

**Rhode Island Housing Development Corporation**

**Request for Action  
By  
Board of Directors**

**Approval of Developer for 1739 Broad Street, Cranston  
(Cranston Housing Authority)**

**A. SUMMARY**

This Request for Action (“RFA”) is for approval to designate Cranston Housing Authority (“CHA”) as developer for the acquisition and development of 1739 Broad Street, Cranston, Rhode Island (the “Property”).

The Property is a multi-family residential property comprised of six (6) rental units. The Property was partially rehabilitated by the previous owner using funds from a Thresholds Grant; however, the requirements of the Thresholds Grant Agreement were not met, and the Property was subsequently transferred to Rhode Island Housing Development Corporation (“RIHDC”), a subsidiary of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”), in October 2024 in lieu of repayment of that Thresholds Grant.

On November 1, 2024, RIHousing, on behalf of RIHDC, issued a Request for Proposals to solicit applications to select a qualified developer for the Property. The RFP was posted on the RIHousing website, the State of Rhode Island purchasing website, and sent to a distribution list of RIHousing development partners, including developers and participants, via an email announcement. The RFP set forth the following evaluation criteria:

- Professional capacity to undertake the Scope of Work;
- Ability to perform within time and budget constraints;
- Evaluation of proposed project approach, including number and depth of affordability of units;
- Target population(s) proposed to house in development, if applicable, and written agreement(s) demonstrating supportive services partnership(s) to assure tenant support in obtaining and maintaining housing, if applicable;
- Previous work experience and performance providing housing and services to the proposed population(s);
- If the developer is proposing to serve a specific target population with the affordable housing, evaluation of written agreements with services providers to provide housing stability services to the target population(s) indicated;
- Financial capacity of the developer; soundness of plan of finance;
- Affirmative action plan; and
- Other pertinent information provided.

RIHDC received two responses to the RFP. A committee comprised of RIHousing Executive Division staff (the “Selection Committee”) analyzed the RFP responses against the evaluation criteria, and the Selection Committee unanimously approved CHA as the selected developer for the Property.

CHA has proposed establishing and funding an affiliated non-profit entity that will obtain authorization for the transfer of acquisition funds, which the entity will use to purchase and maintain ownership of the property. Authority for the transfer of funds to the non-profit entity has already been approved by the Board of Commissioners of CHA. The CHA entity will immediately enter into a joint venture agreement with Coventry Housing Associates, Corporation (“Coventry”), and together, the two entities will oversee the redevelopment of the Property.

The CHA entity will acquire the property and, once approved, will go out to bid for construction. CHA’s proposal envisions a 5-6 unit multifamily project that will utilize CHA’s Section 8 resources to fund the ongoing operations.

As noted, prior to RIHDC’s acquisition, the Property was subject to a Thresholds Grant Agreement, which required that the Property be available for lease to consumers or persons with intellectual disabilities or behavioral health issues (meaning those with mental health or substance abuse disorders) who do not require 24-hour supervision (such individuals, “Thresholds-eligible Tenants”). Neither proposal submitted, including the recommended proposal, proposes to lease the Project to Thresholds-eligible Tenants. Therefore, in accordance with the terms of the RFP, the developer will be required to pay the full acquisition price for the Property, which is the amount of the outstanding Thresholds Grant funding (\$421,700) plus carrying costs of RIHDC.

Accordingly, CHA proposes to purchase the property with existing funds in the amount of \$421,700 plus actual carrying costs up to 5% (\$21,085) as established by RIHDC. The CHA entity will secure private financing to fund the renovation of the Property and anticipates an estimated construction cost of \$1,700,000 plus approximately \$500,000 in soft costs.

CHA and Coventry leadership serve on the Comprehensive Community Action, Inc. (“CCAP”) Board of Directors, which has also committed to collaborating on this project as a supportive services provider. CCAP, as a local comprehensive health and human service entity, will provide a range of services, including integrated health services (primary care, oral health, behavioral health including substance treatment), social services (food, furniture, heating/weatherization), early care and education and workforce development/education related services.

Staff is recommending the approval of the attached resolution approving Cranston Housing Authority as the developer for the property at 1739 Broad Street in Cranston for an acquisition price of \$421,700 plus actual carrying costs up to 5% (\$21,085) as established by RIHDC, subject to certain conditions as set forth in the attached Resolution.

## **B. ATTACHMENT**

### A. Resolution

**Attachment A**  
**Resolution of the Board of Directors of**  
**Rhode Island Housing Development Corporation**

- Whereas,** in October 2024, Rhode Island Housing Development Corporation (“RIHDC”) acquired a property at 1739 Broad Street, Cranston, RI 02905 (the “Property”);
- Whereas,** RIHDC, through Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”), issued a Request for Proposals (“RFP”) seeking a developer for the acquisition and development of the Property;
- Whereas,** in response to the RFP, RIHousing received two proposals to develop the Property;
- Whereas,** A committee composed of RIHousing Executive Division staff (the “Selection Committee”) has completed a thorough evaluation of the two proposals submitted for the Property; and
- Whereas,** the Selection Committee has determined that Cranston Housing Authority submitted the proposal that best meets the goals of RIHDC in accordance with the criteria set forth in the RFP.

**NOW, THEREFORE, IT IS HEREBY:**

**Resolved,** that RIHDC does hereby approve and designate Cranston Housing Authority or an affiliated entity (the “Developer”) as the developer for the acquisition and development of 1739 Broad Street in Cranston, Rhode Island.

**Resolved,** that the foregoing resolution is subject to the following conditions:

- the Developer’s satisfaction, in the sole judgment of RIHDC, of all terms and conditions set forth in the RFP;
- the execution of a Development Agreement by RIHDC and the Developer which includes an agreement by the Developer to purchase the Property for no less than the amount in Developer’s initial proposal;
- The Developer’s acquisition of the Property from RIHDC within six months of this approval;
- Submission of an initial funding application for resources necessary for the development of the Property to the applicable funding entity, with preliminary approval of funding received, within nine months of this approval;
- Closing on all financing relative to the Development within 12 months of this approval;
- RIHDC approval of all development team members, including approval of organizational documentation of the CHA-affiliated entity;
- RIHDC review and approval of the joint venture agreement between Cranston Housing Authority and Coventry Housing Associates, Corporation;

- RIHDC approval of the construction budget, scope of work, and construction contractor; and
- RIHDC approval of the operating budget for the Property.

**Resolved,** that the Executive Director of RIHDC, or his or her designee, be authorized to take any and all actions, including specifically the authority to execute a development agreement, as well as execute any and all documents, instruments and other agreements and to take such further actions as he or she deems necessary to carry out the above resolution.