



2021
Developer's Handbook
for Affordable Housing

Introduction

Our Mission: RIHousing strives to ensure that all people who live or work in Rhode Island can afford a healthy, attractive home that meets their needs.

A good home provides the foundation upon which individuals and families thrive, children learn and grow, and communities prosper.

To achieve our mission, we:

- Offer fair, affordable and innovative [lending programs](#).
- Provide housing related [education](#) to consumers and others.
- Promote and finance sensible development that builds healthy, vibrant [communities](#).
- Provide housing [grants](#) and [subsidies](#) to Rhode Islanders with the greatest need.
- Team up with partners to improve everything we do.

RIHousing uses all of its resources to provide low-interest loans, grants, education and assistance to help Rhode Islanders find, rent, buy, build and keep a good home. Created by the General Assembly in 1973, RIHousing is a privately funded public purpose corporation.

- Section 1. **Resources:** A wide variety of funding sources are available to Developers including first mortgage financing, subordinate debt, low income housing tax credits (9% and 4%) (“LIHTC”), HOME Investment Partnerships Program, the Section 811 PRA demonstration program as well as several other sources.
- Section 2. **Funding Process:** This section outlines the process for working with RIHousing to secure a funding commitment.
- Section 3. **Underwriting Guidelines:** All Developers looking to receive funding through Rhode Island Housing are required to adhere to RIHousing’s Underwriting, Design and Construction and Environmental guidelines
- Section 4. **Guidelines for Management Plan and Insurance.**
- Section 5. **Preservation Program:** This section includes term sheets and information relevant for developer’s looking to sell, buy or refinance existing Section 8 or LIHTC developments.

- Section 6. Applications: The Application Section includes relevant applications and program regulations.
- Section 7. Qualified Allocation Plan
- Section 8. Low Income Housing Tax Credit Program Compliance Monitoring Manual
- Section 9. Program Bulletin: This section includes our latest fees and updates to the Handbook.
- Section 10. Statistical Data and Forms: Always check our website www.rihousing.com for the latest information on income limits, tax credit rents and utility allowances. This information is also available on the HUD website at www.huduser.org and the Novogradac website at www.novoco.com.
- Section 11. Proforma
- Section 12. Term Sheets
- Section 13. Assisted Living Program: This section includes specific information for developers of assisted living developments.
- Section 14. Additional Programs' Requirements: Guidelines for Housing Trust Funds Rehabilitation Standards, Capital Needs Assessment Guidance and Property Maintenance Code Inspection Checklist
- Section 15. Cost Certification Templates: RIHousing required templates for final cost certification.

Table of Contents

RESOURCES.....

SECTION 1

RIHousing Resources

1. First Mortgage Financing
2. Housing Tax Credits (9% and 4%)
3. Predevelopment Loan Program
4. HOME Investment Partnerships Program
5. National Housing Trust Fund (HTF)
6. Rental Subsidies
7. Section 811
8. Construction Loan
9. Land Bank
10. LeadSafe Homes Program
11. Continuum of Care
12. Qualified 501 (c) (3) Tax Exempt Bond Financing
13. Preservation Loan Fund

Other Resources

14. Cities and Towns
15. Federal Home Loan Bank
16. Federal Historic Tax Credits
17. Opportunity Zones
18. Energy Efficiency and Clean Energy Resources
 - Contact Information
 - Definitions
 - Programs & Incentives
 - ENERGY Star Programs
 - General Links & Resources

FUNDING PROCESS.....SECTION 2

GUIDELINES for DEVELOPMENT.....SECTION 3

1. Underwriting Guidelines
2. Design and Construction Guidelines
 - Section 1. Design and Construction Timeframe
 - Section 2. Drawing/Specification Requirements
 - Section 3. Design and Construction Standards
 - Section 4. Appendix
 - Section 5. Additional Recommended Practices
3. Environmental Guidelines including HUD's Lead Safe Housing Rule

MANAGEMENT & INSURANCE.....SECTION 4

1. Management Plan
 - a. Management Agent Questionnaire
2. Income Averaging Worksheet
3. Insurance Requirements

PRESERVATION PROGRAM.....SECTION 5

1. Section 8 Preservation Program
2. Preservation Program Term Sheet
3. Taxable Refinance Program Term Sheet

APPLICATIONS.....SECTION 6

- A. Checklist
- B. LIHTC Application
- C. Applicant Self-Scoring Form
- D. Disclosures and Certifications

QUALIFIED ALLOCATION PLAN.....SECTION 7



HOUSING CREDIT COMPLIANCE MANUAL.....SECTION 8

PROGRAM BULLETINS.....SECTION 9

STATISTICAL DATA and FORMS.....SECTION 10

1. www.rihousing.com On the right-hand side of the screen go to **Newsroom**; when the new screen opens click on **Data, Research and Reports (under Publications)**; there will be a list of items, and you will find the following three that you will need for your application proforma:
 - Rhode Island Income Limits for Low and Moderate Income Households
 - Rhode Island Utility Allowances
 - HUD's Fair Market Rents

2. Exhibit 1: Difficult to Develop and Qualified Census Tract Areas Schedule
Exhibit 2: Housing Affordability by Community
Exhibit 3: Final Commitment Submission Requirements
Exhibit 4: Business Application/Background Credit Information
Exhibit 5: Affirmative Action Plan
Exhibit 6: Market Study Requirements
Exhibit 7: Appraisal Requirements

PROFORMA.....SECTION 11

TERM SHEETS.....SECTION 12

- A. Risk Share Guidelines
- B. Mixed Income Transactions
- C. Preservation Transactions
- D. Bridge Loan Policy
- E. Taxable Refinance Loan Program
- F. Conduit Finance
- G. RIHousing Preservation Loan Fund

ASSISTED LIVING PROGRAM.....SECTION 13

1. Assisted Living Program
2. Design Guidelines for Assisted Living Demonstration Program (ALDP)

NATIONAL HOUSING TRUST FUND.....SECTION 14

1. National Housing Trust Fund Rehabilitation Standards
 - a. Exhibit A – Property Maintenance Code Inspection Form
 - b. Exhibit B – Capital Needs Assessment Guidance

COST CERTIFICATION.....SECTION 15

1. Cost Certification Template (WORD Format)
2. Proforma Pages - Development Costs Template (EXCEL Format)
3. Exhibit A – Allocation Type Template (EXCEL Format)
4. Exhibit B – Unit Distribution Template (EXCEL Format)