

**REQUEST FOR ACTION
BY
BOARD OF COMMISSIONERS**

Approval of Engagement of Homeownership Lending Consultant

1. Summary of Request

This Request for Action (“RFA”) is for approval to engage a qualified homeownership lending consultant to provide strategic advisory services in the areas of business development and customer relationship management in the residential mortgage lending industry. The consultant will further assist with Rhode Island Housing and Mortgage Finance Corporation’s (“RIHousing”) goal of strengthening its business development efforts.

2. Discussion

RIHousing’s Homeownership Division seeks to construct a formal business relationship culture. While in-person sales calls and client trainings are still valuable, the impact of these traditional approaches has changed substantially in recent months. Given the current reality of fewer face-to-face interactions, staff members have identified a need for a consultant to develop new strategies to deepen and develop relationships with participating lenders and real estate industry leaders. The new sales process should leverage all human and technological resources available to RIHousing. With the goal of driving mortgage production, the consulting services would specifically support Lender Services and Loan Center staff.

In September 2020, RIHousing posted a request for proposals (“RFP”) describing the engagement, including the following key areas of advice:

- Business Development Planning: product design, product pricing, channel management, and product promotion;
- Customer Service Training: “virtual sales” and the technology available to take advantage of the new post-pandemic business development paradigm;
- On-line Mortgage Platform: research on technology available to enable RIHousing to leverage existing business to consumer online interfaces to offer its homebuyers a robust online origination platform, similar to those used by national lenders; and
- Customer Relationship Management (“CRM”): advice related to implementing a CRM system that supports, manages, and measures relationships for business development, customer service, and marketing.

The RFP was posted on the RIHousing website and the website maintained by the State of Rhode Island Department of Administration’s Division of Purchases. One firm, SageIndex Inc, submitted a proposal in response to the RFP. A selection committee comprised of the Director of Homeownership, the Senior Lender Services Manager, and the Lender Services Coordinator reviewed the submission and evaluated it in accordance with criteria outlined in the RFP. The selection committee scored the response based upon the firm’s professional capacity, fee structure, experience, and experience with other housing finance agencies.

Based upon the selection committee's evaluation of the proposal, SageIndex, Inc was determined to be qualified to provide homeownership lending consulting services to RIHousing with a score of 91 out of a possible 100.

SageIndex, Inc specializes in the modernization of business development, CRM and customer service processes and strategies. The applicant has completed seven engagements for housing agencies over the past three years focused on business development plans that employ the latest technology, and methodology to increase business volume, improve customer service levels and achieve mission-focused objectives. Their experience uniquely qualifies them to meet the requirements detailed in this RFP.

Furthermore, RIHousing has had previous experience with the applicant. RIHousing hired SageIndex, Inc in 2019 for a small number of hours to examine the Homeownership Division's business development model, operations platform, and market position. The firm provided feedback on the team's strengths, weaknesses, opportunities, and challenges and provided recommendations for management to consider.

3. Recommendation

The attached resolution for engagement of a homeownership lending consulting firm is recommended for approval by the Board of Commissioners.

4. Attachments

- A. Homeownership Lending Consultant Scoring Matrix
- B. Resolution

Attachment A

Homeownership Lending Consultant – Scoring Matrix

[See Attached]

Attachment B

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

- Whereas,** Rhode Island Housing and Mortgage Finance Corporation’s (“RIHousing”) enabling act provides it with all the power and authority to make and execute contracts necessary to exercise the powers and functions provided to it under the act (R.I. Gen. Laws §42-55-5(6)); and
- Whereas,** in September 2020, RIHousing issued a Request for Proposals (“RFP”) for qualified firms to provide homeownership lending consulting services in furtherance of its lending activities; and
- Whereas,** a selection committee comprised of the Director of Homeownership, the Senior Lender Services Manager, and Lender Services Coordinator reviewed the sole responsive proposal and evaluated it in accordance with criteria outlined in the RFP; and
- Whereas,** based upon the scoring evaluation, staff recommends the engagement of SageIndex, Inc to provide services as detailed in the RFP.

NOW THEREFORE, IT IS HEREBY:

- Resolved,** that RIHousing be, and it is hereby authorized, to engage SageIndex, Inc; and
- Resolved,** that the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the Chief Operating Officer, and the Director of Homeownership, each acting singly, be, and hereby is, authorized and empowered to take any and all actions necessary, desirable, including specifically, the authority to negotiate fees and such other terms of the engagements as he or she may determine are in the best interests of RIHousing and to execute any and all agreements and to take such further actions as he or she deems necessary and in the best interests of RIHousing to carry out the foregoing resolution.