

**Request for Action
By
Board of Commissioners**

Approval of Engagement of Software Vendor for the Homeowner Assistance Fund Program

1. Summary of Request

This Request for Action (“RFA”) seeks authorization for the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) to engage HOTB Software Solutions, LLC (“HOTB”) to provide software in support of the Homeowner Assistance Fund Program (the “Program”), a foreclosure prevention program funded by the U.S. Department of the Treasury (“Treasury”).

2. Discussion

To operate the Program efficiently and in compliance with Treasury’s requirements, RIHousing requires a comprehensive software solution that contains a customer-facing portal through which homeowners may submit Program applications as well as a management component that will allow RIHousing to administer the Program internally.

RIHousing issued a Request for Proposals (“RFP”) in May 2021. The RFP was posted on RIHousing’s website and the website maintained by the Rhode Island Department of Administration’s Division of Purchases. Six (6) firms submitted proposals in response to the RFP. A selection committee composed of staff from the Homeownership and Loan Servicing Divisions, the Information Technology Department, and the Hardest Hit Fund Rhode Island program (“HHFRI”) reviewed the proposals and evaluated them in accordance with the criteria set forth in the RFP. Evaluation scores ranged from 34.6 to 56.4 (out of a possible 68) with HOTB registering the highest point total. Attachment B sets forth an evaluation summary of the proposals.

HOTB provides software solutions to the non-profit sector with a focus on housing, development, and grant management. A number of Housing Finance Agencies currently utilize HOTB’s software in the administration of their Hardest Hit Fund programs. Since 2016, HHFRI staff have used HOTB’s “Counselor Direct” program and have been impressed by both the program and the quality of the customer service that they received from HOTB.

For this engagement, HOTB has proposed one-time implementation fee of \$40,000 (which includes fees related to project management, system configurations, and training) and a \$50,000 license fee (which includes up to 5,000 transactions) for the first year of the contract. Thereafter, starting in month 13 of the contract, HOTB has proposed a fixed monthly cost of \$3,000 (which includes 20 transactions per month) and an additional fee of \$10 per transaction if production exceeds 20 transactions per month). The final cost of the engagement will be determined based on the number of transactions processed; however, we presently estimate a five-year cost of \$423,000 based on an estimated 2,125 transactions over the five (5) year period. The pricing set forth in the other proposals varied greatly, including estimated costs of \$604,000, \$1 million, and \$1.15 million over the same period.

3. Recommendation

The attached resolution to engage HOTB Software Solutions, LLC as the software solution provider for the Homeownership Assistance Fund Program is recommended for approval.

4. Attachments

- A. Resolution of the Board of Commissioners of RIHousing
- B. Scoring Matrix

Attachment A

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

WHEREAS, the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) enabling act provides it with all of the power to make and execute contracts for the exercise of the powers and functions provided to it under the act (R.I. Gen. Laws §42-55-5(6)); and

WHEREAS, RIHousing has been selected by the State of Rhode Island to administer \$50 million in federal funds under the Homeowner Assistance Fund Program of the U.S. Department of the Treasury; and

WHEREAS, RIHousing requires a comprehensive software solution in order to administer the Homeowner Assistance Fund Program efficiently and effectively and, in May 2021, issued a Request for Proposals for such solutions; and

WHEREAS, a selection committee comprised of RIHousing staff reviewed the proposals that it received and evaluated them in accordance with the criteria set forth in the solicitation.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED, that RIHousing be, and hereby is, authorized to engage HOTB Software Solutions, LLC to provide it with software to enable RIHousing to manage the Homeowner Assistance Fund Program; and

RESOLVED, that the Executive Director, Deputy Executive Director, 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 or desirable to carry out the foregoing resolutions, including without limitation the authority to negotiate such terms of the engagements as she or he may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as she or he deems necessary to carry out the foregoing.

Attachment B
Scoring Matrix
(attached)