

**RIHousing Property  
Acquisition and Revitalization Program  
Summary Guidelines**

<b>1. Program Overview</b>	<p>The purpose of the Acquisition and Revitalization Program (“ARP”) is to stabilize neighborhoods and communities by strategically targeting foreclosed and/or blighted* residential and commercial properties and vacant lots in need of redevelopment.</p> <p>The ARP will provide an incentive to qualified developers to purchase and redevelop foreclosed and/or blighted properties in Rhode Island. Financing is available to non-profit and for-profit developers, municipalities, and public housing authorities.</p>
<b>2. Program Goal</b>	<p>The goal of the ARP is to provide incentives to encourage developers to redevelop foreclosed and/or blighted properties, redevelop vacant lots and development of commercial properties. Encouraging redevelopment of vacant, foreclosed and/or blighted properties will revitalize neighborhoods and communities; stabilize the housing market and improve local economies.</p>
<b>3. Target Population/Areas</b>	<p>The program will be conducted statewide. Income of households assisted under the program is limited to 120% of Area Median Income (“AMI”). Redevelopment of blighted commercial properties and vacant lots located in low- and moderate-income census tracts or QCTs.</p>
<b>4. Program Allocation</b>	<p>\$3,622,150 75% of ARP funding will be set aside for urban communities</p>

<b>5. Property Eligibility Criteria</b>	<p>Eligible properties include residential, commercial and vacant lots located in Rhode Island that are determined to be blighted or are foreclosed and are part of a municipal revitalization plan or strategy.</p> <p>Homeownership applications must include the homeownership Proforma available with the RFP documents.</p> <p>Rental applications must include RIHousing Proforma version 11.7o available at <a href="https://www.rihousing.com/developers-handbook/">https://www.rihousing.com/developers-handbook/</a></p> <p>Applications for public facilities and commercial properties must include Management Plan and Operating Budget.</p>
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<b>6. Eligible Activities Criteria</b>	<ul style="list-style-type: none"> <li>• Acquisition and redevelopment of existing residential property for lease or sale to households at or below 120% of AMI.</li> <li>• Acquisition and redevelopment of commercial property.</li> <li>• Acquisition, demolition and new construction of residential property for lease or sale to households at or below 120% of AMI.</li> <li>• Redevelopment of vacant lots for use as residential, commercial, or public space. Eligible public and community spaces include, but are not limited to, community meeting spaces, facilities for not-for-profit cultural and educational activities, parks and playgrounds.</li> </ul>
<b>7. Program Terms</b>	<ul style="list-style-type: none"> <li>• Ten-year forgivable loans will be provided for the development of residential rental and homeownership properties.</li> <li>• Zero interest deferred loans will be provided for the redevelopment of commercial property. A high percentage of the proceeds of the loan should be used to facilitate the utilization of vacant or underutilized properties, or to result in significant job retention or creation, or for construction or rehabilitation of property.</li> <li>• Forgivable loans or grants will be provided for the redevelopment of vacant lots as public space or facilities.</li> </ul>
<b>8. Amount of Assistance</b>	<p>Minimum award is \$100,000 per project. Maximum award is the lesser of \$2 million or 50% of the Total Development Cost (TDC).</p>
<b>9. Term of Affordability</b>	<p>A 30-year deed restriction enforcing income requirements will be recorded on all residential properties assisted under the ARP.</p>

<b>10. Program Leverage with Other Financial Resources</b>	It is expected that ARP funds will be matched with other public and private funds.
<b>11. Developer Fee</b>	The maximum developer fee permitted under the program is 10% of the total development cost of the project not including developer fee or reserves.

\* For the purposes of this program, blighted property is defined as buildings that do not meet HUD Housing Quality Standards; are unsafe or unhealthy for persons to live in because of building code violations, dilapidation, deterioration; faulty or inadequate facilities or vacant lots that have been declared a public nuisance by a local building and inspections department.

**Written documentation of blight by municipal official is required to be submitted with application.**

## ARP Scoring Criteria

### **RESIDENTIAL**

#### **Point Allocation Summary**

25 points	Cost Effectiveness
26 points	General Points
10 points	Community Impact
20 points	Local Need
9 points	Sustainable Design

#### **90 Total Points**

#### **Total Development Cost – Up to 10 points**

Project TDC per unit at or below \$350,000	10 points
Project TDC per unit between \$350,001 and \$375,000	8 points
Project TDC per unit between \$375,001 and \$400,000	5 points
Project TDC per unit between \$400,001 and \$425,000	3 points
Project TDC per unit greater than \$425,001	0 points

#### **Leveraging - Up to 10 points**

ARP/CRP funding is < 25% of TDC	10 points
ARP/CRP funding is < 50% of TDC	5 points
ARP/CRP funding is > 50% of TDC	0 Points

#### **Committed Operating Support – Up to 5 Points**

20% or more units within the development	5 points
10-19.99% of units within the development	3 points
Up to 9.99% of units within the development	1 point

#### **Utilizing RI Based Firms – Up to 3 Points**

Applicant certifies that 50% of the subcontractors will be RI based firms	3 points
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#### **Bonus: ARP/CRP Funds are last source in – Up to 5 Points**

**Bonus:** Property that is located in an urban community as defined at RIGL Sec. 42-64-13.1(b)(5). **Up to 10 points**

**Readiness to Proceed – Up to 8 points**

Fully permitted development with plans and specifications that are at least 90% complete AND architect confirms in writing that the plans and specifications can be 100% complete within 30 days AND the application includes a signed schedule of value from the general contractor, determined by RIHousing to be consistent with current pricing	8 points
Project has Master, preliminary and final plan approval for a development of for a development with "by right" approval	6 points

**Housing Affordability - Up to 10 points**

Project includes 50% of total units at or below 60% of area median income.	10 points
Project includes 40% of total units at or below 60% of area median income.	8 points
Project includes 30% of total units at or below 60% of area median income.	5 points
Project includes 20% of total units at or below 60% of area median income.	3 points

**Community Impact - Up to 10 points**

A development which is located within a community with less than 10% affordable housing as defined by state law; <b>OR</b>	10 points
A development in an exempt community with less than 10% affordable housing as defined by state law.	5 points

**Local Need – Up to 20 Points**

Redevelopment of existing vacant and blighted buildings to create affordable homes; OR	10 points
New construction of additional affordable homes or demolition and new construction that creates additional affordable homes	5 points

**Sustainable Design- Up to 9 Points**

Exceeds Energy Star 3.1 Version 8 for new construction OR substantial rehab that surpasses Tier II standards	3 points
Meets RNC Tier II AND most current Net Zero or Passive House standards	3 points
Incorporates solar panels or other renewables including net metering. Prorated based on size and amount of energy produced	3 points

## **COMMERCIAL**

### **Point Allocation Summary**

10 points	Cost Effectiveness
16 points	General
15 points	Community Impact
30 points	Local Need
20 points	Development Type/Location
10 points	Job Creation/Retention

### **101 Total Points**

#### **Leveraging -Up to 10 points**

ARP funding is < 25% of TDC	10 points
ARP funding is < 50% of TDC	5 points
ARP funding is > 50% of TDC	0 Points

#### **Utilizing Rhode Island based firms-Up to 3 points**

Applicant certifies that 50% of the subcontractors will be RI based firms	3 Points
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#### **Readiness to Proceed – Up to 8 points**

Fully permitted development with plans and specifications that are at least 90% complete AND architect confirms in writing that the plans and specifications can be 100% complete within 30 days AND the application includes a signed schedule of value from the general contractor, determined by RIHousing to be consistent with current pricing	8 points
Project has Master, preliminary and final plan approval for a development of for a development with "by right" approval	6 points

#### **Bonus: ARP funds are last source in – Up to 5 Points**

#### **Community Impact– Up to 15 points**

Applicant demonstrates that the project attracts a key tenant to the neighborhood based upon community need or that provides critical community public space (Applicant must submit Letter of Intent)	10 points
Applicant demonstrates marketability of the property as a result of the project (Applicant must submit market study)	5 points

**Local Need – Up to 20 Points**

**Increase in availability of new commercial space. Up to 10 points**

New construction of commercial space, or demolition and new construction that creates additional commercial space.	10 points
Rehabilitation that corrects existing physical and health and safety conditions in existing vacant commercial space.	5 points

**Low/Mod Benefit-Up to 10 points**

Project is located in low/mod area or QCT; AND	5 points
> 100 low/mod income households to be served	5 points
< 100 low/moderate income households to be served	2 points

**Bonus:** Property that is located in an urban community as defined at RIGL Sec. 42-64-13.1(b)(5). **Up to 10 points**

**Development Type/Location – Up to 20 Points**

Mixed-use development: commercial development that includes an affordable housing component.	5 points
Commercial development located on an existing commercial corridor.	5 points
Commercial development is proximate to public transportation. Proximate is one-half mile or less.	4 points (prorated based on distance)
Commercial development will include remediation of an environmentally contaminated site.	3 points
Commercial development will be located within the Urban Services Boundary.	3 points

**Job Creation/ Job Retention – Up to 10 Points**

Number of new construction jobs to be created

>11 FTE	5 points
<11 FTE	2 points

Number of permanent jobs to be supported

>15 FTE	5 points
<15 FTE	2 points

## **PUBLIC FACILITY**

### **Point Allocation Summary**

10 points	Cost Effectiveness
16 points	General
10 points	Community Impact
50 points	Local Need

### **86 Total Points**

#### **Leveraging -Up to 10 points**

ARP funding is < 25% of TDC	10 points
ARP funding is < 50% of TDC	5 points
ARP funding is > 50% of TDC	0 Points

#### **Utilizing Rhode Island based firms-Up to 3 points**

Applicant certifies that 50% of the subcontractors will be RI based firms	3 points
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#### **Readiness to Proceed – Up to 8 points**

Fully permitted development with plans and specifications that are at least 90% complete AND architect confirms in writing that the plans and specifications can be 100% complete within 30 days AND the application includes a signed schedule of value from the general contractor, determined by RIHousing to be consistent with current pricing	8 points
Project has Master, preliminary and final plan approval for a development of for a development with "by right" approval	6 points

#### **Bonus: ARP funds are last source in – Up to 5 Points**

#### **Community Impact– Up to 10 Points**

Applicant can demonstrate how the proposed project contributes to an overall plan to revitalize and/or stabilize the neighborhood or that builds upon previous investments.	2 points
The project has written support from key community stakeholders (i.e. neighborhood organizations, businesses, youth groups, etc.).	2 points
The project will address a community need.	2 points
The project is a component of a larger community effort.	2 points
The project integrates green and sustainable components, and energy efficiency.	2 points

**Redevelopment activity -Up to 10 points**

Rehabilitation of existing public facilities that corrects physical and health and safety conditions, or provides opportunities to expand public services; <b>OR</b>	10 points
New construction of public facilities for the purposes of community revitalization.	5 points

**Low/Mod Benefit-Up to 10 points**

Project is located in low/mod area or QCT; AND	5 points
> 100 low/mod income households to be served	5 points
< 100 low/moderate income households to be served	2 points

**Bonus:** Public facility is located within 1 mile of affordable residential housing. - **Up to 5 points**

**Bonus:** Public facility improvements represents an urgent community need based upon the condition of the facility. - **Up to 5 points**

**Bonus:** Property that is located in an urban community as defined at RIGL Sec. 42-64-13.1(b)(5).  
**Up to 10 points**

**Expansion of services-Up to 10 points**

Construction of new or redevelopment of an existing public facility results in expansion of current service to > 100 individuals.	10 points
Construction of new or redevelopment of an existing public facility results in expansion of current service to 50 - 100 individuals.	8 points
Construction of new or redevelopment of an existing public facility results in expansion of current service to 25 – 49 individuals.	5 points