



Workforce Housing Innovation Challenge Questions and Answers
As of 2/11/2021

Q: Are Workforce Housing Innovation Challenge (WHIC) loans assumable?

A: Yes, the Term Sheet is being updated to reflect that the WHIC Loan does not need to be repaid upon sale or refinance if the affordability restrictions remain in place.

Q: Can you provide guidance regarding maximum rents and utility allowances for Providence?

A: Here are the current rent limits for the Providence MSA (Rents for the Newport and Washington County MSA’s can be found by following the link below); the Utility Allowances are statewide

Providence	Gross Rent Limits (2020)					
Bedrooms:	0	1	2	3	4	5
80% AMI	\$1,218	\$1,392	\$1,566	\$1,740	\$1,880	\$2,020
100% AMI	\$1,522	\$1,740	\$1,957	\$2,175	\$2,350	\$2,525
120% AMI	\$1,827	\$2,088	\$2,349	\$2,610	\$2,820	\$3,030

Source: <https://www.novoco.com/resource-centers/affordable-housing-tax-credits/rent-income-limit-calculator>

Electric Only	Utility Allowances (2021) 5+ Unit Classification					
Bedrooms:	0	1	2	3	4	5
Heat Pump	\$32	\$38	\$45	\$51	\$56	\$62
Cooking	\$9	\$11	\$16	\$20	\$25	\$30
Other	\$35	\$41	\$57	\$73	\$89	\$105
Water Heat	\$24	\$28	\$36	\$43	\$51	\$59
Range	\$4	\$4	\$5	\$5	\$5	\$5
Microwave	\$4	\$4	\$4	\$5	\$5	\$5
Total	\$108	\$126	\$163	\$197	\$231	\$266

Source: <https://www.rihousing.com/wp-content/uploads/2021-HFA-Utility-Model-rev.-12.21.20.pdf>

Q: Is there a rolling deadline/award process making it advantageous to apply prior to the deadline of March 5th?

A: There is no advantage to submitting ahead of time, though we are happy to accept the application before March 5th.

Q: When will the projects be notified as to whether or not a WHIC Loan has been awarded?

A: We hope to make awards at our June board meeting

Q: What definition of “household” is RI Housing using? For instance, would two nonmarried individuals applying for a unit count as a household of two?

A: A household constitutes the sum total of people in the unit, so per your example two nonmarried individuals would constitute a 2-person household.

Q: If landlord reduces the gross rent by the utility allowance (for those utilities not included with rent), please confirm that any overage expense metered to a unit must be paid for by the tenant and is not landlord's responsibility.

A: The gross rent for purposes of the maximum allowable rent includes the utilities. If you use the published utility allowances for a net rent, all utility costs are the responsibility of the tenant even if they exceed the published allowances.

Q: Is there any opportunity to go above the \$2.5M cap? This project will have 135 units and based on the cap the maximum amount of workforce housing units allowable would be 31 (\$80,000 per unit x 31 units = \$2,480,000).

A: The maximum allowable award of WHIC funds is \$2.5 million

Q: How much WHIC funding is available overall for projects submitting RFPs?

A: \$8.9 Million

Q: Based on your experience with this rent structure, is there a risk that applicants that will qualify under the income thresholds will not be able to afford the rents (at 30% income levels), and if that is the case, are there repercussions for failure to lease up all of the WHIC units?

A: The WHIC rents are based on 30% of income but in many cases the tenant pays more than 30% of their income because their gross income is less than the maximum allowed under the program. For example, the tenant could have an income of 95% of AMI but the rent assumes 100% of AMI. This is fairly common across all sectors of the affordable housing industry.