

RHODE ISLAND HOUSING

Summary of Funding Sources for the Development of Affordable Housing

	CONSTRUCTION FINANCING	RENTAL PRODUCTION PROGRAM	HOME PROGRAM	NEIGHBORHOOD OPPORTUNITIES PROGRAM: FHF/PSH	THRESHOLDS PROGRAM	SUPPORTIVE HOUSING PROGRAM (SHP)	LAND BANK PROGRAM	PRE-DEVELOPMENT LOANS	LEAD HAZARD REDUCTION PROGRAM
Eligible Activities	Construction and rehabilitation of affordable apartments and ownership units	Acquisition, rehabilitation and construction of affordable apartments	Acquisition, rehabilitation and construction of affordable apartments and homeownership	FHF/PSH: Renewal funding for existing NOP projects that need additional operating and supportive services subsidy to extend their affordability period beyond their expiring 10-yr obligation or to meet 10-yr obligation. NOP projects provide housing for people that are homeless, disabled, and/or minimum wage earners.	Assistance to increase the supply of supportive housing for people with serious and persistent mental illness and/or developmental disabilities	Acquisition, rehabilitation, construction, supportive services, operating funds and leasing of units to provide permanent housing for chronically homeless persons and/or supportive services based on the NOFA requirements	RIH may acquire and hold property (including vacant land) for up to 12 months while eligible developer assembles financing. To retrieve property, the developer pays acquisition and carrying costs	Gain site control; determine feasibility of developing affordable housing; assist with predevelopment expenses prior to closing	Reduce lead-based paint hazards in residential properties and address healthy housing hazards
Eligible Costs	Hard and soft costs	Hard and soft costs	Hard and soft costs	FHF/PSH: operating and supportive service costs	Acquisition, rehabilitation, and new construction	Acquisition, rehabilitation, construction, leasing, operating and administrative costs, and supportive services	Acquisition	Securing options on real estate; real estate deposits; development and professional fees; permits	Interior, exterior lead paint stabilization, window replacement, soil work, indoor air quality, trip and fall hazards, asthma triggers, pests
Forms of Assistance	Taxable and Tax-Exempt Loans	Taxable and Tax-Exempt Loans; deferred loans; Federal Low Income Housing Tax Credits	Grants and loans	Grants and loans	Capital development grants and loans	1-year grants for acquisition, rehab and new construction. Grants up to 3 years for services and operating.	Acquisition and hold of select property for affordable housing purposes for up to 1 year-OR-Bridge Loan in which the developer purchases the property with Rhode Island Housing financing	24 month loans payable at closing of construction or permanent financing	0% loans forgivable over 5 years for owner occupants, 10 years for investment properties
Income Restrictions	Varies depending upon the development	40% of units to households at 60% AMI (or lower); or 20% of units to households of 50% AMI (or lower)	Homeownership to 80% AMI. Rentals to 60% AMI	FHF/PSH: Up to 40% of State median income at time of lease-up	Up to 80% of State median income. Referral for housing must come from an authorized contact at the BHDDH-approved agency	Beneficiaries must be homeless	Not applicable	Household income cannot exceed 80% AMI	80 % AMI restrictions apply to owner-occupants. Tenant rents cannot exceed Fair Market Rent, multifamily 50% of units @50% AMI
Affordability Period	30-year minimum	30-year minimum	Varies based on the award amount	30-year minimum	30 years; 40 years for Section 811 developments	15 years if funds used for acquisition and rehab – must be permanent supportive housing	Based on final financing sources	Funds loaned for up to 24 months	Owners agree to maintain lead-safe status. Loan forgiven for owner occupant after 5 year, investor after 10 years

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Amount of Assistance	Varies depending upon the development	Dependent upon number of affordable apartments to be developed	Minimum of \$1,000 per unit. Limit of \$500,000 per sponsor per year per municipality	FHF/PSH: gap operating and supportive services subsidy	Per unit-cost, adjusted for size, for capital development	100% of the cost of rehab, acquisition or new construction	Acquisition and carrying costs	Dependent upon amount of lead reduction work needed. Maximum \$20k/unit	Dependent upon number of affordable units to be developed; maximum \$250,000
Prohibited Activities	None	Significant commercial component	Assistance to emergency shelters, and non-residential property or portion of property. Assistance to public housing units. Emergency repairs on substandard properties. Further assistance during affordability period	Assistance to shelters and transitional housing	Assistance to anyone other than persons with serious and persistent mental illness and/or developmental disabilities	Currently only can be used for projects serving 100% chronically homeless	Must meet definition of eligible property defined in the Program rules; subject to appraisal	Funds specific for lead and housing hazards. Not a remodeling program. Investor property owners with over 12 units are not eligible for program.	Funds can be used only for those units that will benefit low-income families and individuals
Eligible Applicants	Non-profits and for-profits	Non-profits and for-profits	Non-profits, for-profits, cities & towns, public housing authorities	Non-profits, for-profits, cities & towns, public housing authorities	Non-profits, for-profits, cities & towns, public housing authorities. If the applicant is not a BHDDH agency, the applicant must be endorsed by and enter into a Cooperative Agreement with a BHDDH-approved agency	Non-profit sponsors whose goal is to move homeless persons to permanent housing and maximum self-sufficiency	Non-profits and municipalities	Homeowners, rental property investors and non-profits	Non-profit developers that are engaged in providing housing to Low-Income households
Application	Ongoing	Competitive, generally once a year in October	Competitive; twice a year generally January and June	Competitive, as announced	Competitive, as announced	Annual competitive application process	Continuous application process	Continuous application process	Continuous application process
Contact Person	Anne Berman 401-457-1269 aberman@rhodeislandhousing.org	Anne Berman 401-457-1269 aberman@rhodeislandhousing.org	Nancy Tierney 401-457-1262 ntierney@rhodeislandhousing.org	Diane Benjamin 401-450-1347 dbenjamin@rhodeislandhousing.org	Diane Benjamin 401-450-1347 dbenjamin@rhodeislandhousing.org	Laura Archambault 401-457-1261 larchambault@rhodeislandhousing.org	Nancy Tierney 401-457-1262 ntierney@rhodeislandhousing.org	Russ Johnson 401-450-1386 rjohnson@rhodeislandhousing.org	Nancy Tierney 401-457-1262 ntierney@rhodeislandhousing.org

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