

**Request for Action
by
Board of Commissioners
Approval of Middle Income Loan Program
Funding Awards**

1. Summary of Issues

The Middle Income Loan Program (the “MI Program”) is funded with State and Local Fiscal Recovery Funds (“SFRF”) appropriated to the United States Department of Treasury (“Treasury”) through the American Rescue Plan Act of 2021 for the production of affordable housing for households with incomes between 80% and 120% 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 MI Program using approximately \$20,000,000 in funds for the new production of affordable housing for both rental and homeownership opportunities. As of April 2025, accounting for previous MI Program awards approved by the RIHousing Board of Commissioners to fill financing gaps for certain projects, there is \$160,000 in MI Program funding available for award.

In November 2024, RIHousing issued a Request for Proposals (“RFP”) for MI Program funds from qualified applicants as part of a consolidated funding round. In response, RIHousing received four proposals requesting approximately \$4,510,000 in MI Program funds. All applications were reviewed by Development Division staff in accordance with the published Program Review Criteria to evaluate whether the applications contained the following required MI Program threshold criteria for awards:

1. At least 20% of the entire project’s units must be affordable to residents earning less than 100% of AMI.
2. A rental project must include at least 10 units.
3. Applicant must demonstrate site control.
4. Applicant must demonstrate experience and capacity to develop and operate the development.
5. Applicant must demonstrate that the project can expend the entire MI Program loan by December 31, 2026.

Only one proposal, South Point Commons, passed the threshold analysis and is being awarded MI Program funds this month as part of a broader preliminary approval. This leaves a balance of \$160,000 to award. To allocate these remaining MI Program funds, staff reviewed projects previously awarded MI Funds and identified a project that did not receive the maximum funds for which it was eligible. Accordingly, RIHousing staff recommends approval of additional MI Program funding for The Village at Manville (“TVM”) in the amount of \$160,000. The

recommended award is described in Attachment A.

2. Recommendation

The attached resolution authorizing the allocation of up to \$160,000 in MI Program funds is recommended for approval, contingent upon (i) receipt of the MI Program funds from the State of Rhode Island; (ii) the availability of all other funding for the project; and (iii) compliance with the MI Program guidelines.

3. Attachments

- A. Summary of Recommendations
- B. Resolution

Attachment A

Summary of Recommendations

The Village at Manville - The Village at Manville (“TVM”), which was previously known as The Villages at Manville, is being developed by Connolly and Partners, LLC and will contain 72 apartments located in two buildings in Lincoln. This is a mixed-income project with eight units at 30% of area median income (“AMI”), one unit at 50% AMI, 48 units at 60% AMI, and 15 units at 80% AMI that are not subject to Low-Income Housing Tax Credit (“LIHTC”) restrictions. TVM recently received RI Housing firm approval and is scheduled to close in April 2025. Accounting for this award of \$160,000, the total MI Program award for this project will be \$374,730. The HOME award will be reduced by a like amount.

Sources	Firm Approval		Delta	Revised with MI Award	
	Amount	Per Unit		Amount	Per Unit
RIH First Mortgage	\$4,775,000	\$66,319	\$0	\$4,775,000	\$66,319
HOME	\$1,900,000	\$26,389	(\$160,000)	\$1,740,000	\$24,167
Housing Trust Fund (HTF)	\$1,174,331	\$16,310	\$0	\$1,174,331	\$16,310
RI Rebounds Production Fund (RIRPF)	\$305,669	\$4,245	\$0	\$305,669	\$4,245
Development of Affordable Housing (DAH-2)	\$5,839,148	\$81,099	\$0	\$5,839,148	\$81,099
Middle Income (MI)	\$214,730	\$2,982	\$160,000	\$374,730	\$5,205
Town	\$221,000	\$3,069	\$0	\$221,000	\$3,069
LIHTC Proceeds	\$12,363,564	\$171,716	\$0	\$12,363,564	\$171,716
BofA Exp Reimb. Equity	\$108,300	\$1,504	\$0	\$108,300	\$1,504
Deferred Development Fee	\$218,130	\$3,030	\$0	\$218,130	\$3,030
Total Sources	\$27,119,872	\$376,665	\$0	\$27,119,872	\$376,665
Uses					
	Amount	Per Unit		Amount	Per Unit
Construction	\$18,544,774	\$257,566	\$0	\$18,544,774	\$257,566
Contingency	\$1,840,840	\$25,567	\$0	\$1,840,840	\$25,567
Acquisition	\$625,000	\$8,681	\$0	\$625,000	\$8,681
Soft Costs	\$2,421,433	\$33,631	\$0	\$2,421,433	\$33,631
Financing	\$1,604,729	\$22,288	\$0	\$1,604,729	\$22,288
Developer Fee	\$1,360,000	\$18,889	\$0	\$1,360,000	\$18,889
Operating Reserve	\$548,931	\$7,624	\$0	\$548,931	\$7,624
Lease Up Reserve	\$2,500	\$35	\$0	\$2,500	\$35
Replacement Reserve Year 1 Deposit	\$28,800	\$400	\$0	\$28,800	\$400
RET/Insurance/FFB Reserve	\$142,865	\$1,984	\$0	\$142,865	\$1,984
Total Uses	\$27,119,872	\$376,665		\$27,119,872	\$376,665

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 Middle Income Loan Program (the “MI Program”) using State and Local Fiscal Recovery Funds appropriated to the United States Department of Treasury under the American Rescue Plan Act of 2021 to provide funding for the development of new multifamily rental and homeownership units for households with incomes between 80% and 120% of Area Median Income;
- WHEREAS, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the State of Rhode Island to administer the MI Program, including the award of MI Program funds to projects that develop newly created non-LIHTC multifamily units and homeownership opportunities;
- WHEREAS, the applicant listed in Attachment A has submitted an application that meets the threshold requirements of the MI Program;
- WHEREAS, staff of RIHousing have reviewed each of the eligible applications submitted and recommend that MI Program funds be committed to the proposal listed in Attachment A; and
- WHEREAS, RIHousing staff have reviewed the submissions and determined that the recommended proposal qualifies 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 \$160,000 in MI Program funds in compliance with the MI Program guidelines, subject to certain conditions and the receipt of other sources of funds, for the proposal reviewed 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.