

Draft

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

A working session of the Rhode Island Housing and Mortgage Finance Corporation Board of Commissioners was held on Thursday, September 20, 2007, 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; General Treasurer Frank T. Caprio; Kevin Flynn, designee for Beverly E. Najarian, Director of Department of Administration; Michael Marques, Director of Department of Business Regulation; Jose Monteiro and Perry Clough.

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; Carol Ventura, Director of Development; Cathleen Paniccia, Director of Homeownership and Administration; and Leslie McKnight, Director of Servicing.

Edward Pare, 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 8:40 a.m.

Chairman Marouchoc welcomed the Honorable David Cicilline, Mayor of Providence, the Honorable Joe Almeida and representatives from the non profit sector along with developers and realtors to the meeting.

Presentation and Discussion of Mortgage Foreclosure Issues

Mr. Godfrey gave a concise synopsis of the mortgage foreclosure condition in Rhode Island which included statistical data and cluster maps outlining the major problem areas for foreclosure activity in Rhode Island.

Mr. Godfrey then introduced the first speaker, the Honorable David Cicilline to the board and guests.

Mayor Cicilline thanked the board of commissioners and especially, Mr. Godfrey and Rhode Island Housing for spearheading this critical endeavor to discuss and brainstorm solutions the mortgage foreclosure crisis.

Mayor Cicilline introduced Thomas Deller, Director of Planning and Development for Providence to the committee and offered the City's assistance in working with Rhode Island Housing and its affiliates and partners to create a program to combat the foreclosure crisis.

What is happening in the community?

Presentations outlining the various activities undertaken in communities were given by the following individuals:

The Honorable Representative Joe Almeida was passionate in his concern and the Legislative's commitment to helping Rhode Islanders battle the foreclosure issues.

Mike Dziok representing HUD also thanked the Board of Commissioners and Rhode Island Housing for the opportunity to be a part of the program and offered HUD's assistance in this endeavor.

Mr. Rob Scaria gave a realtor's perspective of the market conditions throughout the state. Along with other realtor agencies, they are beginning to witness the downward spiral of missing a mortgage/tax payment which increases the probability of foreclosures.

Chris Hannifan, executive director of the Housing Network stressed the importance of counseling and its positive impact on individuals and families. Education is also a factor on alleviating the stresses involved with foreclosure.

Frank Shea shared his perspective on the impact of foreclosures in the neighborhoods

Mr. Godfrey thanked Rhode Island Housing staff Amy Rainone and the Policy staff for data collection and mapping, Susan Bodington and Cathy Paniccia for their efforts in exploring financing options and for creating new exploring services for our customers.

Cathy Paniccia, Director of Homeownership and Susan Bodington, Deputy Director of Programs gave a general overview of potential services and financing to the Board and guests.

- Counsel homeowners facing foreclosure and assist them with their services, finding legal assistance, and/or selling and relocation when necessary. Hiring new counselors/workout specialists. Setting up Homeowner Help Center.
- Keep homeowners in their home through prevention of foreclosures by restructuring or refinancing loans, counseling, negotiating with service providers, etc. Target distressed neighborhoods. Working with partner lenders. Don't Borrow Trouble and our Madeline Walker Program will be sources of referrals for those needing assistance. Counsel borrowers with high cost loans under new State requirements.
- Preserve neighborhoods by working with CDC partners to acquire properties and rapidly resell with minor rehab where necessary to bring properties up to code. Early intervention to avoid dislocation of tenants and owners where possible. Provide incentives for homebuyers to purchase in target neighborhoods with safe loans to avoid multiple incidents of instability. Partner with the City of Providence, LISC, etc. to help

CDCs address the problem in the neighborhoods, provide rehab funding, and targeted code enforcement. A meeting has been scheduled with the CDCs on Friday.

A brief discussion followed the presentations and the Board of Commissioners and Chairman Marouchoc expressed their gratitude to everyone for their perspectives on the subject and the quick response to working together to avert a potential crisis.

There being no further business to discuss, a motion was duly made by Commissioner Monteiro and seconded by Commissioner Marques to adjourn the open meeting at approximately at 10:18 a.m.

Respectfully submitted,

Richard H. Godfrey, Jr.
Secretary and Executive Director