

**MINUTES OF MEETING  
OF THE  
BOARD OF COMMISSIONERS**

A regular meeting of the Rhode Island Housing and Mortgage Finance Corporation Board of Commissioners was held on Thursday, January 20, 2005 at 8:30 a.m. at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Commissioners in attendance were: Chairman Anthony Marouchoc; Vice Chairwoman Denise Barge; A. Michael Marques, Acting Director of Department of Business Regulation; Kerrie Bennett, designee for General Treasurer Paul J. Tavares; Brian P. Stern, designee for Beverly E. Najarian, Director of Department of Administration and Christine Curley. Jose Monteiro was not at the meeting.

Also in attendance were: Richard H. Godfrey, Jr., Executive Director; Thomas F. Hogg, Chief Financial Officer; Susan Bodington, Deputy Director; John Gordon, Director of Asset Management; Cathleen Paniccia, Director of Homeownership and Administration; Leslie McKnight, Director of Servicing; Erin Reedy, Director of Development; Michael V. Milito, Deputy Assistant Director of Law and Human Resources and Chris Barnett, Public Information Officer.

Steven Richard, Counsel to the Corporation was also present, as were members of the public.

Pursuant to Chapter 46 of Title 42 of the General Laws of Rhode Island, notice of the meeting of the Board of Commissioners was posted in the Offices of the Corporation and at the second floor bulletin board in the State House.

Chairman Marouchoc called the meeting to order at approximately 8:30 a.m.

**Approval of Minutes of Board Meeting December 16, 2004**

Upon a motion made by Commissioner Bennett and seconded by Commissioner Curley, the following was adopted:

VOTED:           That the Minutes of the Board Meeting held December 16, 2004 hereby are approved.

**Chairman's Report**

Chairman Marouchoc welcomed A. Michael Marques, acting director of the Department of Business Regulations to Rhode Island Housing's board of commissioners.

**Committee Reports**

Chairman Marouchoc announced that the Audit Committee Meeting that was to be scheduled for January will now be held in February.

**Executive Director's Report**

Mr. Godfrey deferred his presentation until after the matters for action had been considered.

**Preliminary Approval of Preservation Financing for Mt. Vernon/Temple North**

Mr. Godfrey made this presentation.

Cathedral Development Group, a for-profit housing real estate developer in Providence, proposes the acquisition and rehabilitation of Temple North Apartments and Mt. Vernon Apartments, two elderly developments in Woonsocket, Rhode Island. This financing will preserve 124 units of affordable housing while greatly improving the quality of life, safety and security of the residents.

Mr. Godfrey recognized representatives from property Advisory Group who were present to answer questions from the Commissioners.

Upon a motion made by Commissioner Curley and seconded by Commissioner Barge the following resolution was adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of the Corporation have promise of supplying well-planned, well-designed apartment units which will provide housing for low and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

**Whereas,** the Corporation intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

**Whereas,** said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, to pay the costs of issuance, to fund a Capital Reserve Fund, and to provide the capitalized interest if determined to be necessary;

**Whereas,** the Applicant listed below has presented an application to the Corporation requesting mortgage(s) consisting of tax-exempt financing to acquire and rehabilitate a residential housing development as follows:

<b>Development</b>	<b>Applicant</b>	<b>Tax-exempt Mortgage</b>	<b>IRP Tax-Exempt Mortgage</b>
Mt. Vernon/ Temple North	Cathedral Development Group, Inc.	\$3,225,000	\$536,000

**Whereas,** Corporation staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under the Corporation’s enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That, subject to the special conditions listed below, the Corporation hereby preliminarily approves a first and second mortgage loan to be financed by tax-exempt bonds, to Cathedral Development Group, Inc., or an affiliated partnership (the “Borrower”) in a combined amount not to exceed \$3,781,000 for rental housing to be located on Bernon Street and Rivulet Street in Woonsocket, Rhode Island.

**Resolved,** The Corporation hereby declares that the preliminary approval of financing for the Borrower constitutes the affirmative official act of the Corporation towards the issuance of bonds to finance up to a \$3,781,000 mortgage, the required reserve funds, the related costs of issuance for the Bond issue for the above- named development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. This resolution shall take effect immediately upon adoption.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

- HUD approval of new rents to support new mortgages;
- HUD approval of prepayment of the Section 236 mortgages and decoupling of remaining Interest Reduction Payments (“IRP”) to support the IRP mortgage;
- Acceptable final appraisal by independent appraiser that supports the purchase price and demonstrates that the loans do not exceed 90% of the as-stabilized value of the property.
- Provision of acceptable letter of commitment from an equity provider for the transaction demonstrating syndication proceeds from 4% Low Income Housing Tax Credits in amounts sufficient to assure development feasibility.
- Approval by RIH of all members of the development team.
- Approval of operating budget.
- Receipt of satisfactory Capital Needs Assessments by a firm acceptable to RIH.
- Approval by RIH of construction plans and specifications, and construction documentation.
- Approval by bond underwriter and bond counsel that the loans will satisfy all required bond provisions for the bond issue.
- FHA Risk-Sharing approval for a minimum of 50% of the first mortgage.
- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements.

#### **Reservation of 2005 LIHTC’s for St. Ann’s**

Mr. Godfrey gave an overview of the 2005 and forward housing credit outlook which highlighted static resources and extreme cost escalation pressures.

This Request for Action is for the reservation of up to \$332,000 in 9% Low Income Housing Tax Credits (LIHTC) for the St. Ann’s development in Woonsocket.

The Sponsor, Arch Street Development LLC, has proposed a 25-unit development utilizing the rectory, convent and school buildings of the former St. Ann’s Parish, located in the Social District neighborhood of Woonsocket. Arch Street is requesting a combination of 9% LIHTC and first mortgage financing to undertake the proposed rehabilitation and new construction.

Upon a motion made by Commissioner Curley and seconded by Commissioner Bennett the following resolution was adopted:

#### **Resolution of the Board of Commissioners of Rhode Island Housing and Mortgage Finance Corporation**

**Whereas,** The Low Income Housing Tax Credit Program (the “Program”) was created as part of the Tax Reform Act of 1986 (the “Act”); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** Staff for the Corporation has determined that the Applicant (“Applicant”) listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** The Applicant has submitted an application to the Corporation for the reservation of tax credits from the tax credit authority available in the calendar year 2005 (“the Tax Credit”) as follows:

<b>Applicant</b>	<b>Development</b>	<b>9% Tax Credits</b>
Arch Street Development LLC	St. Ann’s	\$332,000

**Whereas,** Corporation staff has reviewed the submission, inspected the site, and determined that this development may qualify for an allocation of LIHTC under the Corporation’s enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$332,000 of allocated 2005 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the “Rules and Regulations of the Corporation”), and that either Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of the Corporation to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. The award of Lead funds in the amount of \$375,000 or the availability of alternative equity satisfactory to the corporation;
2. The award of first mortgage funds from RIH;
3. Syndication equity from the sale of LIHTC in amounts sufficient to achieve project feasibility;
4. Syndication equity from the sale of State Historic Tax Credits in amounts sufficient to achieve project feasibility;
5. Syndication equity from the sale of Federal historic Tax Credits in amounts sufficient to achieve project feasibility;
6. Development of plans and specifications that meet RIH design criteria;
7. Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units;
8. Approval by RIH of all management related issues;
9. Satisfactory and timely performance in accordance with the schedule established by corporation staff and sponsor.

**Reservation of 2005 LIHTC’s for Lighthouse Development**

Mr. Godfrey gave this presentation.

This Request for Action is for the reservation of up to \$308,061.00 in 2005 9% Low Income Housing Tax Credits (LIHTC) for the Lighthouse development in West Warwick.

The Sponsor, West Warwick Senior Center, has proposed a three story mixed-use development, containing 26 rental housing units, to be built at 125 Washington Street in West Warwick. The Sponsor is requesting a combination of 9% LIHTC, first and second mortgage financing, HOME funds and a NOP loan to undertake the proposed new construction of the residential units. The first floor of the new building, which will house social services, will be funded with state and federal grants as well as bond funds from the Town of West Warwick. In addition, the Town has agreed to donate the development site.

Upon a motion made by Commissioner Curley and seconded by Commissioner Stern, the following resolution was adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

**Whereas,** the Low Income Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the "RIH") has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** RIH staff has determined that the Applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** The Applicant has submitted an application to RIH for the reservation of tax credits from the tax credit authority available in the calendar year 2005 ("the Tax Credit") as follows:

<b>Applicant</b>	<b>Development</b>	<b>9% Tax Credits</b>
West Warwick Senior Center	Lighthouse	\$308,061

**Whereas,** RIH staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under RIH's enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$308,061 of allocated 2005 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the "Rules and Regulations of the Corporation"), and that either Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of RIH to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. The award of HOME Program funds in the amount of \$500,000 or the availability of alternative equity satisfactory to RIH;

2. The award of NOP funds in the amount of \$120,000 or the availability of alternative equity satisfactory to the corporation;
3. The award of first mortgage and targeted loan funds from RIH;
4. Syndication equity from the sale of LIHTC in amounts sufficient to achieve project feasibility;
5. Development of plans and specifications that meet RIH design criteria;
6. Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units;
7. Approval by RIH of all management related issues;
8. Financing Commitment for the construction of the commercial portion of the building satisfactory to RIH no later than July 31, 2005;
9. Satisfactory and timely performance in accordance with the schedule established by RIH staff and sponsor.

**Forward Reservation of 2006 LIHTC’s for Sweetbriar**

Mr. Godfrey outlined this proposal.

This Request for Action is for the forward reservation of up to \$590,000 in 9% Low Income Housing Tax Credits (“LIHTC”) for the Sweetbriar development in Barrington, Rhode Island.

The Sponsor, East Bay Community Development Corporation (“EBCDC”), has proposed the new construction of a 47-unit development in Barrington. EBCDC is requesting a combination of 9% LIHTC, first and second mortgage financing, and a variety of other sources to undertake the proposed development.

Kathy Bazinet, director of East Bay Community Development Corporation thanked staff and the commissioners for their support.

Upon a motion made by Commissioner Marques and seconded by Commissioner Curley the following resolution was adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

**Whereas,** The Low Income Housing Tax Credit Program (the “Program”) was created as part of the Tax Reform Act of 1986 (the “Act”); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** Staff for the Corporation has determined that the Applicant (“Applicant”) listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** The Applicant has submitted an application to the Corporation for the reservation of tax credits from the tax credit authority available in the calendar year 2006 (“the Tax Credit”) as follows:

<b>Applicant</b>	<b>Development</b>	<b>9% Tax Credits</b>
East Bay CDC	Sweetbriar	\$590,000

**Whereas,** Corporation staff has reviewed the submission, inspected the site, and determined that this development may qualify for an allocation of LIHTC under the Corporation’s enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$590,000 of anticipated 2006 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the “Rules and Regulations of the Corporation”), and that either Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of the Corporation to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. The award of first mortgage and targeted loan funds from RIH as well as other sources identified in the application in a sufficient amount to achieve project feasibility;
2. Syndication equity from the sale of LIHTC in amounts sufficient to achieve project feasibility;
3. Development of plans and specifications that meet RIH design criteria;
4. Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed an acceptable loan-to-value and that sufficient demand exists for the proposed units;
5. Approval by RIH of all management related issues;
6. Satisfactory and timely performance in accordance with the schedule established by corporation staff and sponsor.

**Forward reservation of 2006/2007 LIHTC’s for Newport Heights Phase III**

Mr. Godfrey presented this request.

This Request for Action is for a forward reservation of \$310,000 of 2006 and \$545,000 of 2007 Low Income Housing Tax Credits for Phase 3 of Newport Heights to be developed by the Housing Authority of Newport County (HACN) and Trinity Financial. The reservation will be contingent on, among other things, satisfaction of one for one replacement and reduction of construction and development costs to be within budget.

Various members of Trinity Financial, the Newport Housing Authority, the Residents Council Association and residents were present to speak in favor of the proposal.

Upon a motion made by Commissioner Stern and seconded by Commissioner Barge the following resolution was adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

**Whereas,** The Low Income Housing Tax Credit Program (the “Program”) was created as part of the Tax Reform Act of 1986 (the “Act”); and

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) has been designated the Administrator of the Program in the State of Rhode Island; and

**Whereas,** Staff for the Corporation has determined that the Applicant (“Applicant”) listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

**Whereas,** the Applicant listed below has presented an application to the Corporation requesting an allocation of tax credits to acquire and rehabilitate a residential housing development as follows:

<b>Development</b>	<b>Developer</b>	<b>2006 &amp; 2007 Low Income Housing Tax Credits</b>
Newport Heights Phase 3	Trinity Financial, Inc.	\$855,000

**Whereas,** Corporation staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under the Corporation’s enabling legislation, regulations, guidelines and policies;

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** That \$310,000 of allocated 2006 and \$545,000 of allocated 2007 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the “Rules and Regulations of the Corporation”), and that the Executive Director, either Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of the Corporation to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

**Resolved,** That, the foregoing resolutions are subject to the following conditions:

1. A plan, acceptable to RI Housing, for replacement of all affordable units demolished in Phase 3 with similarly affordable units both on and off-site.
2. HUD approval of mixed financing proposal, including demolition and construction of new Tax Credit and market units within the existing Tonomy Hill neighborhood;
3. A “Regulatory and Operating (“R&O”) Agreement, acceptable to RI Housing, between the HACN and Trinity Financial regarding the public housing assisted units;
4. Approval of other sources of Funds or the availability of alternative equity satisfactory to the corporation;

5. Final approval of plans and specifications by RIH, completion of a competitive bidding process and final agreement with General Contractor on construction cost.
6. Final Approval by RIH of management documents and all management related issues.
7. Approval by bond underwriter and bond counsel that the loan will satisfy all required bond provisions for the bond issue.
8. Satisfactory evidence that the Developer is meeting required Section 3 goals set forth in the HOPE VI grant
9. Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements and the requirements established for Phases 1 and 2 no later than September 15, 2005.

**Extension of Contract for Disposition Consultant**

Mr. Godfrey presented this proposal.

This Request for Action is for the extension of the contract signed with CB Richard Ellis of New England (“CBRE”) to assist Rhode Island Housing (RIH) in the disposition of two RIH owned properties, University Heights Apartments (“UH”) and Arbor Glen Apartments (“AG”).

Upon a motion made by Commissioner Curley and seconded by Commissioner Barge the following resolution was adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

Whereas: Pursuant to a Request for Qualifications (“RFQ”) process for Consultant services to assist in the disposition of two Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) owned properties, bid submissions from consultants were reviewed for qualification and cost;

Whereas: CB Richard Ellis/New England was determined to be the most responsive bidder; and

Whereas: The Corporation entered into a contract with CB Richard Ellis/New England for the disposition of Corporation owned properties;

Now, therefore, be it:

Resolved: That the existing contract with CB Richard Ellis/New England be extended to provide additional property disposition services for the sale of University Heights Apartments and Arbor Glen Apartments; and

Resolved: That the Executive Director and the Deputy Director of Finance, each acting singly, be and hereby is authorized to enter into an amendment to the contract with CB Richard Ellis/New England to provide these services on such terms as they deem to be in the best interests of the Corporation, and to take such further action as may be necessary to carry out the foregoing resolutions.

**Approval of Regulations for the Low and Moderate Income Housing Act**

Mr. Godfrey gave this presentation

On June 24, 2004, the Rhode Island General Assembly passed S3148A, an Act that made sweeping changes to Rhode Island's affordable housing laws. Among other things, this law placed new responsibilities on Rhode Island Housing, particularly regarding determining the eligibility of proposed housing developments for federal, state or local housing programs, and approving monitoring agents to ensure the long-term affordability of subsidized units.

These proposed regulations lay out a process for meeting Rhode Island Housing's responsibilities under the new law for:

- 1) The issuance of Letters of Eligibility and accompanying reporting requirements, and
- 2) The establishment of Approved Monitoring Agents.

The regulations also clarify the process used by Rhode Island Housing to calculate Low and Moderate Income Housing units for each community.

The regulations were published for public comment on December 21, 2004 with the public comment period ending January 19, 2005.

Upon a motion made by Commissioner Marques and seconded by Commissioner Stern the following resolution was drafted and adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS, the Corporation on December 16, 2004 authorized the promulgation of the Rules and Regulations of the Corporation Applicable to the Affordable Housing Act of 2004 (the "Regulations"); and

WHEREAS, notice of the proposed Regulations has been given in accordance with the Administrative Procedures Act, as set forth in Chapter 42-35 of the General Laws of Rhode Island of 1956, as amended; and

WHEREAS, the Corporation received a few comments from interested persons regarding the proposed Regulations and has amended the proposed Regulations to address the concerns raised in the comments; and

WHEREAS, the Corporation has determined that there is no alternative approach among the alternatives considered during the rulemaking proceeding which would be as effective and less burdensome to affected private persons; as another regulation, and that the proposed Regulations do not overlap or duplicate any other state regulation; and

WHEREAS, pursuant to the provisions of Section 42-35-3 of the General Laws of Rhode Island as amended, consideration has also been given in developing the proposed Regulations to any significant economic impact the Restatement and Amendment may have on small business as defined in Section 42-35-1(h) of the General Laws of Rhode Island, 1956, as amended, and to any adverse economic impact on any city or town and based on the information available, no significant economic impact on small business and no adverse economic impact on any city or town was identified.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: That the Rules and Regulations of the Corporation regarding Chapter 53 of Title 45 and Chapter 55 of Title 42 of the Rhode Island General Laws as amended by the Housing Act of 2004 as attached hereto are hereby adopted in their entirety.

RESOLVED: That the Executive Director or his designee be, and hereby is, authorized, empowered and directed to file or cause to be filed the proposed Regulations in duplicate with the Secretary of State of Rhode Island (the "Secretary"), to execute or cause to be executed any and all certificates, instruments, letters of instruction and documents as shall be required to cause the filing of the proposed Regulations with the Secretary, and to take such further action as he, in his sole discretion, shall deem necessary or desirable to effectuate the proposed Regulations.

**Commitment of Funding to the State Housing Advocacy Coalition and Transfer of HousingWorks!**

Mr. Godfrey gave background information on this proposal

In April of 2004 Rhode Island Housing kicked off the Housing Works campaign to educate businesses and local officials regarding the housing needs of the state and the relationship between housing and economic development. HousingWorks has included a media campaign as well as fifteen presentations to local organizations. The campaign has been so visible and so successful that the Rhode Island Foundation and the United Way of Rhode Island have proposed an expansion of HousingWorks as an umbrella for a multifaceted campaign that would include public education, media relations, research, advocacy, and technical assistance.

The Rhode Island Foundation and the United Way have each agreed to commit \$100,000 per year to HousingWorks and have asked that Rhode Island Housing continue its financial support with a \$100,000 commitment. Each of the organizations intends to make a three-year commitment to the program. The Rhode Island Foundation will assume administrative responsibility for HousingWorks and continue to convene fifteen to twenty organizations that will participate as members of the umbrella organization.

In order to insure that this effort adequately represents the housing interests of the community and to assure continued advocacy on issues that fall outside of the HousingWorks umbrella, the Rhode Island Foundation, the United Way of Rhode Island and Rhode Island Housing have each been asked to make a three year commitment of \$50,000 each to support the annual operations of the Statewide Housing Action Coalition (SHAC). Rhode Island Housing has been a member of SHAC since its inception and has always provided staffing assistance and periodic operating funds to support their advocacy agenda.

Upon a motion made by Commissioner Curley and seconded by Commissioner Barge the following resolution was drafted and adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS, The Corporation initiated HousingWorks with a media campaign and local presentations; and

WHEREAS, The Rhode Island Foundation and the United Way have proposed increasing the HousingWorks budget threefold and assuming administrative responsibility; and

WHEREAS, The Rhode Island Foundation and the United Way have agreed to partner with the Corporation in funding the annual budget of the Statewide Housing Action Coalition.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: That the Corporation authorizes the transfer of the administration of HousingWorks to the Rhode Island Foundation; and

RESOLVED: That the Corporation commits to continued annual budgeting of HousingWorks at the current level of approximately \$100,000 *per* year, subject to availability of funds in future budgets.

RESOLVED: That the Corporation commit annual funding for the three year period 2005 to 2007 in an annual amount of \$50,000 to the Statewide Housing Action Coalition, subject to availability of funds in future budgets.

RESOLVED: That the Executive Director and any Deputy Director, each acting singly, are authorized to enter into agreements or take any other action necessary to implement these resolutions on behalf of the Corporation.

**Approval to Engage Business Continuity Technology Consultant**

Mr. Godfrey presented this request.

The Corporation's Information Technology (IT) Department provides data processing needs for all of the departments that support the mission of the Corporation. All automated functions including maintaining the books and records, initiating and completing mortgages, servicing mortgages and support activities are conducted within the data center located at its headquarters building.

The Corporation currently has not updated its business continuity or disaster recovery process for several years, and the current processes do not reflect current best practices in this area. In the summer of 2004, the State of Rhode Island conducted a full Request for Proposal (RFP) process to identify a service provider that would develop and support a business continuity and disaster recovery plan for the State's IT functions. That RFP process resulted in an award to Sungard Availability Services (Sungard) of Westborough, MA. As part of the final negotiation and award, all departments, agencies and quasi-state agencies can take advantage of the contract between the State and Sungard.

Commissioner Stern requested that prior to entering into a contract with Sungard, IT staff confirm that all outstanding issues identified by the State's IT Director had been resolved.

Upon a motion made by Commissioner Stern and seconded by Commissioner Marques the following resolution was drafted and adopted as amended:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS, Rhode Island Housing and Mortgage Finance Corporation maintains and services mortgages and other financial and business data and is required to have the ability to recover such data and continue to provide services to its customers and clients in the event of a disaster or other business interruption;

NOW THEREFORE, BE IT:

RESOLVED: That the Corporation is authorized to enter into a contract with Sungard Availability Services (Sungard) for the provision of business continuity and disaster recovery services as set forth in the proposals submitted by Sungard on September 20, 2004; provided, however, that services to be provided in Years 2 and 3 of the contract shall be subject to annual availability of funds.

RESOLVED: That the Executive Director, the Deputy Director of Operations or the Director of Information Technology, each acting singly, is hereby authorized to execute any and all contracts, purchase orders, certificates, instruments, letters of instructions and documents as shall be required to effectuate the foregoing Resolution and to take such further action in connection therewith as they deem necessary or advisable.

**Approval of Contract for Communications Audit and Plan**

Mr. Godfrey outlined this request.

Rhode Island Housing issued a Request for Proposals to engage a marketing firm to perform a Communications Audit. The environment in which Rhode Island Housing operates has changed dramatically over the past several years. The housing shortage has raised public awareness of housing as an issue and sent about one in three Rhode Island households into a housing crisis such as homelessness or overcrowding. Skyrocketing housing prices make it more difficult to serve first-time homebuyers. Mortgage lending is becoming more competitive. Bank consolidation is eliminating many traditional funding partners. A new focus on “workforce” housing is making homeless providers and low-income advocates concerned about a diversion of resources from the populations they serve. Recent changes to the state Low and Moderate Income Housing Act have generated intense controversy. The Communications Audit will help the Corporation identify how its communications must change in response to the new environment. The Communications Audit likely, but not necessarily, will lead to the creation of a Communications Plan, which also was referenced in the RFP.

Upon a motion made by Commissioner Bennett and seconded by Commissioner Curley the following resolution was drafted and adopted:

**Resolution of the Board of Commissioners  
of Rhode Island Housing and Mortgage Finance Corporation**

WHEREAS: Rhode Island Housing and Mortgage Finance Corporation (the “Corporation”) intends to perform a Communications Audit; and

WHEREAS: The Communications Audit likely will lead to the creation of a Communications Plan; and

WHEREAS: Staff recommends awarding the Communications Audit contract to Im-aj Communications for an amount not to exceed \$45,000; and

WHEREAS: Staff recommends authorizing the Corporation to contract with Im-aj Communications, Inc. for the creation of a Communications Plan for an amount not to exceed \$15,000; and

NOW, THEREFORE IT IS HEREBY:

RESOLVED: That the Corporation be, and it hereby is authorized, to award a contract for the performance of a Communications Audit to Im-aj Communications, Inc.

RESOLVED: That the Corporation be, and it hereby is authorized, to award a contract for the creation of a Communications Plan to Im-aj Communications, Inc.

RESOLVED: That the Executive Director and the Deputy Director of Finance, each acting singly be, and hereby are, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolution.

**Executive Director's Report**

Mr. Godfrey presented to the Board a summary of challenges and accomplishments for the calendar year 2004. He then outlined the landscape and goals for 2005. He responded to Board questions as well.

There being no further business to discuss, a motion was duly made by Commissioner Bennett and seconded by Commissioner Barge to adjourn the open meeting at approximately at 10:23 a.m.

Respectfully submitted,

Richard H. Godfrey, Jr.  
Secretary and Executive Director