



RIHousing Announces Ancillary Financing Funding Round

Application Deadline: 5:00 p.m. Friday, December 15, 2017

RIHousing is pleased to announce the opening of a competitive funding round for the HOME Investment Partnership Program (HOME) and the Housing Trust Fund (HTF), initiatives of the U.S. Department of Housing and Urban Development (HUD). We anticipate being able to award approximately **\$6 million in combined HOME and HTF funds** for the development of affordable housing for low, very low, and extremely low-income households. **NOTE: Low Income Housing Tax Credit project sponsors requiring HOME or HTF funding as a part of previously allocated or new project proposals must submit an application in response to this RFP if they have not already received a reservation of HOME or HTF funds.**

APPLICATION PROCESS:

- There is only one acceptable application form. It is posted on the RIHousing website at www.rhodeislandhousing.org.
- Incomplete applications, applications submitted on obsolete forms and those omitting the requested documentation will not be evaluated.
- Applicants must submit three hard copies and one electronic version of the full application on CD or thumb drive to the address provided below.
- Applicants may submit proposals for more than one project per funding round.
- RIHousing reserves the right to adjust funding source(s) requested by any applicant based on need, demand, and project fit with available sources.

ELIGIBLE APPLICANTS:

Nonprofit housing developers, for-profit developers, public housing authorities, cities, towns, faith-based organizations and community housing development organizations are eligible to apply.

Note to HOME fund applicants only - Applicants from communities entitled to receive formula-based HOME funding allocations are eligible to apply, provided that their communities do not have HOME funds available for the specific housing activities proposed.

THRESHOLD CRITERIA:

Threshold criteria will be utilized to determine which applications will conform to the requirements of the funding round. Any application determined to be non-compliant with the stated threshold criteria will be eliminated from consideration:

- Applications must be complete, including all attachments
- The applicant must be an eligible applicant for the funding source being sought (as per above)
- Properties and activities proposed for consideration must be eligible
- Developer must demonstrate capacity to complete the proposed project
- Proposals must be financially feasible as presented
- Projects must be ready to proceed within 6 months of firm financing commitment
- Proposed assistance amounts must meet all appropriate funding source requirements
- Proposals must meet all applicable construction and rehabilitation guidelines



- Proposals must be consistent with the State Land Use Plan, applicable Municipal Affordable Housing Plan, [State Comprehensive Housing Plan](#), and [State Consolidated Plan](#)
- Projects must meet funding priority requirements (as per below)
- Projects must be consistent with the appropriate program income targeting requirements

DISTRIBUTION PLAN AND SCORING:

Distribution Plans for each program, including funding priorities and scoring criteria, are attached and can be found online at <http://www.rhodeislandhousing.org/sp.cfm?pageid=570>.

APPLICATION SUBMISSION:

Applications are due by 5:00 p.m. on Friday, December 15, 2017. Three hard copies and one electronic version of the full application on CD or thumb drive must be submitted to Rhode Island Housing, 44 Washington Street, Providence, R.I. 02903.

If you have questions about the HOME or HTF programs, please contact either Ainsley Cantoral at 401-429-1449 or acantoral@rihousing.com, or Belinda Lill at 401-429-1425 or blill@rihousing.com respectively.

Attachment A: HOME Program Distribution Plan

The State's HOME program awards funding for the purpose of acquisition, rehabilitation and new construction of affordable housing. There is a cap of 10% of the HOME award to use on administration of the program. Annually, 15% of program funds must be allocated to an eligible Community Housing Development Organization (CHDO) and RIHousing may provide HOME assistance, in the form of operating funds, to those eligible organizations upon award of project funds.

Priorities and relative importance

1) High Priorities:

- a) Acquisition and/or substantial rehabilitation and/or new construction to provide rental units for very low-income families;
- b) Acquisition and/or substantial rehabilitation and/or new construction to provide homeownership opportunities for low-income families;
- c) Acquisition and/or rehabilitation and/or new construction of housing units for homeless and special needs populations in conjunction with supportive services.

2) Medium Priorities:

- a) Preservation of the existing affordable housing stock through rehabilitation, acquisition, or other eligible assistance. (Properties eligible for assistance under 24 CFR part 248, "Prepayment of Low Income Housing Mortgages" are ineligible for HOME Program assistance);
- b) Acquisition and/or rehabilitation and/or new construction to provide units for low and very- low income one and two-person households;
- c) Acquisition, and/or rehabilitation and/or new construction to provide rental units for low and very low-income elderly residents.

3) Low Priorities:

- a) Moderate rehabilitation of rental units for low and very low-income families (as defined by HUD) throughout the State including the elimination of lead-based paint hazards, correction of code violations, the provision of handicapped access for persons with disabilities and for the elderly, and to increase the energy efficiency of units occupied by lower income families;
- b) Funds used to create additional affordable housing units to assure no net loss of units as a result of demolition, conversions to homeownership, prepayment or voluntary termination of State or federally assisted mortgages.

Direct homeownership assistance, down payment and closing cost assistance, which do not include housing development, are not among priorities of the HOME Program.

Attachment B: HTF Program Distribution Plan

The Housing Trust Fund (HTF) is a new affordable housing production program that will complement existing federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for families and other households in Rhode Island, including homeless families¹. 100 percent (100%) of the HTF fund awarded in 2017 must benefit extremely low-income families or families with incomes at or below the poverty line (whichever is greater).

Priorities and relative importance

- 1) High Priorities:
 - a) Acquisition and/or substantial rehabilitation and/or new construction to provide rental units for families;
 - b) Acquisition and/or rehabilitation and/or new construction of rental housing units for homeless and special needs populations in conjunction with supportive services;
 - c) Acquisition and/or rehabilitation and/or new construction of rental housing units that provide or will provide project-based rental assistance to eligible tenants.

- 2) Medium Priorities:
 - a) Preservation of existing affordable rental housing stock through rehabilitation, acquisition, or other eligible assistance;
 - b) Acquisition and/or rehabilitation and/or new construction to provide rental units for one and two-person households;
 - c) Acquisition, and/or rehabilitation and/or new construction to provide rental units for elderly residents

- 3) Low Priorities:
 - a) Moderate rehabilitation of rental units for families throughout the State including the elimination of lead-based paint hazards, correction of code violations, the provision of handicapped access for persons with disabilities and for the elderly, and to increase the energy efficiency of family units;
 - b) Funds used to create additional affordable rental housing units to assure no net loss of units as a result of demolition, conversions to homeownership, prepayment or voluntary termination of State or federally assisted mortgages.

RIHousing has determined that direct homeownership assistance, down payment and closing cost assistance, which do not include housing development, are not among priorities of the HTF Program.

¹ To learn more about the HTF program, visit the HUD Exchange at:
<https://www.hudexchange.info/programs/HTF/>.

Attachment C: Scoring (HOME and HTF Programs)

Scoring Factor	Total Possible Points
<u>Meeting State Priority Housing Needs:</u> The extent to which the proposal addresses one or more of the Program Priorities outlined in the applicable Distribution Plan above (High priorities=30 points; Medium priorities=25 points; Low priorities=20 points; projects not matching funding priorities will not be scored)	30
<u>Applicant Ability to Obligate and Undertake Eligible Activities:</u> Capacity of the applicant to undertake the proposed activity (past project performance: up to 7 points; development and management team: up to 7 points; financial soundness: up to 6 points; deduction of up to 9 points for HOME/HTF findings in audit: 3 points: past compliance concerns: 3 points; and/or lack of responsiveness to past requests: 3 points)	20
<u>Leverage and Match:</u> Commitment of and amount of leveraged resources and available match (non-federal match will be valued more highly)	15
<u>Use of Non-Federal Resources:</u> Diversified sources of investment (total investment of federal vs. state and private funding)	10
<u>Market Assessment:</u> Demonstrated demand for units (full points allocated if waiting lists are provided; 5 points for demonstration of need but not demand)	10
<u>Sustainable Design:</u> Utilizes green and/or sustainable design and/or universal design components	10
<u>Community Participation:</u> Evidence of community and/or resident participation in project planning or execution	5
<u>Public Benefit:</u> Project makes use of property owned, held, or controlled by State or federal agencies or authorities. <i>HOME/HTF funds cannot be utilized for acquisition of properties from the RIHousing Land Bank.</i>	5
<u>Geographic Diversity:</u> HTF funds are available for projects located in all communities in the State. HOME funding is available for projects located in all communities in the State, with the general exception of Providence, Pawtucket and Woonsocket (“Entitlement Communities”), which receive HOME allocations directly from HUD. Projects located in Entitlement Communities may be eligible for State HOME funding if the Entitlement Communities do not have sufficient funds available for a specific activity. Priority will be given to communities who have yet to meet or exceed State requirements that at least 10% of housing stock is affordable (1 point). Additional points will be given for each of the following: <ul style="list-style-type: none"> •accessibility to public transit (1 point); •accessibility to employment centers (1point); •accessibility to high performing schools (1 point); •accessibility to community services (1 point) 	5
<u>Duration of Affordability:</u> Term of Affordability exceeds minimum requirements for type of unit and amount of funding requested (meets affordability for program: 2 points; exceeds by 1-10 years: 3 points; exceeds by 11-20 years: 4 points; exceeds by 21+ years: 5 points)	5
<u>Community Needs:</u> Project addresses market/community need (including serving populations with special needs)	5
<u>Additional Merits:</u> Project provides access to resident services and supports (maximum point allocation to those applications which include executed MOUs with service partners)	5
TOTAL	125