

STATE OF RHODE ISLAND

PUBLIC HOUSING AUTHORITY FUND PROGRAM DESCRIPTION

1. Program Overview	Funding for a pilot program to assist public housing authorities with increasing the supply of affordable housing and stabilizing existing affordable housing. The source for the Public Housing Authority Fund (PHA Fund) is State and Local Fiscal Recovery Funds (“SLFRF”) funded through the American Rescue Plan Act of 2021.
2. Eligible Applicants	Public Housing Authorities in Rhode Island
3. Program Goal	<p>The PHA Fund may be used to:</p> <ul style="list-style-type: none"> (i) support the creation of new units (ii) fund rehabilitation associated with transitioning an existing portfolio or project to a more stable financial model (iii) fund technical assistance to PHAs to assist in evaluating the opportunity to create new units and/or transition its portfolio to a more stable financial model (iv) fund predevelopment activities associated with (i) above
4. Target Population/Areas	Residents of Public Housing Authorities and affiliated non-profit entities
5. Program Allocation	\$10,000,000
6. Eligible Activities	<ul style="list-style-type: none"> • The production of new units by a PHA or a non-profit affiliate of the PHA, which may include demolition of obsolete housing in conjunction with the construction of net new housing units. Direct PHA investments must be for units under current ACC and subject to a Declaration of Trust having a remaining term of no less than 20 years. • Technical assistance to a PHA to assist it in evaluating the opportunity to create new units and/or transition its portfolio to a more stable financial model. • Pre-development funds related to a specific project that will create new affordable rental or homeownership units. • The rehabilitation associated with transitioning an existing portfolio or project to a more stable financial model.

7. Evaluation Criteria	<ul style="list-style-type: none"> • Ability to meet the expenditure deadlines of the SLFRF program • Capacity to undertake proposal • For construction funding, readiness to proceed exhibited by the ability to begin work within 9 months of receipt of funding.
8. Program Terms	<p>For direct PHA investments, Grants for public housing authority property under current ACC and subject to Declaration of Trust having a remaining term of no less than 20 years; or subject to other long term deed restriction allowable by HUD; consistent with Capital Fund Program.</p> <p>For investments to an affiliate of the PHA, the PHA Funding will be a loan secured by a 30-year deed restriction to the extent consistent with U.S. Department of Housing and Urban Development (“HUD”) requirements for LIHTC projects.</p>
9. Amount of Assistance	<p>A maximum of \$150,000 per unit</p> <p>For technical assistance, a maximum of \$50,000</p> <p>For predevelopment grants, a maximum of \$250,000</p>
10. Term of Affordability	<p>For traditional Public Housing units, subject to terms as set forth in the Deed of Trust in favor of HUD. For units developed by affiliates, a minimum of 30 years secured by a deed restriction</p>
11. Program Leverage with Other Financial Resources	<p>Dependent on the activity. New production will require other funding sources. Predevelopment assistance may not require leveraging.</p>

Applications for Technical Assistance grants will be accepted on a rolling basis. Otherwise, the Public Housing Authority Fund will accept applications in two rounds over a 12-month period. Not more than 50% of the funds will be obligated in fiscal year 2023.

Public Housing Authorities and consultant teams engaged by Public Housing Authorities to engage in the activities funded through this pilot program must meet the following requirements:

1. Generally, PHAs must have demonstrated relevant expertise in development of affordable housing. Consultant teams must have demonstrated relevant expertise in public housing finance and regulatory context; in affordable housing development; and demonstrated experience working with PHAs and HUD.
2. For PHAs without specific experience developing affordable housing, with respect to activities related to the development of new units, they should retain a consultant team, comprising at a minimum, the following services: development, design, finance and

legal. The developer must have demonstrated success in developing affordable housing. Each member of the team must have a minimum of 5 years of experience in their field.

3. With respect activities related to the transition of an existing portfolio or project to a more stable financial model, absent PHA experience, consultants/consultant teams must have relevant experience with affordable housing development, including experience repositioning PHA assets and/or RAD conversions.
4. Consultants must be eligible to work in the state of Rhode Island and be able to demonstrate good standing as a business.