

Rhode Island Housing Development Corporation

Request for Action by Board of Directors

Approval of Terms for Housing Development Technical Assistance Grants

A. SUMMARY OF REQUEST

This request for action is for approval of terms for Housing Development Technical Assistance Grants in the Proactive Development Program.

B. DISCUSSION

The General Assembly appropriated \$1.4 million of American Rescue Plan Act State Fiscal Recovery Funds (SFRF) in the FY 2024 annual budget in Article 1, Section 1 for the purposes of “Proactive Housing Development.” These funds were appropriated to the Department of Housing for the purpose of establishing a Proactive Development Program (“PDP”) operating within the Rhode Island Housing Development Corporation (the “Corporation”), a non-profit subsidiary of the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”).

At its meeting in February 2025, the Corporation’s Board of Directors (“Board”) approved the PDP budget, including approximately \$650,000 for consultants. The purpose of this allocation was to support a grant program for developers and municipalities to pay for housing development technical assistance.

The Corporation is establishing the Housing Development Technical Assistance Program based on terms included in this request for action (Attachment B). Grantees will choose from among a list of pre-approved consultants or identify a different consultant as part of their application, subject to qualification. Recommendations for grant decisions will be brought to the Board’s Proactive Development Committee.

2. Recommendations

Staff recommends that the Board approve the attached resolution authorizing the establishment of the Housing Development Technical Assistance Program according to the terms identified in Attachment B.

3. Attachments

- A. Resolution
- B. Housing Development Technical Assistance Program Term Sheet

Attachment A

Resolution of the Board of Directors of Rhode Island Housing Development Corporation

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

WHEREAS: The Articles of Incorporation of the Rhode Island Housing Development Corporation (“RIHDC”), a non-profit affiliate of RIHousing, state that “[t]he Corporation shall have all those powers granted to Rhode Island Housing Mortgage and Finance Corporation under Rhode Island law, which are not inconsistent with the requirements for maintaining the Corporation’s tax exempt status under Section 501(c)(3) of the [Internal Revenue Code of 1986, as amended]”; and

WHEREAS: RIHDC’s Board of Directors (“Board”) has adopted a budget including approximately \$650,000 for consultants, the purpose of which is to support a Housing Development Technical Assistance grant program for developers and municipalities; and

WHEREAS: RIHDC has determined that it is in its best interests to create a Housing Development Technical Assistance Program to provide predevelopment technical assistance to eligible developers and municipalities; and

WHEREAS: RIHDC will issue a Request for Proposals to solicit grant applications from eligible entities; and

WHEREAS: Grant recommendations will be brought to the Board’s Proactive Development Committee for approval.

NOW THEREFORE, IT IS HEREBY:

RESOLVED: that RIHDC be and hereby is authorized to establish the Housing Development Technical Assistance Program according to the terms identified in Attachment B; and

RESOLVED: that the Proactive Development Committee is authorized to approve individual awards consistent with the terms set forth in Attachment B; and

RESOLVED: that the Executive Director of RIHDC and the President of Proactive Development, each acting singly, may take such actions and execute such agreements and instruments as they may deem necessary to carry out the foregoing resolutions.

ATTACHMENT B

RHODE ISLAND HOUSING DEVELOPMENT CORPORATION

HOUSING DEVELOPMENT TECHNICAL ASSISTANCE PROGRAM

Program Purpose:	Facilitate and accelerate affordable and mixed-income housing development by providing municipalities and developers with site-specific predevelopment assistance.
Total Funding Available:	Approximately \$650,000
Maximum Funding Award:	\$75,000
Eligible Applicants:	Municipalities and developers with proposed development projects for affordable or mixed-income housing. Site ownership or long-term control (e.g., 99-year lease) by the applicant is required.
Eligible Activities:	<p>Predevelopment activities including but not limited to: Environmental assessments, surveys, title work, soil testing, architectural work, infrastructure assessment and design, site plan preparation, and cost estimation.</p> <p>Permitting strategy development and implementation activities including but not limited to: Assessment of current zoning and permitting requirements, assistance submitting and obtaining required federal, state, or municipal approvals.</p> <p>Financial Feasibility Analysis activities including but not limited to: Conducting market analysis, developing project proformas, exploring financing options.</p> <p>Other project development activities identified through the application process that are relevant and appropriate but are not included above.</p>
Other Program Requirements:	<p>Program funds may not be used to reimburse consultants for costs incurred prior to the award of funds or for work that the grantee has already contracted with a consultant to complete.</p> <p>Program funds may not be used to reimburse municipalities for municipal staff work associated with proposed activities.</p> <p>Award-funded project activities must be completed within 18 months of the date of the award. Grantees may request one</p>

	extension of up to six (6) months to account for delays caused by extenuating circumstances.
Program Priorities:	<p>Priority will be given to projects and activities that clearly align with at least one of the program’s focus areas, specifically:</p> <ol style="list-style-type: none"> 1. Helping to revive stalled projects; 2. Facilitating development of public lands; 3. Land banking and predevelopment risk abatement; and 4. Providing assistance to developers that received Site Acquisition Program and Predevelopment funding from RIHousing sourced from the American Rescue Plan Act State Fiscal Recovery Fund (SFRF), including public housing authorities, for-profit and nonprofit developers, and municipalities.
Application Process:	<p>RI Housing Development Corporation will publish an RFP soliciting applications for the program. Projects will be selected based on their alignment with program priorities. Given the limited resources, only one project will be approved per entity (whether a municipality or a developer). Grantees must select one of the consultants from the approved pool of Proactive Development consultants or submit the qualifications of their non-pool consultant for review and approval. Subsequently approved consultants will be added to the pool list.</p> <p>Grantees must ensure that their consultants will carry out the eligible activities and Grantees must provide the Development Corporation with a formal scope of work, budget, and timeline from their consultants. The Development Corporation reserves the right to reduce the scope of work if necessary to accommodate the limited funding available. The Development Corporation will contract with the Grantees and reimburse them for their payments due to their consultants for costs for eligible activities that are part of a scope of work approved by the Development Corporation. Consultants may subcontract to other entities for some elements of their scope of work as necessary with the written approval from the Development Corporation.</p>
Payment Structure:	Payments will be made to Grantees upon presentation to the Development Corporation of an itemized consultant invoice demonstrating that the invoiced work was done pursuant to the project’s scope of work.