

Questions and Answers Consolidated Application

As of December 19, 2023

The Housing Resources Commission is making \$4 million of Building Homes Rhode Island (“BHRI”) Program funds available as part of the RFP for the Development of Affordable Homes. BHRI funds can be used for the development of affordable homeownership and rental opportunities for low and moderate-income individuals and families with gross annual incomes at or below 120% AMI for homeownership or 80% AMI for rental. Funds are in the form of deferred and forgivable loans to the applicant provided that the Development remains in compliance with the requirements of the program. Applicants should apply through the One Stop Application as outlined in the original RFP Announcement. The RFP Announcement is being amended to reflect this resource and Program Guidelines will be posted to the RFP site at <https://www.rihousing.com/rfps-rfqs/>.

Q: For middle income program - what is the per unit subsidy for a 3BR?

A: Two-bedroom or larger is eligible for a \$95,000 per unit subsidy.

Q: Regarding Middle Income Program, if MIP funds are used with bank financing, will the MIP loan be required to be in first position?

A: The Middle Income loan can be junior to the senior loan. The Middle Income deed restriction will need to be recorded ahead of the senior loan.

Q: In Section 4 of MI Loan Description, it says a minimum of 20% of units in the development have to be set at 30% AMI. Can you please clarify. It seems a bit contradictory since MI is at 80%-120% AMI.

A: The applicable rent (anywhere from 80%-120%) must be no greater than 30% of the applicable area median income (AMI) for the applicable bedroom size. For reference, go to the Rent and Income Calculator on the Novogradac website to determine the applicable rent for your proposed development. <https://www.novoco.com/resource-centers/affordable-housing-tax-credits/rent-income-limit-calculator>. Overall, a minimum of 20% of the units must be affordable to households with an income at or below 100% of AMI.

Q: Can you confirm that DAH-2 funds can be used for the acquisition and rehab of an existing multifamily apartment building?

A: DAH-2 funds can be used for the acquisition and rehab of an existing multifamily apartment building.

Q: For DAH-2, Homeownership Loan Term states 0% loan to developer, forgiven upon sale to homebuyer. Can you confirm that the loan for construction and development does NOT require any repayment by developer when property is sold?

A: If DAH-2 funds are used for homeownership, there is no repayment requirement by the developer.

Q: Development Information section in the OSA asked for a response to Efficiency but there is no corresponding item in the application checklist.

A: This section is for information associated with any energy efficiency measures proposed in your application.

As of December 12, 2023

Q: Modifications to the Middle Income (MI) Program Guideline. Revised Program Guidelines will be posted on the RFP website.

A: Four changes have been made to the MI program:

1. The max cap of \$2,500,000 has been eliminated. The maximum award per project will be up to the maximum allowable per assisted housing rental unit, but in no event can it exceed 25% of the total development cost (TDC)
2. The amount of a per unit MI award has been increased:
 - Efficiency: \$75,000 (must include a full kitchen and exceed 400 SF)
 - One Bedroom: \$85,000
 - Two Bedroom: \$95,000
3. Homeownership units can be sold to households with incomes up to 120% AMI.
4. The interest rate was reduced from 3% to 0%.

As of December 8, 2023

Q: Do we need to submit three syndication proposals with a LIHTC application, or can we submit one syndication proposal with the application and solicit three syndication proposals after preliminary approval, prior to firm commitment / selecting a syndicator?

A: The requirement for the application is at least one syndicator LOI. If you have multiple responses, we suggest you include in the application.

Our guidelines require that developers provide an updated LOI from the selected syndicator within 60 days of firm commitment.

Q: Application requirements for HPF-ELI not included as a separate attachment in the RFP.

A: HPF-Application requirements have been added to the RFP site.

Q: For a vacant parcel, is a separate environmental survey for asbestos, lead, mold, radon and PCB's, if not included in the Phase I Environmental Report required?

A: If there are no visible buildings or outbuildings on the site then the Phase I provider should rely on visual inspection and historic use data to determine whether additional Phase II testing will be required for this site.

Q: For an approximate multi-acre site that will have multiple structures, plus utilities, we need to develop a soil boring plan to meet RIHousing requirements. Utilities and drainage have not been designed yet, just preliminary roadway and "loose" foundation locations. Is a representative sampling with locations informed by the engineer and drainage test pit information will be sufficient. What is the minimum number of borings that you would like to see?

A: A representative sample is acceptable for preliminary application submission. Once the civil design is refined, RIHousing will expect the geotechnical/soil and foundation reports to be updated per our testing requirements referenced in our Handbook.

- New Construction/Additions/Major Underground Utilities/Infrastructure: Subsoil Investigation Report w/ Design Recommendations by Geotech Firm. (min. boring locations at all foundations, underground utilities, catch basins/structures/galleys, randomly along roads and parking areas)

As of November 30, 2023

Q: There appears to be a typo on the Scoring Criteria for the DAH2 funds under "Effectively serving people...WITH supportive services", please review.

A: Yes, there is a typo. The correct scoring metric for the second category (16-20% of the units for ELI households) should be 20 points, not 50 points. The corrected chart should read as follows:

21% or greater of the total number of units in the development	25 points
16% - 20% of the total number of units in the development	20 points
11% - 15% of the total number of units in the development	15 points
Up to 10% of the total number of units in the development	10 points

Q. Have there been recent changes to the U.S. Department of Energy’s Zero Energy Ready Home (ZERH) program? It is referenced in the Developer’s Handbook and is part of the Efficiency Scoring.

A: Earlier this month, DOE ZERH released [ZERH Multifamily Version 2](#), which applies to units in multifamily buildings (of any height) permitted on or after 1/1/2025. For multifamily project permitted from 1/1/2024 through the end of 2024, ZERH [Version 1, Revision 9](#) is the program version that will apply. This program version also allows multifamily buildings of any height to participate.

A full list of available ZERH program versions and their implementation dates can be found [here](#).

Q: Our project has Phase 1 and Phase 2 Environmental Site Assessment (ESA) reports that are more than 6 months old, do we need to update the reports for the application?

A. The Phase 2 ESA is typically required because there is an environmental finding. We will not require a new Phase I for the application, however the narrative should identify the contamination and the contractor’s scope of work should include the cost for the environmental remediation. If a Remedial Action Work Plan has been submitted to RIDEM it should be included as an exhibit.