

**Request for Action**  
**by**  
**Board of Commissioners**  
**Approval of ERA2-Production Fund**  
**Funding Awards**

**1. Summary of Issues**

The ERA2-Production Fund (“ERA2-Production”) is one subpart of the ERA2 Supplemental Development Financing Program (the “ERA2 Development Program”), which is funded through the American Rescue Plan Act of 2021 for the production and rehabilitation of affordable housing for households with incomes at or below 50% of area median income (“AMI”). Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) was authorized by the State of Rhode Island to implement and administer the ERA2 Development Program using approximately \$15,000,000 in funds for the predevelopment, acquisition, and new production and/or preservation, restoration or renovation of affordable rental housing. As of February 2025, approximately \$1,095,000 in ERA2 Development Program funding is available for award.

In November 2024, RIHousing issued a Request for Proposals (“RFP”) for ERA2 Development Program funding from qualified applicants. Applicants could apply for ERA2-Production, ERA2-Predevelopment, or ERA2-Site Acquisition funding. In response, RIHousing received 19 proposals requesting approximately \$24,984,502 in ERA2 Development Program funds, including \$21,134,357 in ERA2-Production funding.

All ERA2-Production applications were reviewed by Development Division staff in accordance with the published Program Guidelines. The most critical elements in the Program Guidelines include:

- Costs must have been incurred after January 1, 2024, and the funds must be expended by September 30, 2025;
- ERA2-Production funding may only be used to support the pro rata cost for the 50% AMI component of a project;
- For projects with units above 50% AMI, the developer must identify the remaining funds that will be used to finance the balance of the development costs; and
- All projects funded under ERA2-Production funding must conform to and meet the requirements of either the LIHTC or HOME Program, though they are not required to utilize funding from either of those programs.

RIHousing staff recommends approval of funding for one ERA2-Production funding proposal in the amount of \$280,000. The recommended award is described in Attachment A and will directly fund 28 units restricted for households with incomes at or below 50% of AMI.

**2.     Recommendation**

The attached resolution authorizing the allocation of up to \$280,000 in ERA2-Production funds is recommended for approval, contingent upon (i) receipt of the ERA2 Development Program funds from the State of Rhode Island; (ii) the availability of all other funding for each project, if applicable; and (iii) compliance with the ERA2-Production guidelines.

**3.     Attachments**

- A.     Summary of Recommendations
- B.     Resolution

## **Attachment A**

### **Summary of Recommendations**

Recommendations include:

#### **Jenks Park Residences:**

Jenks Park Residences was acquired by the City of Central Falls utilizing a RI Housing Site Acquisition Program grant and was subsequently transferred to Central Falls Children's Foundation ("CFCF"). Since the acquisition, CFCF has retrofitted the former nursing home into 28 units of permanent housing for women and families and has requested ERA2-Production funding to cover some of these construction costs. The goal of the Development is to provide full-service, safe, affordable, stable housing for mothers and their children with free-of-cost programming aligned with the social determinants of health. All residents have incomes at or below 50% of area median income.

## **Attachment B**

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

- WHEREAS, The State of Rhode Island has established the ERA2-Production Fund (“ERA2-Production”) as part of the ERA2 Supplemental Development Financing Program (the “ERA2 Development Program”), which is funded through the American Rescue Plan Act of 2021 for the production of affordable housing for households with incomes at or below 50% of area median income (“AMI”);
- WHEREAS, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the State of Rhode Island to administer ERA2-Production, including the award of ERA2-Production funds to projects that rehabilitate or develop newly created rental units;
- WHEREAS, the applicant listed in Attachment A has submitted an application that meets the threshold requirements of ERA2-Production;
- WHEREAS, staff of RIHousing have reviewed each of the eligible applications submitted and recommend that ERA2-Production funds be committed to the proposal listed in Attachment A; and
- WHEREAS, RIHousing staff have reviewed the submissions and determined that the recommended proposals qualify for financing under RIHousing’s enabling legislation, regulations, guidelines and policies.

NOW, THEREFORE, IT IS HEREBY:

- RESOLVED, that RIHousing is authorized to commit up to \$280,000 in ERA2-Production funds in compliance with the ERA2-Production and ERA2 Development Program guidelines, subject to certain conditions, including RIHousing’s receipt of ERA2 Development Program funds from the State of Rhode Island, for the proposal reviewed and recommended by staff, as set forth in Attachment A; and
- RESOLVED, that the Executive Director, Deputy Executive Director, and Director of Real Estate Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolution.