

**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, April 26, 2007, at 8:30 a.m. at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Commissioners in attendance were: Chairman Anthony Marouchoc; General Treasurer Frank T. Caprio; Michael Marques, Director of Department of Business Regulation; Kevin Flynn, designee for Beverly E. Najarian, Director of Department of Administration; Jose Monteiro and Christine Curley. Vice Chairwoman Denise Barge was absent.

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; Amy Rainone, Director of Policy; Carol Ventura, Director of Development; Cathleen Paniccia, Director of Homeownership and Administration; Leslie McKnight, Director of Servicing; Michael V. Milito, Corporation Counsel and Phil Campbell, Director of Marketing and Information.

Brian P. Gallogly, 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 first 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 Held on March 15, 2007**

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

VOTED: That the Minutes of the Board Meeting held March 15, 2007 hereby are approved.

**Chairman's Report**

Chairman Marouchoc introduced and welcomed Perry R. Clough to the Rhode Island Housing Board of Commissioners. Mr. Clough has been nominated to the Board to fill the seat presently held by Commissioner Curley. Mr. Clough will officially join the Board beginning with the May 17, 2007 board meeting.

Chairman Marouchoc extended Rhode Island Housing's Board and staff's profound gratitude to Commissioner Curley for her unending support to Rhode Island Housing's goals and mission. As a token of Rhode Island Housing's appreciation, Chairman Marouchoc, presented

Commissioner Curley with a plaque recognizing her years of dedicated service to Rhode Island Housing.

### **Committee Reports**

The minutes of the March 15, 2007 Legislative Committee meeting was distributed to the Board.

Chairman Marouchoc noted that the Human Resources Committee met on April 25, 2007 and that the recommendations from the meeting would be considered as part of item 13 of the agenda.

### **Executive Director's Report**

Mr. Godfrey deferred his report until the end of the action items.

### **Approval of Annual PHA Plan**

Upon a motion made by Commissioner Flynn and seconded by Commissioner Caprio, the Board unanimously adopted a motion to convene a meeting of the Section 8 Committee of the Board of Commissioners to consider approval of the Annual PHA Plan. The Section 8 Committee Meeting was convened at 8:40 am.

Chairman Marouchoc introduced and welcomed Allison Nugent, a resident participant in Rhode Island Housing's Section 8 Voucher Program and the resident member of the Section 8 Committee.

Mr. Godfrey and Mr. Gordon, Director of Asset Management, made this presentation.

In accordance with section 511 of the Quality Housing and Work Responsibility Act of 1998, the Public Housing Authority (Rhode Island Housing) must adopt an annual PHA Plan for the Section 8 Tenant-Based Program which establishes goals and objectives to meet the jurisdiction's housing needs. The Agency Plan includes Rhode Island Housing's strategies in achieving objectives in the areas of expanding the supply of assisted housing, promoting family self-sufficiency and ensuring equal opportunity in housing.

Mr. Gordon noted that, in accordance with applicable HUD requirements, Rhode Island Housing advertised and held two public hearings to solicit comments on the Annual Plan and that no substantive comments were received.

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

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

WHEREAS, The Corporation, in its capacity as a Public Housing Authority is required to adopt the PHA Annual Plan for the Section 8 Tenant-Based Program to comply with section 511 of the Quality Housing and Work Responsibility Act of 1998.

RESOLVED: The Corporation, in its role as a Public Housing Authority, be and hereby is authorized to adopt the PHA Annual Plan for the Section 8 Tenant-Based Program to comply with the requirements of the Quality Housing and Work Responsibility Act of 1998.

Upon a motion by Commissioner Caprio and seconded by Commissioner Flynn, a motion to adjourn the Section 8 Committee and reconvene the Board of Commissioners meeting was unanimously adopted. Chairman Marouchoc reconvened the Board of Commissioner meeting at 8:50 am.

**HOME Program Awards**

Mr. Godfrey and Ms. Ventura, Director of Development, made this presentation.

Rhode Island Housing has administered the HOME Investment Partnerships Program since 1992. This year, the Corporation anticipates executing a grant agreement with the United States Department of Housing and Urban Development (HUD) for \$5,116,654 in FY 2007 HOME Program Funds.

Thirty-seven applications requesting more than \$13.7 million from the HOME Program were reviewed by staff. Additional information was requested where necessary, and staff conducted site visits of selected proposals.

Following this review, all applications were rated based upon the scoring system in the Second Amendment of the Rules and Regulations of the HOME Program as adopted by the Board on May 19, 2005. All eligible applications were submitted to the HOME Program Advisory Committee for review. The Committee convened on March 23, 2007 and recommends 18 proposals for HOME funding; These recommendations will commit all 2007 HOME Program funds.

Representatives from each of the proposed recipients were present and available to respond to questions from the Commissioners. Mary Jane Balsler, director of Block Island Economic Development Corp., along with five prospective homeowners from Block Island addressed the Board of Commissioners to express their deep gratitude to the Board and commended staff for their dedication and assistance in bringing their project to fruition. They commended Rhode Island Housing for giving them the opportunity not only to own a home but also for the sense of stability and community connection that result from homeownership.

Chairman Marouchoc noted that the Urban League of Rhode Island, of which he is a director, was a prospective recipient of HOME funds. He requested that the approval for funding for the Urban League be considered in a separate action so that he could recuse from consideration and the vote on that proposal.

Upon a motion made by Commissioner Caprio and seconded by Commissioner Monteiro the following resolution was unanimously:

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

WHEREAS: Rhode Island Housing and Mortgage Finance Corporation (“Rhode Island Housing”) anticipates entering into an agreement with the U.S. Department of Housing and Urban Development to administer the HOME Program and;

WHEREAS: Rhode Island Housing expects to be authorized to disburse \$5,116,654 in Federal Fiscal Year 2007 HOME funds to eligible entities in order to create affordable housing opportunities, and;

WHEREAS: The applicants listed in Attachment B have submitted applications which meet the requirements of the HOME Program and;

WHEREAS: Staff of Rhode Island Housing and the HOME Program Advisory Committee have reviewed each of the eligible applications submitted and the Advisory Committee has recommended that HOME funds be committed to the proposals in Attachment B;

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: That Rhode Island Housing commits \$4,639,223 in Fiscal Year 2007 HOME funds and program income, subject to the receipt of funds, in accordance with the program description as approved by the United States Department of Housing and Urban Development, to the proposals as recommended by the HOME Program Advisory Committee in Attachment B, except for the proposal submitted by the Urban League of Rhode Island..

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

**Approval of HOME Funding for the Urban League**

Upon a motion made by Commissioner Marques and seconded by Commissioner Curley the following resolution was unanimously adopted by the voting members. Chairman Marouchoc recused from the discussion, consideration and vote on this resolution:

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

WHEREAS: Rhode Island Housing and Mortgage Finance Corporation (“Rhode Island Housing”) anticipates entering into an agreement with the U.S. Department of Housing and Urban Development to administer the HOME Program and;

WHEREAS: Rhode Island Housing expects to be authorized to disburse \$5,116,654 in Federal Fiscal Year 2007 HOME funds to eligible entities in order to create affordable housing opportunities, and;

WHEREAS: The Urban League of Rhode Island has submitted an application which meet the requirements of the HOME Program and;

WHEREAS: Staff of Rhode Island Housing and the HOME Program Advisory Committee have reviewed the application and the Advisory Committee has recommended that HOME funds be committed to the proposals of the Urban League of Rhode Island;

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: That Rhode Island Housing commits \$276,514 in Fiscal Year 2007 HOME funds and program income, subject to the receipt of funds, in accordance with the program description as approved by the United States Department of Housing and Urban Development, to the Urban League of Rhode Island for the proposal as recommended by the HOME Program Advisory Committee in Attachment B.

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

**Preliminary Approval of Preservation Financing for Whitehall Apartments**

Mr. Godfrey made this presentation.

This Request for Action (RFA) is for Preliminary Approval of tax-exempt bond financing for Whitehall Apartments, an existing project based Section 8 elderly housing development originally financed by the Department of Housing and Urban Development (HUD). The Sponsor of this development will form a new Rhode Island limited partnership to purchase the property from the existing owner, Whitehall Associates. The prospective owner has requested tax exempt financing along with historic and 4% tax credits to preserve the property’s long term affordability.

Upon a motion made by Commissioner Caprio and seconded by Commissioner Flynn the following resolution was unanimously 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 in 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 forty (40) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

**Whereas,** The applicant (“Applicant”) listed below has presented an application to the Corporation requesting mortgage financing to acquire and rehabilitate the building as set forth below:

<u>Development</u>	<u>Applicant</u>	<u>Amount</u>
Whitehall Apartments	United Management Trust	\$2,850,000

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

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

**Resolved,** That, subject to the special conditions listed below, the Corporation hereby declares preliminary approval for tax exempt mortgage financing in an amount not to exceed \$2,850,000 for rental housing known as Whitehall Apartments located at 170 Waterman Street, North Providence, Rhode Island.

**Resolved,** That the Corporation hereby declares that the preliminary approval of financing for the Borrower constitutes the affirmative official act of the Corporation of its intention to issue bonds to finance up to \$2,850,000 in permanent mortgage funds, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced 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:

- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements.
- Acceptable appraisal by an independent appraiser demonstrating that the first mortgage does not exceed 90% of the as-stabilized value of the property.
- Completion of a Capital Needs Assessment.
- Approval by Rhode Island Housing of development team members
- Final approval of the new operating budget.
- Approval by Rhode Island Housing of construction plans, specifications, and supporting 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 from HUD for a minimum of 50% of the first mortgage.
- Evidence that Freddie Mac will not be purchasing the tax credits as Freddie Mac is the key buyer of Rhode Island Housing 40-year bonds and cannot participate in both sides of the transaction.

**Resolved,** That the Executive Director, any Deputy Director, and the Director of Development, each acting singly, shall take any and all actions they deem necessary to carry out the foregoing Resolutions.

### **Preliminary Approval of Preservation Financing for Carlton/Westside Apartments**

Mr. Godfrey outlined this proposal.

Arch Street Development LLC (“Arch Street”), a for-profit housing real estate developer from Needham, MA, proposes the acquisition and rehabilitation of Carleton Court (“Carleton”) and Westside Apartments (“Westside”), two existing developments in Providence, Rhode Island. This financing will preserve 86 units of affordable housing, which currently serve elderly and disabled tenants as well as families.

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

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

**Whereas,** Rhode Island Housing and Mortgage Finance Corporation (“Rhode Island Housing”) is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of Rhode Island Housing 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,** Rhode Island Housing 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 forty (40) 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 Rhode Island Housing 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>Carleton Court/ Westside Apartments</b>	Arch Street Development LLC	\$4,700,000.00

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

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

**Resolved,** That, subject to the special conditions listed below, Rhode Island Housing hereby preliminarily approves a first mortgage loan to be financed by tax-exempt bonds, to Arch Street Development LLC., or an affiliated partnership (the “Borrower”) in an amount not to exceed \$4,700,000.00 for rental housing located at in Providence, Rhode Island.

**Resolved,** Rhode Island Housing hereby declares that the preliminary approval of financing for the Borrower constitutes the affirmative official act of Rhode Island Housing towards the issuance of bonds to finance up to a \$4,700,000.00 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:

- Acceptable final appraisal by an independent appraiser that supports the purchase price and demonstrates that the loan does 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 Rhode Island Housing of all members of the development team.

- Approval of operating budget.
- Approval by Rhode Island Housing 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.
- Evidence that neither Fannie Mae nor Freddie Mac will be purchasing the LIHTC's as Fannie Mae and Freddie Mac are key buyers of Rhode Island Housing bonds and cannot participate in both sides of the transaction.

**Resolved,** That the Executive Director, either Deputy Director, and the Director of Development, each acting singly, shall take any and all actions they deem necessary to carry out the foregoing Resolutions.

### **Approval of YouthRap Application**

Ms. Rainone made this presentation.

Mr. Godfrey was not involved in the consideration or recommendation regarding this matter since his wife is the Executive Director of SWAP, one of the applicants for funding under the program.

Chairman Marouchoc noted that the House of Hope, of which he is a director, was a prospective recipient of YouthRap funds. He requested that the approval for funding for the House of Hope be considered in a separate action so that he could recuse from consideration and the vote on that proposal.

In 1990, Rhode Island Housing initiated Y-RAP to provide funds for youth activities at its family apartments. General revenues of the Agency are budgeted for the program. All family developments that have been financed through Rhode Island Housing are eligible to participate. Youth RAP programs provide activities which meet these goals: 1) to provide youth with job readiness skills and/or employment opportunities, 2) to provide youth leadership development, self-esteem awareness programs, and academic achievement, 3) to establish working partnerships and collaboratives with community agencies, 4) to strengthen relationships between development youth and the community, 5) to improve the quality of community life within the housing development, and 6) to improve relationships between residents and management. Developments are requested to provide a 25% cash match which may be waived if adequate funds are not available.

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

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

**WHEREAS,** Rhode Island Housing has financed the development and operation of apartments for families throughout Rhode Island; and

**WHEREAS,** Employment, education and enrichment activities for young people living in those apartments contribute to the quality of life of all apartment residents; and

**WHEREAS,** Owners of Rhode Island Housing financed apartments have submitted plans to provide such activities and, where possible, will provide funds towards such activities.

**NOW THEREFORE IT IS HEREBY:**

**RESOLVED,** The Corporation is authorized to spend up to \$549,518.00 for 2007-2008 Youth RAP activities including up to \$539,518.00 for 30 programs as shown in Attachment A, with the exception of funding to the House of Hope, and up to \$10,000 to provide program wide activities including the talent show for youth in participating developments.

**RESOLVED,** That the Executive Director and any Deputy Director or Director, each acting singly, be and hereby is authorized and directed to undertake any and all actions reasonably necessary to carry out the foregoing resolutions.

**Approval of YouthRap funding for House of Hope**

Upon a motion made by Commissioner Caprio and seconded by Commissioner Curley the above resolution was unanimously adopted by the voting members. Chairman Marouchoc recused from the discussion, consideration and vote on this resolution.

**Approval of Threshold Funding**

Mr. Godfrey, along with Amy Rainone, Director of Policy, presented this proposal.

Since September 1994, Rhode Island Housing has managed the Thresholds Program under an agreement with the Rhode Island Department of Mental Health, Retardation and Hospitals. The goal of the Thresholds Program is to increase the supply of housing affordable to people with serious mental illness. Some of this housing is supervised, but the majority of the apartments are supportive housing. In supportive housing, a mental health agency provides its clients with the services they need to live independently in integrated settings. To date, Thresholds has provided financing for 288 units and has committed over \$10.90 million in program funds.

Three (3) applications requesting \$653,453 have been submitted to the Thresholds Advisory Committee for the 2007 fiscal year. The Committee met on March 29, 2007 to review the applications for eligibility and feasibility, and recommended funding the three (3) applications.

The Department of Mental Health, Retardation and Hospitals (MHRH) concurred with the recommendation of the Advisory Committee. MHRH determined that (1) the recommended awards totaling \$653,453 would enable Thresholds to meet its goal of supplying housing linked to supportive services from a mental health center and (2) that the size of the awards were justified and sufficient. The current Thresholds account balance is \$888,356.

Chairman Marouchoc noted that the Urban League of Rhode Island, of which he is a director, is one of the potential recipients of funding under this action and therefore he would recuse from the discussion, consideration or vote on this matter.

Upon a motion made by Commissioner Flynn and seconded by Commissioner Caprio the following resolution was unanimously adopted by the voting members, with Chairman Marouchoc recusing:

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

WHEREAS, the Department of Mental Health, Retardation and Hospitals (MHRH) has entered into an agreement with the Corporation pursuant to which MHRH has delegated to the Corporation the administration of Thresholds funds; and

WHEREAS, the proposals of The Urban League of RI, East Bay CDC, and Gateway Healthcare, Inc. meet the criteria for funding from Thresholds funds, and

WHEREAS, the Thresholds Advisory Committee and MHRH have both reviewed the proposals and recommend approval of the allocation of Thresholds funds.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: That the Corporation be, and it hereby is authorized, to commit \$653,453 in Thresholds funds as set forth on Attachment A, subject to approval by MHRH.

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

**Approval of Issuance of Homeownership Bonds Series 56**

Mr. Godfrey made this presentation. Tom Hogg, CFO, provided additional information regarding the details of the bond issuance.

The Corporation regularly monitors loan origination activity for the single-family program to determine future funding needs and the timing and structure of bond issuance. In addition, staff tracks prepayment speeds of existing mortgages, upcoming maturity dates and optional call dates of notes and bonds, and associated volume cap in order to take full advantage of our authority to issue tax-exempt mortgage revenue bonds and maximize our flexibility and minimize our cost in providing mortgages to low and moderate income borrowers. Based on this analysis, staff recommends the issuance of fixed-rate bonds under HOB Series 56 in an amount not to exceed \$100 million.

Issuance of new bonds to support single family mortgage loan production occurs three to four times a year. We are at one of those issuance points, as the current level of loan production suggests new bonds will be needed in May. Based on seasonal production estimates, a \$100 million issuance will cover homeownership loans for the next four to five months.

Upon a motion made by Commissioner Curley and seconded by Commissioner Caprio the resolution was unanimously adopted in the form presented to the meeting, which Resolution is attached as part of the April 26, 2007 board package.

#### **Approval of Draft 2008 Qualified Allocation Plan**

Mr. Godfrey made this presentation.

Pursuant to the Revenue Reconciliation Act of 1989, each tax credit allocating agency must adopt a Qualified Allocation Plan (the “Plan”) that establishes the priorities and criteria for both allocating and monitoring low-income housing tax credits. The Plan must receive a Public hearing and a subsequent public comment period prior to being finalized and presented to the Governor for approval.

In accordance with these requirements, Rhode Island Housing has administered its tax credit program under a Plan that was first adopted in January, 1990. The Plan was last amended in June 2006.

Staff has proposed a few technical changes to the Plan based on recommendations from the Internal Revenue Service (the “IRS”) that were brought to light at recent NCSHA conferences and workshops, including a Private Letter Ruling and changes that HUD has made in Qualified Census Tracts and Difficult to Develop Areas and the Rhode Island Five Year Strategic Housing Plan: 2006-2010.

The Plan will become effective after (i) the expiration of the public comment period; (ii) final approval by the Board of Commissioners of the Plan (including any changes, pursuant to public comments; and (iii) approval by the Governor.

A black-lined draft of the Plan was presented as Attachment B and a clean draft of the Plan was presented as Attachment C.

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

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

WHEREAS, Rhode Island Housing and Mortgage Finance Corporation (“Rhode Island Housing”) has been designated by the Governor as the Principal Housing Agency and Tax Credit Allocation Agency for the State of Rhode Island (the “State”);

WHEREAS, The Revenue Reconciliation Act of 1989 requires tax credit allocating agencies to allocate low-income housing tax credits according to a Qualified Allocation Plan (the “Plan”);

WHEREAS, The Plan must establish priorities and criteria for allocating the tax credits that best meet the housing needs and must be adopted pursuant to a public hearing and comment period; and

WHEREAS, Housing needs for the State of Rhode Island have been established pursuant to the Rhode Island Five Year Strategic Housing Plan: 2006 – 2010.

NOW, THEREFORE, BE IT:

RESOLVED: That Rhode Island Housing be, and hereby is, authorized to publish notice of its intent to approve and adopt the proposed Qualified Allocation Plan, substantially in the form attached hereto as Attachment B.

Commissioner Caprio left at this point of the meeting at approximately 9:35 a.m.

**Approval of Executive Director’s Compensation**

Chairman Marouchoc made this presentation.

Chairman Marouchoc related the outcome of the Human Resources Committee meeting held on April 25, 2007 regarding Mr. Godfrey’s performance review and relayed the committee’s recommendations regarding compensation.

Chairman Marouchoc commended Mr. Godfrey on his achievements through 2006 and applauded the outstanding work he performs as Executive Director.

Upon a motion made by Commissioner Monteiro and seconded by Commissioner Curley the following resolution was unanimously approved:

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

**RESOLVED:** That the Executive Director's salary for the period May 1, 2007 to April 30, 2008 be \$163,200, representing an increase of approximately 3.8% from the annualized salary immediately preceding.

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

**RESOLVED:** That, in recognition of his outstanding performance in achieving the goals of the Corporation for the 2006 calendar year, the Executive Director be granted a performance payment of \$3,500 payable immediately.

**Executive Director's Report**

Mr. Godfrey referred the Commissioners to his memo, which had been previously distributed and briefly commented on several topics of interest.

Mr. Godfrey announced that Rhode Island Housing is preparing an updated 10 year financial projection analysis for the Board's review. Along with that endeavor staff is working on the 2007 goals and the success of 2006. Mr. Godfrey notified the Commissioners that within the next two weeks we will schedule individual meetings with the board to review the Agency's goals.

Mr. Godfrey also announced that April was designated as Fair Housing month and he was a speaker at the HUD Fair Housing conference and celebration held at URI on April 23, 2007.

Mr. Godfrey also announced that staff continues to move forward on the Madeline Walker Bill regarding assistance with tax liens.

**Presentation of Rhode Island Housing's New Sustainable Development Program**

Mr. Godfrey gave a brief explanation of the new program.

In an effort to address Rhode Island's current housing deficit and define a new approach to development, Rhode Island Housing is launching a Sustainable Development Program in June 2007. Innovative in its approach, this program will incorporate elements like affordability, partnerships, collaboration, award-winning design, historic preservation, neighborhood revitalization, green and sustainable building, and smart-growth principles.

Rhode Island Housing is committing approximately \$10 million to this new initiative that will result in three to five innovative developments. These developments should exemplify compact and sustainable development principles from vision to design and execution.

Mr. Godfrey then introduced Tony A’Vant, Design and Construction Manager who gave a presentation on the Sustainable Development Program.

A brief discussion followed the presentation with Mr. Godfrey, Mr. A’Vant and Ms. Rainone responding to questions from the Board.

There being no further business to discuss, a motion was duly made by Commissioner Marques and seconded by Commissioner Curley to adjourn the open meeting at approximately at 10:00 a.m.

Respectfully submitted,

Richard H. Godfrey, Jr.  
Secretary and Executive Director