Mike noted that Laura Sullivan will be the contact person for this program.

Budget/Agenda Working Group – The working group developed recommendations which were forwarded to the entire Commission and the State’s leadership. The recommendations were primarily limited to implementation of the State’s Homelessness Plan, Opening Doors RI and a request for additional support for Winter Shelter operations. These materials have been referenced by the Governor’s Office and the General Assembly in various discussions. A bill has been introduced for funding consistent with this recommendation. We will await final decision on these items but are discussing the possibility of pilot programs to demonstrate the effectiveness of the proposed solutions.

Sustainable Communities – Vendors were solicited and proposals reviewed relative to the Sustainable Communities Initiative. HRC participated in the review of proposals and interviews which followed. The selected vendor will, among other tasks, prepare a Comprehensive State

Housing Plan. At this time, the final decision is under review by Purchasing and should be announced momentarily.

Consolidated Homeless Fund - The State has accepted applications under the FY'14 Consolidated Homeless Fund. Funding decisions are pending until the impacts of sequestration are known. Other HUD homeless assistance awards (level-funded) were announced recently.

Governance Committee – The Housing Resources Commission serves as the State's Continuum of Care (COC) as required for HUD Homelessness Assistance. As instructed by prior HRC meetings, a Governance Committee was established to discuss how the State's COC should be organized and operated (*attachment 1*). This committee has met and initially prioritized proposals under this year's HUD Homeless Assistance application. The HRC also named RI Housing as the Collaborative Applicant and Unified Funding Agency (UFA) for this year's funding cycle. The membership of the HRC, however, does not meet all regulatory requirements of Continuums as specified by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act. The Committee has discussed this fact and considered the possibility of adding the required participants to the HRC meetings and following a process whereas the HRC will convene its regularly quarterly meetings and, as necessary, will formally adjourn – only to immediately convene the COC membership meeting seamlessly. Mike explained that he was unable to attend the last meeting of the Governance Committee; therefore, he asked Susan Bodington, who participated in the meeting, to provide an update.

Susan announced that HUD awarded approximately \$4.7M, which will renew homeless programs for the year and they also announced that they will increase funding in the coming years. Susan explained that in effort to standardize the process across the country, HUD issued a handbook for the COC process. She said that the HRC will need to formalize the process by writing an operations manual which will specify how HRC is meeting all of HUD's requirements. Susan noted that this will be a working process; HUD continues to work on additional requirements that have not yet been released.

Next, Susan referred to *attachment 1* and said it is an example of the COC's structure and pointed out that an official board for the COC will need to be established. The Governance Committee suggests that the COC's responsibilities will range from prioritizing applications, evaluating current programs, set standards for programs that will be evaluated for funding priorities through the state and determine gaps in the state's system. Susan indicated that there may be a potential opportunity to receive a planning grant from HUD; however, that is dependent on available funding. If the planning grant is approved, the Governance Committee recommends hiring a consultant to establish a structure, formalize operating procedures and then present it to the HRC for adoption. Susan said that the award announcements will be made within the next couple of months. Jeanne questioned the likeliness of receiving the grant. Susan stated that she believes it to be less than a 50/50 chance of receiving it. She recommended the Governance Committee to continue working on the items indicated. Bonnie inquired as to HUD's specific representation requirements. Susan said they are looking for representation from anyone in the state that is trying to end homelessness. Mike added that the HRC's responsibilities are not solely focused on homelessness; therefore, we are trying to make the two groups work together to make suggestions.

Lastly, Mike pointed out that the homeless funding appears to be level for the COC. Mike said that he has received an unofficial notice that the homeless funding may be reduced by five percent. Therefore, staff has been coordinating with cities with Title XX funds, which are also subject to sequestration cuts. Once the actual appropriations are received, consolidated homeless fund applications and draft recommendations may need to be adjusted.

Jim Ryczek said he submitted a letter to the Governor on behalf of the Emergency Shelter Task Force roughly two months ago with two recommendations and recently followed up with a letter stating that he has not received feedback. He then asked Mike if he has heard anything about addressing the recommendations that were made by the Emergency Shelter Task Force. In response, Mike said that he has discussed the potential rental assistance pilot program with the Governor's office; however, the plans have not been finalized. Jim said that the recommendations made were based on an acute emergency basis. He noted that the vast majority of winter shelters will be closing April 1st. Jim stressed his concern with the influx of displaced families turning to Crossroads on a regular basis and explained that Crossroads is continuously at maximum capacity. In the past, they occupied the emergency family room and conference rooms to accommodate families. Jim also said that Crossroads rented nine two-bedroom apartments to eighteen families. Jeanne and Mike indicated that they would follow up with the Governor's office. Mike also noted that he worked with the Governor's office and Crossroads to extend the contract with the overflow family shelter for three months. Jim thanked Mike and Jeanne for their assistance.

Jeanne asked if anyone had any questions or comments for Mike. There being none, she thanked Mike and introduced the next item on the agenda.

4. **Housing Working Group** – *for discussion*

Jeanne reminded the Commissioners that at the last HRC meeting, the Commission approved the passage of a Working Group, which is authorized to develop and communicate FY 2014 budget recommendations to the State's leadership on issues related to housing and homelessness, including specific strategies in furtherance of the Opening Doors Rhode Island Plan. She then provided an update and noted that the Working Group has since met and voted to submit a letter to Governor, Lincoln Chafee, Senate President, M. Teresa Paiva Weed and House Speaker, Gordon Fox to address the housing budget (*attachment 2*), which was emailed to Commissioners on March 14th. Jeanne next, announced that the next Working Group meeting will be held on March 28th and encouraged everyone to participate to show their support. She then asked anyone if they had any questions or comments.

Joanne McGunagle asked if Rhode Island Housing's Rental Assistance Program was mentioned in the letter. In response, Mike said that the letter was not program specific but it addressed funding needs for rental assistance.

Jim Ryczek mentioned that Representative, Scott Slater and Senator, Elizabeth Crowley were the sponsors for the bills and wanted to thank them on behalf of the Commissioners for placing this item on the agenda.

Chris Hannifan pointed out that a similar letter will be sent out within a week on behalf of the twenty-member Housing Network Executive Committee. Jeanne said it is good to have consistency and

agreement amongst the Housing Community. Mike also agreed and encouraged everyone to participate in the meetings and said that the discussions are active and broader.

There were no further comments or questions, Jeanne introduced the next item on the agenda.

5. **Affordable Housing Bond Regulations** – *for discussion & vote - Resolution #1*

Jeanne referred to the Rules and Regulations Governing the Building Homes Rhode Island Program (*attachment 3*) and asked Mike to discuss the changes made to the regulations since the last HRC meeting.

Mike reminded the Commissioners that at the last HRC meeting, the Commission voted to distribute the current regulations for informal public comment and then post the revisions once they were reviewed by the Chair and Executive Director. Mike noted that a number of comments were received; however, staff reviewed the comments and concluded that the comments received were redundant to the existing language. Legal Counsel had an opportunity to review the document and alter a couple of items for consistency reasons. Legal Counsel, Peter Dennehy, took a moment to thank staff for their assistance and stated that a final review will be necessary prior to posting the document for public comment.

Mike discussed the significant changes that were made and pointed out that homebuyer education was added, which can be found in section 3.9.4. Jeanne expressed her support and stated that homebuyers that completed the homebuyer education course experienced less financial difficulties. The course also provides the homeowners with the tools and the knowledge needed to overcome a financial hardship. Mike also noted that the program has been successful with a ninety percent home retention rating. Chris Hannifan mirrored Mike's comments and said the program originated from the Housing Network and it has been very successful due to the knowledgeable mortgage staff. Jeanne pointed out that other agencies in RI offer the same courses and noted that this is not agency specific. Ray Neirinckx agreed and echoed Jeanne and stated that the, overall, requirement is to complete a certified homebuyer education program prior to purchasing a home.

Next, Mike discussed the maximum funding in section 3.2.7. Mike stated that funding was increased from \$40K per one bedroom unit to \$65K per one- or two-bedroom units. The Working Group recognizes the lack of resources available for affordable housing. Jeanne added that during the initial conversations, the Group recognized the needs in today's society and the reductions of resources to produce housing units.

Joseph Raymond commented that he thought the language was too broad. In response, Jeanne said that most of the language was taken from the initial regulations. The Group reviewed the old regulations and concluded to adapt the language as part of the newer version.

Susan Boddington recognized today's economic times; however, she recommended mirroring HUD's subsidy limits for the bond; a two-bedroom unit is \$201K per unit. She explained that the price of a one and two bedroom unit exceeds \$65K; therefore, this will deter projects from moving forward. Susan noted that HUD subsidy limits are high; however, projects are never awarded the full amounts.

Bonnie Sekeres questioned the language in section 3.2.7 and stated that it appears that the \$65K is the limits set for both one and two bedroom units. Jeanne stated that she would review the language with

Legal Counsel to clarify. Joseph Raymond also suggested reviewing the three or more unit section. Mike indicated that they will review the section for clarification.

After an in-depth discussion, the Commission decided that the language would exclude specific funding limits. The Commission determined that the language would refer to the HUD's Home Program limits. Jeanne pointed out that the Bond Distribution Committee, which is responsible for allocating resources, would also need to review the language and limits. Mike added that the language would also state that allocation of funds will include a leveraging statement to state that priorities will be given to proposals that leverage the utmost percentage of total development costs.

Bob Vanderslice suggested deleting "to the extent feasible" in section 3.8.5. Jeanne and Mike agreed to amend the section.

Jeanne summarized the following items as amendments to be made under Section 3.2:

- The addition of homebuyer education classes;
- Exclude specific funding amounts as noted in section 3.2.7. Language will refer to HUD's Home Program limits;
- Exclude "to the extent feasible" in section 3.8.5.

There being no further comments or questions, Jeanne asked for a motion that the HRC hereby approves the draft Affordable Housing Bond regulations and authorizes the HRC to post these regulations as amended with the Secretary of State's office for official public comment. The HRC also authorizes the Chairperson and Executive Director to revise, if necessary, the regulations based upon comments received and to adopt final regulations subsequent to the public comment period. Bob Vanderslice motioned to approve and William DeLuca seconded the motion. There was no further discussion and the motion was unanimously approved.

6. Neighborhood Opportunities Program, Program Income – for discussion & vote - Resolution #2

Mike referred to the handouts (*attachment 4*) and noted that the first two pages identify staff recommendations for additional operating funding allocations as of February 28, 2013. The last two pages are for informational purposes, which identifies the Program's accomplishments.

Jeanne reminded the Commission that the NOP is a ten-year operating subsidy for low income individuals and families. She then explained that projects that are funded by the NOP are monitored on a regular basis through a partnership with Rhode Island Housing (RIH). In some cases, financial awards need to be increased or increase funding for units to maintain their affordability for that duration and/or in some cases extend it due to unforeseen circumstances. Jean then referred to the Commissioner's packets and pointed out the items below that will be reviewed for action.

NWBRV – A Prospering Community (3 years remaining)	\$114,374
Olneyville HC – Riverside Gateway (2 years remaining)	\$ 14,153
Smith Hill CDC – Smith Hill Visions (2 years remaining)	<u>\$ 23,759</u>
Total	\$152,286

There being no questions or comments, Al Valliere motioned for the HRC to hereby approve allocation of Neighborhood Opportunities Program (NOP) Income to the projects listed above for the amounts indicated. William DeLuca seconded the motion. There was no further discussion and the motion passed unanimously.

7. Acknowledgements & Announcements

Jeanne took a moment to announce the recent passing of John Joyce, an advocate for the homeless. Jeanne expressed her gratitude for all of his efforts and contributions on the homeless Bill of Rights. Mike also took a moment to acknowledge John's efforts as an active participant on the HRC Subcommittee on Homelessness and as the Governor's appointee to the Interagency Advisory Council on Homelessness. Chris Hannifan mirrored Jeanne and Mike's comments.

Next, Jeanne took a moment to acknowledge the retirement of Susan Bodington. Jeanne expressed her gratitude for all of Susan's efforts and contributions throughout the years. Mike also acknowledged Susan and expressed his appreciation for her guidance and support throughout the years. Mike then provided Susan with a Citation from the Governor, which expresses appreciation for Susan's hard work, support and dedication throughout the years.

Susan took a moment to thank everyone for their collaboration throughout the years and reminded everyone to keep working together as one voice to support homelessness.

8. Public Comment Period:

There were none.

9. Adjourn:

As there were no further comments, the meeting adjourned at 10:13 a.m.

Attachment 1

Governance Task Force
Creates template for CoC

Rhode Island Continuum of Care Framework

Continuum of Care = Everyone dedicated to ending homelessness.

Continuum of Care Board = HRC representatives and additional members to meet HUD recommendations
Meets quarterly – after HRC meeting
Approves Application
Invites New Members – Selection determined in governance charter
Ensures Governance Charter (which documents how required work is completed) is followed

Board
Establishes goals/performance targets/
benchmarks/evaluation criteria
Establishes funding priorities for new projects
Recommends new projects for Coc Approval
Reads/Assists with CoC application

Coordinated/single assessment Cte

HMIS

Additional Committees – feed information to Board for policy making

Planning Grant –hire a consultant to Finalize Governance Structure; write the governance charter; develop and write standards for providing assistance; institutionalize PIT procedures, gaps analysis, consolidated plan information and ESG relationship.