

HOME PROGRAM DESCRIPTION

<p>1. Program Overview</p>	<p>The HOME program awards funding for the acquisition, rehabilitation, and new construction of rental affordable housing.</p> <p>HOME funds will be prioritized for 9% LIHTC applications. Homeownership is not an eligible use</p>										
<p>2. Eligible Applicants</p>	<p>Non-profit housing developers, for-profit developers, cities, towns, and community housing development organizations.</p>										
<p>3. Eligible Activities</p>	<p>New construction or rehabilitation of rental units for income qualified households</p>										
<p>4. Income Targeting</p>	<p>Developments must provide benefit to low and very-low income individuals and families with gross annual incomes at or below 60% of AMI (“High-HOME”) adjusted for family size.</p> <p>If there are more than five HOME-assisted units in a building, 20% of the HOME-assisted units must be for households with incomes less than 50% AMI (“Low-HOME”). (Low-HOME units cannot be shared with Housing Trust Fund (“HTF”) units.)</p>										
<p>5. Program Funding</p>	<p>Approximately \$3,000,000</p>										
<p>6. Maximum Per Project Funding</p>	<p>Maximum award of \$1 Million per project; Projects that are not subject to Davis-Bacon labor standards requirements must identify eleven HOME-assisted units in project application.</p> <p>2023 HOME Maximum Per-Unit Subsidy:</p> <table style="margin-left: 20px;"> <tr> <td>0 Bdrm</td> <td>\$173,011</td> </tr> <tr> <td>1 Bdrm</td> <td>\$198,331</td> </tr> <tr> <td>2 Bdrm</td> <td>\$241,176</td> </tr> <tr> <td>3 Bdrm</td> <td>\$312,005</td> </tr> <tr> <td>4 Bdrm+</td> <td>\$342,482</td> </tr> </table>	0 Bdrm	\$173,011	1 Bdrm	\$198,331	2 Bdrm	\$241,176	3 Bdrm	\$312,005	4 Bdrm+	\$342,482
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<p>6. Funding Type</p>	<p>Long term loan secured by a deed restriction for rental developments.</p>										

7. Interest rate and Term	0% deferred loan with a minimum term of 30 years, and co-terminus with the senior debt
8. Funding Priorities	<ul style="list-style-type: none"> • Substantial rehabilitation and/or new construction to provide new rental units for low and very low-income families. • Substantial rehabilitation and/or new construction of new rental housing units for homeless and special needs populations (as defined in the Consolidated Plan)
9. Threshold Criteria	<ul style="list-style-type: none"> • Readiness to Proceed: Owner/Developer must demonstrate ability to proceed to closing on all financing and begin construction within nine months of commitment. • Financial Feasibility: The development must demonstrate financial feasibility for: (i) the overall development costs of the project and (ii) the long-term operation of the proposal. • Marketability: The development must have a reasonable likelihood that it will achieve sustainable occupancy of 95% within 6 months of construction completion. For mixed income proposals that meet the 20% at 50% or 40% at 60% set asides, the applicant must submit a third-party market study that includes an absorption schedule, lease-up reserve and identifies the timeline for achieving 95% occupancy. • Development Team Capacity: The developer must have experience in the successful development and operation of affordable housing of similar scope and complexity. The Developer and their development team will be evaluated on its professional capacity to plan, build, market, and operate the proposed development.
11. Term of Affordability	30 years
12. Availability of Funds	HOME funds will be available through a Request for Proposals issued by RIHousing

<p>13. Program Leverage with Other Financial Resources</p>	<p>It is expected that the HOME award will be matched with other public and private funds for the development of the proposed units</p>
<p>14. Environmental Review</p>	<p>HOME projects must meet the requirements of 24 CFR §92.352 prior to funding, and applicants must not take any “Choice Limiting Actions” for the above-mentioned project until RIHousing has completed an environmental review per 24 CFR Part §58, and Authority to Use Grant Funds (“AUGF”) has been received.</p> <p>Examples of choice limiting actions include, but are not limited to:</p> <ul style="list-style-type: none"> • Property acquisition or execution of a legally binding agreement for acquisition; • Bidding for construction activities; • Execution of any construction contract or other contract involving physical work on the site; • Performance of any physical construction activity on the site, including site work or demolition. <p>Prior to receipt of the AUGF, you may not spend either public or private funds (HOME, HTF, CDBG, other Federal or non-Federal funds) on any actions that would preclude the selection of alternative choices until environmental clearance has been achieved. Activities that have physical impacts or which limit the choice of alternatives cannot be undertaken, even with the project participant’s own funds, prior to receiving an AUGF. Activities that are clearly planning in nature (e.g., architectural design activities, environmental assessment of the site, engineering design, etc.) are allowed. Financial expenditures made prior to the completion of the environmental review process and the signing of the HOME Agreement may be ineligible for reimbursement from HOME funds</p>

As of 8.15.2023