

Request for Action
by
Board of Commissioners

Firm Approval of HOME Investment Partnerships Program Funding for 1192 Westminster

A. PROJECT SUMMARY

This Request for Action (“RFA”) is for firm approval in an amount not to exceed \$171,940 in HOME Investment Partnerships Program (the “HOME Program”) funding for 1192 Westminster (“1192 Westminster” or the “Development”), a one-bedroom apartment conversion by West Broadway Neighborhood Association (“WBNA”). 1192 Westminster received preliminary approval for \$171,940 in HOME Program funds from Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) on May 20, 2021 (“Preliminary Approval”).

B. DISCUSSION

The WBNA is seeking \$171,940 in HOME Program funds for their Accessory Dwelling Unit Demonstration Project at 1192 Westminster Street in Providence. The WBNA owns the property and, in 2003, rehabilitated the primary building improvement (a three-bedroom house) into an affordable housing unit and a non-profit office space. The site currently has a vacant garage. The WBNA proposes to convert the two-bay garage into a one-bedroom apartment that is ADA compliant. The HOME Program-assisted apartment will be available to a household with an income at or below 60% AMI. Tenant preference is for a veteran with a Housing Choice Voucher.

WBNA is seeking approval for a dimensional variance from the Providence Zoning Board of Review, which action is currently scheduled for review on February 2, 2022. Once dimensional variance approval has been obtained, the WBNA can apply for their building permit.

Funding will be in an amount not to exceed \$171,940 in HOME Program funds and conditioned upon approval of the dimensional variance by the Providence Zoning Board of Review.

C. Attachments

- A. Development Summary
- B. Resolution

Attachment A Development Summary

Sources	Preliminary		Delta	Firm	
	Amount	Per Unit		Amount	Per Unit
BankRI	\$28,000	\$28,000	\$0	\$28,000	\$28,000
RIH HOME Loan	\$171,940	\$171,940	\$0	\$171,940	\$171,940
Total Sources	\$199,940	\$199,940	\$0	\$199,940	\$199,940

Uses	Preliminary		Delta	Firm	
	Amount	Per Unit		Amount	Per Unit
Construction	\$131,300	\$131,300	\$0	\$131,300	\$131,300
Contingency	\$15,756	\$15,756	\$0	\$15,756	\$15,756
Soft Costs	\$26,134	\$26,134	\$0	\$26,134	\$26,134
Financing	\$1,200	\$1,200	\$0	\$1,200	\$1,200
Developer Fee	\$19,000	\$19,000	\$0	\$19,000	\$19,000
Operating Reserve	\$2,750	\$2,750	\$0	\$2,750	\$2,750
Replacement Reserve Year 1 Deposit	\$3,000	\$3,000	\$0	\$3,000	\$3,000
Other Reserves	\$800	\$800	\$0	\$800	\$800
Total Uses	\$199,940	\$199,940	\$0	\$199,940	\$199,940

Attachment B

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

Whereas, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) administers the HOME Investment Partnerships Program (“HOME Program”) by agreement with the U.S. Department of Housing and Urban Development;

Whereas, RIHousing is authorized to issue HOME Program funds to promote the acquisition, rehabilitation or preservation of affordable housing;

Whereas, RIHousing has preliminarily committed \$171,940 in HOME Program funds to the 1192 Westminster located in Providence (the “Development”);

Whereas, upon review of the document submission provided by the West Broadway Neighborhood Association (“WBNA”), RIHousing staff has determined that the project is ready to proceed to construction and recommends firm approval of HOME Program funding;

Whereas, staff has also determined that the Development may qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies; and

Whereas, RIHousing finds:

(1) that there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons and families of low or moderate income can afford within the general housing market area to be served by the proposed housing development;

(2) that private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe, and sanitary housing in the general housing market area at prices which persons or families of low and moderate income can afford or to provide sufficient mortgage financing for residential housing for occupancy by those persons or families;

(3) that the housing sponsor or sponsors undertaking the proposed housing development in this state will supply well-planned, well-designed housing for persons or families of low and moderate income and that those sponsors are financially responsible;

(4) that the proposed housing development to be assisted will be of public use and will provide a public benefit; and

(5) that the proposed housing development will be undertaken, and the housing sponsor or sponsors regulated pursuant to the authority and within the restrictions provided for by the Rhode Island Housing and Mortgage Finance Corporation Act, Chapter 55 of Title 42 of the Rhode Island General Laws.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that RIHousing hereby authorizes firm approval of up to \$171,940 in HOME Program funds for the development of one HOME Program -assisted unit at the Development in accordance with the program description as approved by the U.S. Department of Housing and Urban Development.

Resolved, that the foregoing resolution is subject to completion of all items required for closing in accordance with normal underwriting and processing and HOME Program requirements, including approval of a dimensional variance from the Providence Zoning Board of Review.

Resolved, that the Executive Director, Deputy Executive Director, and the Director of Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolutions.