

Rhode Island Housing Resources Commission
Draft Minutes of September 12, 2014
Quarterly Meeting



I. ATTENDANCE

1. Commissioners Present:

Cola, Jeanne, Chair	Local Initiatives Support Corporation (LISC)
Tondra, Michael, Director	RI Office of Housing and Community Development
Balasco, Ellen	Representing Paul McGreevy, RI Dept. of Business Regulation
Brophy, Michelle	Representing Craig Stenning, RI Behavioral Healthcare, Developmental Disabilities & Hospital Building Futures
Cortés, Andrew	NeighborWorks Blackstone River Valley
Garlick, Joseph	Housing Network of Rhode Island
Hannifan, Chris	RI Mortgage Bankers Association
Imondi, Deborah	House of Hope
Johnson, Jean	Green & Healthy Homes Initiative
Kravatz, Mark A.	Representing Jonathan Reiner, North Kingstown Planning Department
LaFontaine, Nicole	Representing James Reed, Housing Authority of Newport
Leddy, Julie	Representing Fair Housing
Newton, Charles	Representing Michael Fine, RI Department of Health
Novais, Ana	Representative of Insurers
Pires, Antonio	Town of Burrillville
Raymond, Joseph	RI Coalition for the Homeless
Ryczek, Jim	Representing Sandra Powell, RI Department of Human Services
Sneesby, Frederick	Operation Stand Down
Wallin, Erik B.	Local Initiatives Support Corporation
Zaslow, Carrie	

2. Members Absent

Cullen, Sandra	Senior Housing Advocate
Devault, David	RI Bankers Association
Freese, Carleton	Representing the Homeless
Hartford, Steven T.	RI Department of Administration

Kilmartin, Peter
Martin, Robert
Valliere, Albert

RI Attorney General's Office
Representing RI Association of Realtors
RI Builders Association

3. Staff Present

Bray, Mary
Dennehy, Peter
House, June
Kue, Simon
Neirinckx, Ray
Price, Darlene
Sullivan, Laura
Witcher, Pheamo
Vittorioso, Dawn

RI Office of Housing and Community Development
RI Department of Administration
RI Office of Housing & Community Development
RI Division of Planning

4. Guests

Archambault, Laura
Burn, Leanne
Caffey, Joe
Clarke, Amanda
Durocher, Megan
Fernandez, Paola
McGunagle, Joanne
Medina, Carolyn
Rainone, Amy
Reid, Jennifer

Spinella, Frank
Spinella, Kate
Vadnais, Stephen
Ventura, Carol

RI Housing
RI Coalition for the Homeless
Omni Development Corporation
United Way RI
Welcome House of South County
United Way RI
Comprehensive Community Action Program
Women's Development Corporation
RI Housing
Xerox Healthcare/RI Executive Office of Health & Human
Services
FJS Associates, LTD
Spin Fund Development
Pawtucket Housing Authority
RI Housing

II. AGENDA ITEMS

1. Call to order

The meeting was called to order by Jeanne Cola, Chair at 9:02 a.m.

2. Welcome and Introductions

Mike welcomed new members to the Commission and expressed his appreciation to all the existing Commissioners and noted that their dedication and efforts to promote affordable housing are very much appreciated.

New Members Include:

- Charles Newton, representing the interests of minorities. (succeeding Mike Evora)
- Tony Pires, representing insurers. (succeeding Davis Hammarstrom)
- Sandra Cullen (Winslow Gardens), representing the elderly. (succeeding Bonnie Sekeres)
- Jean Johnson, representing community development corporations (succeeding Joanne McGunagle from CCAP)
- Mark Kravatz (GHHI), representing Lead Poisoning Prevention (and replacing Roberta)
- Erik Wallin, Operation Standdown

Mike announced that Jonathan Reiner (North Kingstown) appointee as the municipal representative has resigned. He also added that several Commissioners have had their terms extended. Mike encouraged members to submit suggested names for vacant seats on the HRC.

3. March 28, 2014 Meeting Minutes – *For vote*

Jeanne asked for a motion to approve the meeting minutes of March 28, 2014. Carrie Zaslow moved to approve the minutes of March 28, 2014 as submitted. The motion was seconded by Joe Garlick. The following Commissioners voted aye Balasco, Brophy, Cola, Novais, Garlick, Hannifan, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Andrew Cortés and Julie Leddy abstained. There were no nay votes or further discussion.

4. Report of the HRC Chair/Director – *Executive summary of key issues.*

Lead Letter - *attachment 1*

As instructed by the HRC at its prior meeting, a letter was prepared encouraging the restoration of State HRC Lead Funding. Ultimately, the final budget instructed the Attorney General's office to forward \$600,000 of housing settlement funding to the HRC Restricted Receipts account to support Lead Hazard Reduction Activities.

Providence Center

As instructed by the HRC at its prior meeting, our office responded to the Providence Center letter, which requested the HRC support the use of State HOME funding for Rental Assistance. While acknowledging the need for rental assistance, the HRC did not recommend use of HOME resources for that purpose, particularly in light of recent reductions in this program. The City of Providence has, however, plans to use a portion of its resources for this purpose.

State Rental Subsidy

The first year of this program has supported 175 Households, 207 individuals to date. Mike said that the program funds that were unexpended will be rolled over to the current fiscal year. Funded programs will be continued this year on a month-to-month basis until the results under the new RFP are finalized. Some summary notes are being distributed on the program. We do, however, wish for the commission to consider whether changes to the program are justified in light of the continued funding. The primary changes recommended by the staff involve support of services associated with these units, unit requirements and whether funds should be established for subpopulations (veterans, formerly incarcerated, etc.).

Consolidated Homeless Fund Rental Assistance Program Numbers served as of September, 2014		
Agency	Population Served	Number of Placements
Amos House	Family Shelter	21 Households, 8 families & 13 single adults
Crossroads	Individuals	58 Households comprised of 66 individuals
Crossroads	Families	19 Households comprised of 62 individuals
House of Hope	Individuals	44 households served, 48 individuals served
Riverwood	Individuals	5 Households, 6 individuals
Providence Center	Individuals	12 Households, 12 individuals
	Total Households Served	175 Households
	Total Individuals Served	207 Individuals

Jim Ryczek took a moment to thank Mike for his efforts in working with the Administration to allow the program’s unexpended funds to be rolled over to the current fiscal year.

There being no further questions or comments, Jeanne moved to the next item on the agenda.

5. Continuum of Care, Governance Charter – for vote (attachment 2)

The Interagency Council on Homelessness considered the draft Governance Charter and recommended that it be modified in two distinct ways:

1. The ICH recommend the main COC and Executive Board referenced should adhere strictly to open meetings law. This would prevent “voice” (call in) participation/voting.
2. ICH also recommends the COC ultimately report to the HRC, as an official public authority. This was noted as particularly important with regard to funding decisions. Ultimately, the relationship will be spelt out in a Policies & Procedures Manual/Administrative Charter current under development.

The HRC is asked to consider the Governance Charter, recommend changes and/or approval as appropriate. At this time, Jeanne asked the Commission is anyone had any questions or comments.

Jim Ryczek agreed and expressed his support for the above mentioned recommendations.

Mark Kravatz referred to the letter from RI Housing and asked what the \$4M of public funds will be allocated to. In response, Mike said that the funds are for various permanent supportive housing projects; all projects that serve the homeless.

Michelle Brophy said that Mr. Stenning is in support of adhering to the open meeting law.

Anna Novais pointed out that the Department of Health (DOH) is absent from the eligibility for membership listing. Mike said that the listing came from HUD. Jeanne said that the HRC has the ability to add members to the listing and indicated that DOH will be added to the membership.

Andrew Cortés said that the document was well-formed and expressed his strong support for the changes that were being proposed. In addition, he said that it is important for the decisions to be transparent and the

Open Meetings law compliance allows that as well as the tie-back to the HRC as the ultimate policy body for state housing related issues that are extremely important.

Mr. Dennehy offered his assistance with the document to ensure consistency with the Open Meetings Act. He noted that the number of members will need to be accurately documented.

There being no further comments, Mike read the motions as indicated below:

HRC Role with COC

1. To approve the designation of Rhode Island Housing as the collaborative applicant until such time that the COC can convene and consider alternatives. Jim Ryczek moved to approve. The motion was seconded by Charles Newton. The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Hannifan, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Julie Leddy abstained. There were no nay votes or further discussion.
2. To approve the inclusion of a public health member to the eligibility for membership list. Anna Novais moved to approve. The motion was seconded by Joe Garlick. The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Hannifan, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Julie Leddy abstained. There were no nay votes or further discussion.
3. To approve the COC Governance Charter subject to any revisions that needs to be made by Legal Counsel relative to conformance to the Open Meetings Act. Ellen Balasco moved to approve. The motion was seconded by Joe Garlick. The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Hannifan, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Julie Leddy abstained. There were no nay votes.

Discussion

Mark Kravatz asked the RICOC Governance Charter would be updated to reflect the number of members that will be assigned. Jeanne indicated that it would be and noted that several items throughout the documents will need to be updated in order to follow the Open Meetings Act. She said that once all the necessary edits are made, it will be brought back to the HRC for approval.

Antonio Pires asked if there will be a set amount of seats from members of the HRC to be a part of the COC. Jeanne said it depends on the Governance Charter, which would be decided at a later time. Mike said that the Governance Charter has a process where individuals and agencies are named where they are then voted upon. Mike said that it is likely that several Commissioners will be nominated to become a member.

Next, Antonio asked for clarification as to who is responsible for funding. Mike explained that RI Housing is the administrative agency for the programs and the COC and the HRC is responsible for the policy, planning and oversight of the COC. Mike said that when an issue came up under the COC, it was difficult to decipher who was responsible for oversight of that agency. Jim Ryczek said that it will also allow the HRC to make quicker decisions.

4. Jeanne asked for a motion indicating that COC recommendations are subject to the approval of the HRC. Jim Ryczek moved to approve. The motion was seconded by Andrew Cortés. The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Hannifan, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Julie Leddy abstained. There were no nay votes or further discussion.

Sex Offender – *for discussion*

Mike said that he wanted the HRC to be aware of a potential issue as the winter months near. He explained that the 208 Men’s Shelter that was ran by the Urban League and served a large number of sex offenders has closed. Other shelters throughout the state have limitations on the number of sex offenders that they can serve. It’s very difficult to find housing options for this population in the community. Mike noted that the ICH is working with RI Behavioral Healthcare Developmental Disabilities & Hospital (RIBHDDH), RI Office of Housing and Community Development (RIOHCD), The Department of Corrections (RIDOC), and the Attorney General’s office to try to identify solutions and to also collaborate on funding resources.

Michelle Brophy said that she and Director Stenning were happy to hear that the HRC and State Agencies are taking the lead on the issue rather than leave it to the Community Development Corporations to deal with. Jeanne agreed that one organization could not and should not take on such a large issue; involving multiple agencies as a collaborative effort will address the issue.

Mike said that The DOC indicated that between 6 & 12 people from that population will be released on a monthly basis and discharged to homelessness. Mike said that once they are released it will be challenging to find alternative housing options.

Winter Shelter – *for discussion*

Mike wanted to remind everyone that the HRC is legislatively required to provide support for the winter shelter. This group meets on a regular basis to plan for the upcoming winter months. Mike said that the Request for Proposals (RFP) has been published. Mike said the group will reconvene to determine how much funding will be necessary to sustain the operations and then report it back to the HRC.

Jim Ryczek expressed his concern with the 208 men’s shelter closure. He indicated that some individuals were given rental assistance vouchers and others ended up in other shelters. Jim then shared an initiative to eliminate homeless veterans by the year 2015 and chronic homeless by 2016. He said that the initiative will begin with doing an assessment and volubility assessment to see what makes up the homeless population. This will assist with identifying profiles and it will identify system gaps.

Mark Kravatz announced that energy costs this winter will be increased by 35% and said that he is concerned about the lack of resources that the state will have. He suggested having someone from the Office of Energy Resources come to a meeting to discuss options for funding resources.

There being no further discussion, Jeanne introduced the next item on the agenda.

6. Building Homes Rhode Island – *For discussion & vote*

A. Affordable Housing Preservation in context of “Creation” – *for discussion*

- B. Public Housing Preservation – *for discussion*
- C. Assistance of Housing in flood areas – *for discussion*
- D. Rockville Mill, Supplemental Assistance – *for vote*
- E. Distribution – *for vote*

A. Affordable Housing Preservation in context of “Creation” – *for discussion*

Mike provided a background for the benefit of the new Commissioners and said that two affordable housing bonds have been approved in recent years. The first, totaling \$50 million, was distributed (generally over 4 years through 2011) and created over 1,300 units of affordable housing throughout Rhode Island. The second bond totaled \$25 million. Approximately half of those funds have been obligated to date. Additional obligations (totaling approximately \$6 million) will be considered by the HRC. This will leave approximately \$6 million for a subsequent RFP.

Jeanne referred to bullet A and read the rules and regulations that were adopted by the HRC on September 19, 2013. She read Rule 1, which is the bond’s purpose:

RULE 1. PURPOSE

1.1 The purpose of these rules and regulations is to govern **BUILDING HOMES RHODE ISLAND Program** (the “Program”). The primary purpose of the Program is to provide Eligible Developers with resources to finance the creation of affordable homes and apartments. These Regulations establish procedures and conditions for the Housing Resources Commission’s (the Commission) approval of this financing. The Program is designed to encourage the production of rental housing and the development of homeownership opportunities through the allocation of financing from the State as approved by the electorate on November 7, 2006 and most recently approved in November 2012.

In addition, Mike explained the issue of “Creation versus Preservation”. He said BHRI regulations indicate funds will be used to “create” affordable housing. Prior HRC discussions have generally found that existing (affordable) units may be supported if there was substantial risk of loss of these units to affordability. The advisory committee did not recommend any preservation projects (unless consistent with this policy) but did believe the HRC should discuss this need (and potential funding alternatives).

B. Public Housing Preservation – *for discussion*

Erik Wallin asked if it makes more sense to fund and create new units as they are more appropriately structured and managed programs as opposed to funding a preservation project with the potential to continuously fund money. Mike said it is always a consideration with preservation projects and question whether the investment for preservation is going to exceed what it would be for a new housing project.

Carrie Zaslow said that there is an issue of the conditions that suggests that how low/moderate income families live. She said the policy should not suggest that it is acceptable that people live in conditions that are unsafe or deplorable. Carrie pointed out that the current bond would not be able to support such a policy but she said that as the Commission moves forward, this is something that should be considered.

Joe Garlick said that there are no other subsidy sources for preservation. He said that RI Housing’s approach with the Qualified Preservation Plan where preservation had to include 20 plus units would work. He said that adding additional units would help. Mike said that the HRC would also support adding new units.

Andrew Cortés asked what proximity to the loss of the affordability term that would trigger the eligibility of a preservation of an affordable unit being a creation? In response, Jeanne said that the HRC and RIH collaborate on a regular basis. The HRC is aware of projects where their tax credit term is expiring or affordability is expiring. Jim Ryczek noted that Jeanne and Mike provide the appropriate parties involved to discuss every scenario at length.

Joe Garlick said that as resources become limited and the need continues to grow, he advocated not to tighten the regulations where certain types of projects will be funded. Jeanne said that the HRC resources are defined by the regulation. Joe said that the HRC has always come up with the appropriate rationale for projects that are being funded.

Jeanne asked the Commission for feedback for projects that are out of their compliance period and are potentially at risk to go to market rates. Carrie Zaslow said that the units that are at risk of going to a market rate fits within the regulations; overall, the regulations need to be clarified. Jeanne said that the HRC is charged with resource distribution and therefore, it is up to the Commission to discuss how to move forward.

Andres Cortés suggested writing a formal policy as it relates to preservation being creation. He suggested that a subcommittee of the HRC review and report back to the HRC with recommendations as to the definition of when preservation of an affordable unit becomes creation and as well as other ways that the HRC can support preservation.

Al Valliere pointed out that zoning sometimes becomes an issue with existing infrastructure. He said that when persevering and creating additional units, the current zoning regulations must be considered because the current zoning regulations may be for a set amount of units that can be created on a particular lot.

Michelle Brophy said that she agreed with Andrew and indicated that if the HRC is not willing to fund preservation projects, there needs to be an alternate plan in place. She said that she supports a subcommittee to make the recommendations as Andrew noted to prepare a formal written policy which will then be presented back to the HRC for approval. In addition, Michelle suggested the HRC to work with the Public Housing Authority Preservation (PHAP) and indicated that they serve several low-income clients. She said because there are funding challenges for Preservation, she suggested the HRC to collaborate with the Public Housing Authority Preservation. Jeanne said the PHAP has offered their assistance with additional units to support the Opening Doors Plan, which is a great step forward. However, the HRC needs to identify resources and ask them for their support; the HRC needs to use caution and stay on track to avoid going to legislation to ask for additional funding.

Jeanne suggested forming a subcommittee to assign them to further discuss the definition of creation and preservation thereafter reporting the recommendations back to the HRC for further discussion and approval at the next quarterly meeting, which is scheduled for November 21st.

C. Assistance of Housing in Flood Areas – *for discussion*

Mike explained that during the application review process, the Distribution Advisory Committee suggested that this discussion take place at the next HRC meeting. The Committee suggested that the HRC discuss whether or not projects that are within flood-prone areas should be supported by the HRC. He then introduced Laura Sullivan who discussed the following content:

Risks and Costs

- Inundation
 - Loss of Use
 - Loss of Property (owner and occupant)
 - Loss of Life
- Flood Insurance Premiums

Using BHRI in Floodplain

- No HUD matching funds available
 - 24 Code of Federal Regulations (CFR) §55 – Floodplain Management and Protection of Wetlands
- In Conflict with State policy on climate change
 - Executive Order 14-01 (February, 2014)
 - Climate Change Legislation (July, 2014)
 - Executive Climate Change Coordinating Council (EC4)

Federal Emergency Management Agency (FEMA) Flood Map Service Center

Website: <https://msc.fema.gov/portal>

This website is useful for insurance purposes, not planning purposes. CAUTION: Sea Level Rise not included.

Rhode Island Disaster Experience

- Hurricane Sandy
 - 100+ FEMA Individual and Household Assistance \$420,000
 - Minor damage to Public Housing Authority (PHA) properties in Newport and Narragansett
- 2010 Floods
 - 14,700+ FEMA Individual and Household Assistance \$36 million

Vermont Disaster Experience: Irene

- 1,500 households displaced
- 681 homes substantially damaged
- 500 mobile homes destroyed
- 1 PHA property severely damaged (Brattleboro)

Source: Vermont CDBG-DR II Partial Action Plan, October 31, 2013

At this time, Laura asked if anyone had any questions or comments. Mark Kravatz asked how the disaster funding is spent. In response, Mike indicated that funding went towards several RFPs and then also informed the Commission that a proposal was submitted to HUD for alternative housing choice, which included the development of an elderly affordable housing project in the Town of Charleston. He explained that the proposal would allow individuals that were impacted by the hurricane as well as individuals that were impacted by increased insurance costs. Mike excitedly announced that HUD approved the proposal and the

project will go forward. He recognized Laura for her efforts in getting the proposal approved by HUD. Mike next said that the majority of funds were spent on infrastructure projects.

Joe Garlick asked which flood maps are being used. Laura indicated that FEMA flood maps were used.

There being no further discussion, Jeanne moved to the next agenda item.

D. Rockville Mill, Supplemental Assistance – *for vote*

Mike explained that the Rockville Mill Project, which is 14 affordable housing rental units, has received significant investment from BHRI, State HOME and CDBG funding. The project did not realize the income it anticipated and underestimated costs. The project faces a number of delinquencies and is in danger of failure. Supplemental assistance is being requested in the amount of \$500,000 in an effort to preserve the project and cover the existing debt. At this time, Jeanne asked the Commission if anyone had any questions or comments.

Carol Ventura reiterated Mike's comments and said that the majority of issues for this project were the under-estimated utility and maintenance expenses. She also noted that the project has \$300,000 in outstanding debt owed to vendors as part of the construction. Carol indicated that the project's lender, Bonneville, has agreed to halt foreclosure proceedings as long as the project continues to service their debt. She pointed out that if Bonneville forecloses on the property, tenants would be given vouchers to move and the Section 8 Program would also no longer exist for this property. Carol said that the only solution would be to closely monitor the project, take the debt down by providing supplemental funding in the amount of \$300,000 and have a non-profit agency partner with the property's management.

Joe Garlick asked if the Mill was an historic property. Mike said that it was.

Antonio Pires asked how much money has been invested in the project with just the bond. Jeanne said \$720,000 has been invested. Antonio then asked what the combined investment amount. Jeanne said \$1.8 million. Mike said that is a combination of funding from CDBG, HOME, and Bond.

Mark Kravatz asked if the project has transitioned to the new non-profit agency. Jeanne said the transition cannot occur under the project is restructured.

Ray Neirinckx pointed out that the vouchers can still remain at the property if the new owner wishes to do so. He emphasized that the tenants will not be displaced.

Jeanne said ultimately if the project is not restructured, the property will be foreclosed. She indicated that the Commission will need to decide as a group if the project should move forward. Jeanne also noted that it could be a conditional agreement to hold aside resources to work out a plan.

Joe Garlick asked what RIH is recommending. Carol Ventura said that RIH supports the efforts to save the development from foreclosure and indicated that RIH would be willing to ask HUD for additional HOME funds.

Ellen Balasco asked if anyone approached the town or other funding sources to discuss the issues at hand. Mike said he doesn't think that anyone had and then said that there is a member of the Town Council that is opposed to the project development.

Jim Ryczek asked if the HRC will review the project again if the funds are not granted by HUD and this is not a workable plan. Jeanne said that it would be.

Anna Novais asked if the \$500K would make a difference for the project's completion. Jeanne indicated that it will create a workable operating budget.

There being no further questions, Joe Garlick motioned to approve the support of an additional investment of up to \$500,000 of BHRI Funds to support the Rockville Mill Project with the condition of additional HUD funds being awarded, changing ownership and a workout plan. Ellen Balasco seconded the motion. The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioners Hannifan, Leddy abstained. Nay votes were made by Commissioners Pires and Newton and there was no further discussion.

E. Distribution – *for vote*

Jeanne referred to the Affordable Housing Collaborative (BHRI II Round #2) sheet as contained in the Commissioner's packet and said that she would take a vote for items listed below:

1. Church Community Housing Corporation – Apple Creek: Proposed BHRI funds \$850,000 for 17 units contingent on no/insufficient CDBG funds

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. There were no nay votes and there was no further discussion.

2. Church Community Housing Corporation – Cottrell Farm: Proposed BHRI funds \$240,000 for 3 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. There were no nay votes and there was no further discussion.

3. Crossroads RI – 528 Dexter Street (Whitmarsh House) – Proposed BHRI funds \$1,240,000 for 11 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioners Johnson, Hannifan, and Designee Leddy abstained. There were no nay votes and there was no further discussion.

4. House of Hope Community Development Corporation 48 Weaver Street – Proposed BHRI funds \$45,000 for 1 unit contingent on no/insufficient CDBG funds

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioners Johnson, Hannifan, and Designee Leddy abstained. There were no nay votes and there was no further discussion.

5. House of Hope Community Development Corporation 6 Abbey Avenue – Proposed BHRI funds \$45,000 for 1 unit

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioners Johnson, Hannifan, and Designee Leddy abstained. There were no nay votes and there was no further discussion.

6. NeighborWorks Blackstone River Valley Fernwood Self-Help Homeownership – Proposed BHRI funds \$198,162 for 7 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioners Garlick, Hannifan, and Designee Leddy abstained. There were no nay votes and there was no further discussion.

7. Olneyville Housing Corporation Nickerson Conversion, 42-44 Chaffee Street – Proposed BHRI funds \$552,177 for 12 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. There were no nay votes and there was no further discussion.

8. Omni Development Corporation Phoenix Renaissance – Proposed BHRI funds \$1,800,000 for 57 units

Jennie explained that she received a letter from the Omni Development Corporation’s President, Joe Caffey, requesting an additional \$400,000. The original request was for \$1,400,000. She asked the Commission if they wanted to table the vote or vote for the new amount being \$1,800,000.

Antonio Pires moved to approve the proposed amended amount totaling \$1,800,000. The motion was seconded by Jim Ryczek. The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Pires, Raymond, Sneesby, and Wallin voted to approve. Commissioners Hannifan, Newton, Zaslow, and Designee Leddy abstained. There were no nay votes and there was no further discussion.

9. Opportunities Unlimited, 327 Kenyon Avenue – Proposed BHRI funds \$475,000 for 6 units contingent on operating subsidy

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, Wallin and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. There were no nay votes and there was no further discussion.

10. Operation Stand Down, 1006 Hartford Avenue – Proposed State CDBG funds \$99,256 for 4 units subject to Town approval

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Hannifan, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, and Zaslow voted to approve. Commissioner Wallin excused himself but signed a notice to Jeanne indicating that he will abstain. Designee Leddy also abstained. There were no nay votes and there was no further discussion.

11. Pawtucket Central Falls Development Corporation (PCFDC), 313 High Street – Proposed BHRI funds \$545,688 for 3 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. Commissioner Wallin was not present for the vote. There were no nay votes and there was no further discussion.

12. Smith Hill Community Development Corporation (SHCDC), 267 Veazie Street – Proposed BHRI funds \$167,000 for 3 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. Commissioner Wallin was not present for the vote. There were no nay votes and there was no further discussion.

13. West Elmwood Housing Development Corporation, Sankofa Apartments – Proposed BHRI funds \$1,758,969 for 50 units

The following Commissioners voted aye Balasco, Brophy, Cola, Cortés, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, and Zaslow voted to approve. Commissioner Hannifan and Designee Leddy abstained. Commissioner Wallin was not present for the vote. There were no nay votes and there was no further discussion.

There being no further discussion, Jeanne moved to the next item on the agenda.

7. HRC Budget – For discussion & vote

- Homelessness Funding (including State Rental Subsidy Program)
- Lead Hazard Reduction/Healthy Housing Funding (AG & Conveyance Tax)
- Other Assistance (Homeownership Counseling, Capacity Building)
- Overall Budget

Jeanne began by explaining that the State's budget for the HRC was altered significantly this year. Support of the HRC budget was removed from the General Fund and will now be supported by a conveyance tax. The amount estimated by this conveyance tax is generally equivalent to the entire budget of the HRC. Mike distributed an explanation for fiscal years 2014 & 2015 Budget as shown in the table below:

	Budget FY'2014	
FY'14 Allocation		\$2,070,000

FY'13 Carryover		\$92,492
Rental Subsidy		<u>\$750,000</u>
	TOTAL	\$2,912,492

Actual Expenditures

Lead Program		\$440,000
Homelessness – State Rental Subsidy		\$750,000
Homelessness – Consolidated Homeless Fund		\$1,621,040
Housing Innovations/Coordinated Intake		\$47,885
Homeownership Connection		\$40,000
Administration/Communication Services		<u>\$13,567</u>
	TOTAL	\$2,912,492

Budget FY' 2015

FY'14 Carryover		\$223,218
FY'15 Conveyance Tax Estimate		\$2,800,000
FY'15 AG Settlement		<u>\$600,000</u>
TOTAL		\$3,623,218

Projected Expenditures

Lead Program	(Minimum – Discussion)	\$600,000
Homelessness – State Rental Subsidy	(Carryover)	\$223,218
State Rental Subsidy	(Minimum - Discussion)	\$750,000
Homelessness – Consolidated Homeless Fund	(Minimum – Discussion)	\$1,151,000
Winter Shelter	(Minimum)	\$250,000
Homeownership Connection		Discussion
Other		<u>Discussion</u>
	TOTAL	\$2,974,218
	<i>ESTIMATED ALLOWABLE AMOUNT</i>	<i>\$3,600,000</i>

**Note the above does not include federal resources administered by the Office of Housing and Community Development (CDBG, ESG) nor does it include the office's staff/operating expenses.*

Mike then discussed the following:

Advocates have pursued a dedicated funding stream for housing; they intended this resources to be used for affordable housing development (and did not envision the HRC budget would be transferred to this source in this way).

He said the budget also instructed the Attorney General's office to forward \$600,000 to the HRC to support Lead Hazard Reduction Activities. This amount is generally more than it has been provided in recent years (generally ranged from \$400-\$500K).

Next, Mike reminded the Commission that at the last HRC meeting, the Commission discussed maintenance of State homeless shelter/operating-service funding, which is distributed as part of the Consolidated Homeless Fund. Strong support was also shown for the State Rental Subsidy Initiative, funded at \$750,000. Funds remaining from that initial \$750,000 were rolled over into the current fiscal year.

Mike concluded and noted that since the HRC budget is now supported by the conveyance tax, we will have to periodically monitor and distribute funds throughout the year to assure we do not over obligate funds (if projections end up being overly optimistic). Mike then asked if anyone had any comments or questions.

Michelle Brophy questioned why the Homeownership Connection was listed as a discussion item and was not included in the budget. Jeannie said that she didn't want to eliminate it from the budget and said that she would like to list other programs that need support from the HRC. She then questioned if the process should be changed with a larger line item to an RFP process to support affordable housing and homelessness. Jeannie said the HRC needs to insure that whichever Community Development Corporation is listed can deliver on the policies and the funding that is available to move forward. The Commission decided to leave Homeownership Connection as a line item within the budget for this year.

Chris Hannifan distributed a letter that to the HRC Commissioners (attachment 3) on behalf of the Housing Network.

Deborah Imondi referred to the FY'15 Conveyance Tax Estimate and asked if the amount was based on the number of transactions and average sales price. Mike said the General Assembly did their estimate based upon the projected sales and said that RIH also did a secondary estimate, which was consistent to what the General Assembly provided. Amy Rainone said that both RIH and the General Assembly used the projections that were provided by the Department of Administration's Budget Office.

Jeannie and Mike both indicated that the budget will be checked on a quarterly basis and if need be, money will be shifted. Andrew Cortés suggested sharing the quarterly budget with the HRC. Mike said that he would share it.

Jeanne asked for a motion to approve the 2015 Budget breakouts as presented as a guide deferring to staff for edits and staff would recommend the \$40,000 to be put in for the Homeownership Connection and that other resources can be allocated for other assistance as notated on the agenda such as homeownership counseling, capacity building etcetera. Charles Newton moved to motion. The motion was seconded by Michelle Brophy. The following Commissioners voted aye Balasco, Brophy, Cola, Novais, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Pires, Raymond, Ryczek, Sneesby, and Zaslow voted to approve. Commissioners Garlic, Johnson, Hannifan and Designee Leddy abstained. Commissioners Cortés and Wallin was not present for the vote. There were no nay votes and there was no further discussion.

There being no further comments, Jeanne thanked everyone for their input and moved to the next item on the agenda.

8. Announcements

Mark Kravatz announced that the Healthy Housing Committee, which was created by Greg Shultz transitioned into a coalition, RI Alliance for Healthy Homes (RIAHH). He said the coalition's mission is to raise awareness on healthy housing in RI. Mark invited the Commission to attend the press launch that was being held on September 12, 2014 at 2:00 p.m. at the Statehouse to support healthy housing.

9. Public Comment Period

Jennifer Reid who represents the RI Executive Office of Health & Human Services (RIEOHSS) said that she submitted a proposal to the HRC asking the Commission to consider the nursing home population as part of the new rental assistance program. She said that there will be an opportunity to match state funded vouchers with a demonstration grant that was awarded to the RIEOHSS. Mike indicated that funding to reserve subpopulations is being considered because of the priority/need.

Amy Rainone invited the Commission and announced that there will be a ground-breaking ceremony at the Smith Hill Community Development Corporation on September 12, 2014 at 1:00 p.m. RI's first permanent supportive housing for survivors of domestic violence.

10. Adjourn

There being no further discussion, Commissioner Newson motioned to adjourn. The motion was seconded by Commissioner Garlick. The following Commissioners voted aye Balasco, Brophy, Cola, Garlick, Imondi, Johnson, Kravatz, LaFontaine, Newton, Novais, Pires, Raymond, Ryczek, Sneesby, and Zaslow voted to approve. Commissioners Garlic, Johnson, Hannifan and Designee Leddy abstained. Commissioners Cortés and Wallin was not present for the vote. There were no nay votes and there was no further discussion. The meeting adjourned at 11:31 a.m.

Attachment 1