

**STATE OF RHODE ISLAND PRIORITY PROJECT FUND (“PPF”)  
PROGRAM DESCRIPTION**

<p><b>1. Program Overview</b></p>	<p>The purpose of the PPF is to provide funding for the development of new supportive housing and multifamily units for extremely low-income and vulnerable Rhode Islanders.</p> <p>The source for PPF is State and Local Fiscal Recovery Funds (“SLFRF”) funded through the American Rescue Plan Act of 2021, and therefore all projects are required to comply with federal SLFRF guidance.</p>
<p><b>2. Eligible Applicants</b></p>	<p>Eligible applicants include for-profit and non-profit developers, owners of existing affordable housing developments, and Public Housing Authorities.</p>
<p><b>3. Eligible Activities</b></p>	<p>New construction of eligible rental units.</p> <p>All projects funded under PPF must adhere to the requirements of the LIHTC or HOME Program applicable to resident income, period of affordability, tenant protections, and housing quality standards, though are not required to utilize funding from either of those programs.</p>
<p><b>4. Target Population/Areas</b></p>	<p>Project must be for the creation of:</p> <ul style="list-style-type: none"> <li>• New permanent supportive housing; OR</li> <li>• Affordable housing units designated for one or more of the following populations: <ul style="list-style-type: none"> <li>• Extremely low-income Rhode Islanders (this category includes housing for extremely low-income: individuals, couples, families, Veterans, and Seniors),</li> <li>• Individuals transitioning out of state care, or</li> <li>• Vulnerable persons (this category includes people with disabilities, people fleeing dangerous living situations, and other populations at particular risk of homelessness or housing insecurity).</li> </ul> </li> </ul>
<p><b>5. Program Allocation</b></p>	<p>\$27,000,000 to be committed by December 31, 2024, through several competitive funding rounds.</p>
<p><b>6. Funding Type</b></p>	<p>Long term loan secured by a deed restriction</p>

<p><b>7. Interest rate and Term</b></p>	<p><b>Interest Rate:</b> 0%</p> <p><b>Rental Development Loan Term:</b> The term of the loan will be a minimum of 30 years and co-terminus with the senior debt. To the extent available, these loans will be repaid through 50% of surplus cash as defined in the RIHousing loan documents. Underwriting terms must be consistent with RIHousing standard underwriting guidelines as outlined in the Developer’s Handbook.</p>
<p><b>8. Funding Priorities</b></p>	<p>This Fund is for the following priorities:</p> <ul style="list-style-type: none"> <li>• New permanent supportive housing; OR</li> <li>• New affordable housing units designated for one or more of the following populations: <ul style="list-style-type: none"> <li>• Extremely low-income Rhode Islanders (this category includes housing for extremely low-income: individuals, couples, families, Veterans, and Seniors),</li> <li>• Individuals transitioning out of state care, or</li> <li>• Vulnerable persons (this category includes people with disabilities, people fleeing dangerous living situations, and other populations at particular risk of homelessness or housing insecurity).</li> </ul> </li> </ul> <p>“New” is defined as newly affordable and may include rental units created in conjunction with a LIHTC development refinance.</p>

<p><b>9. Threshold Criteria</b></p>	<ul style="list-style-type: none"> <li>• <b>Readiness to Proceed:</b> Owner/Developer must demonstrate ability to proceed to closing on all financing and begin construction within nine months of commitment.</li> <li>• <b>Financial Feasibility:</b> The development must demonstrate financial feasibility for: (i) the overall development costs of the project and (ii) the long-term operation of the proposal.</li> <li>• <b>Marketability:</b> The development must have a reasonable likelihood that it will achieve sustainable occupancy of 95% within 6 months of construction completion.</li> <li>• <b>Development Team Capacity:</b> 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.</li> </ul>
<p><b>10. Amount of Assistance</b></p>	<p>\$27,000,000 total available, no per project limit</p>
<p><b>11. Term of Affordability</b></p>	<p>A minimum of 30 years secured by a deed restriction</p>
<p><b>12. Availability of Funds</b></p>	<p>PPF funds will be available through a Request for Proposals issued by RIHousing</p>
<p><b>13. Program Leverage with Other Financial Resources</b></p>	<p>It is expected that the PPF award will be matched with other public and private funds for the development of the proposed units. However, that is not a requirement for funding under this program.</p>

## Priority Projects Fund

The Rhode Island Department of Housing is pleased to announce the opening of a competitive funding round for Priority Projects Fund (PPF) in conjunction with RIHousing's Consolidated RFP issued simultaneously. PPF is a State-funded initiative of the Department of Housing. At this time, the Department of Housing will be making an estimated \$27 million available for the targeted development of affordable housing.

### APPLICATION INFORMATION:

- Application materials will be posted and available on the State's website at <http://www.ohcd.ri.gov> and [www.rihousing.com](http://www.rihousing.com).
- Incomplete applications, applications submitted on incorrect/obsolete forms and those omitting the requested documentation will not be evaluated.
- The Department of Housing requests that all applicants submit their applications electronically via [www.rihousing.com/rfps-rfqs/](http://www.rihousing.com/rfps-rfqs/)
- Department of Housing reserves the right to adjust funding amounts requested by any applicant based on need, demand, and project fit with available sources.

### PPF THRESHOLD CRITERIA:

- Threshold criteria will be utilized to determine which applications will conform to the requirements of the funding round. Any application determined to be non-compliant with the stated threshold criteria will be eliminated from consideration:

### ELIGIBLE APPLICANTS:

- Eligible applicants include for-profit and non-profit developers, owners of existing affordable housing developments, and Public Housing Authorities.
- Project must be for the creation of:
  - New permanent supportive housing; OR
  - Affordable housing units designated for one or more of the following populations:
    - Extremely low-income Rhode Islanders (this category includes housing for extremely low-income: individuals, couples, families, Veterans, and Seniors),
    - Individuals transitioning out of state care, or
    - Vulnerable persons (this category includes people with disabilities, people fleeing dangerous living situations, and other populations at particular risk of homelessness or housing insecurity).
- Applications must be complete, including all attachments as listed in the application.
- The applicant must be in Good Standing with the organization's state of origin and the State of Rhode Island.
- The applicant shall not have any pending lawsuits with the municipality in which they propose to develop.
- Proposals must meet all applicable State and local construction and rehabilitation guidelines.
- Proposals should be consistent with the State Land Use Plan, applicable Municipal Affordable Housing Plan, [State Comprehensive Housing Plan](#), and [State Consolidated Plan](#).

## Scoring

<b>Scoring Factor</b>	<b>Points</b>
<b><u>Fund Objectives:</u></b> <ul style="list-style-type: none"><li>• Units and Amount of Project Serving the Targeted Populations</li></ul>	35
<b><u>Project Feasibility and Cost Effectiveness:</u></b> <ul style="list-style-type: none"><li>• Past Experience &amp; Capacity to Complete this Project (10 points)</li><li>• Financial feasibility of the proposal (25 points)</li></ul>	35
<b><u>Readiness to Proceed:</u></b> <ul style="list-style-type: none"><li>• Timeline</li></ul>	15
<b><u>Community Need and Sustainability:</u></b> Addresses Community and Resident Needs (6 points)_ Sustainability & Universal Design (6 points) Affordability period beyond 30 years (3 points)	15
<b><u>TOTAL</u></b>	<b><u>100</u></b>

Priority Project Fund Rhode Island  
Scoring Worksheet

**Please note that final scores serve as a guide for the funding committee in consideration of proposals. Other factors, not quantified in the scoring system, may be considered in making final awards.**

\*Projects that are financially infeasible, have unreasonable costs, or cannot demonstrate project readiness will be eliminated from consideration for the Priority Project Fund.

1. **Fund Objectives:** **UP TO 35 POINTS**

If the entire project or more than 60 units meet the eligible activities listed below, the project will receive 35 points.

Projects which are mixed-income or set-aside a limited number of units for the following should have their score(s) prorated based on the number and/or percentage of the project which is an eligible activity.

Eligible Activities - the creation of new:

- permanent supportive housing; OR
- affordable housing units designated for one or more of the following populations:
  - Extremely low-income Rhode Islanders (this category includes housing for extremely low-income: individuals, couples, families, Veterans, and Seniors),
  - Individuals transitioning out of state care, or
  - Vulnerable persons (this category includes people with disabilities, people fleeing dangerous living situations, and other populations at particular risk of homelessness or housing insecurity).

2. **Feasibility and Cost Effectiveness** **UP TO 35 POINTS**

a. **Developer Capacity:** (Up to 10 points)

Past Experience & Capacity To Close and Complete This Proposed Project

Robust experience + Capacity for this Project	10 points
Limited projects or Limited Capacity for this Project	1-9 points
No Previous Projects or No Capacity for this Project	0 points

b. **Financial Feasibility:** (up to 25 points)

Based upon an analysis of the factors/criteria listed below:

- Reasonableness of financial assumptions and cost of project (are the reasonable for the project under consideration);
- Operational feasibility;
- Availability/need for rental subsidy.
- Extent project has pursued funding sources for which they are eligible. Projects are expected to pursue any / all funding sources for which they are eligible.

Infeasible/Substantial Concern	Not considered*
Moderate Concern	0-12 points
Minor Concern	13-24 points
No Concern	25 points

3. **Readiness to Proceed**

**UP TO 15 POINTS**

Is the project ready to break ground in a timely manner if funding is received? Points of consideration: Status of Building Permits, local approvals, RIHousing or other financing approvals, etc.

Less than 6 months and no approvals pending besides financing	15 points
Less than 9 months	Sliding scale between 1-14 points based on number and complexity of approvals pending
More than 9 months	Not considered*

4. **Community Need and Sustainability**

**UP TO 15 POINTS**

Other factors to be considered include:

Community & resident needs	6 points
This includes the extent the project considers the needs of residents and the broader community. This includes and is not limited to access to transportation, community services, or other needed resources, as well as community support/engagement, and the overall impact the project will have on the community (e.g., whether the project is addressing vacant, foreclosed, or blighted properties).	

Sustainability & Design	6 points
This includes the extent the project incorporates passive house standards, renewable energy, and energy efficiency into the project, as well as design and accessibility elements such as Universal Design.	

Affordability period beyond 30 years	3 points
--------------------------------------	----------