



**RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
REQUEST FOR PROPOSALS**

Homeownership Investment Fund (“HIF”) Funding

Application Deadline EXTENDED: 4 p.m. Friday, April 17, 2020

RIHousing announces the opening of a competitive funding round for Homeownership Investment Fund (“HIF”) funding. Approximately \$1,379,341.00 in funding is available to increase the construction of new homes. The program will be conducted statewide. Income of households that occupy newly constructed or redeveloped residential properties is limited to 120% of Area Median Income (“AMI”).

Applicants should review the HIF guidelines, which set forth the Threshold Criteria and Priorities which will be used to evaluate applications.

APPLICATION PROCESS:

- There is only one acceptable application form. It is posted on the RIHousing website at www.RIHousing.com/rfps-rfqs.
- Incomplete applications and those omitting requested documentation will not be evaluated.
- Applicants must submit one (1) electronic copy of the application.
- Applicants may submit proposals for more than one project.

APPLICATION SUBMISSION:

All applications are due by **4:00 p.m. on Friday, April 17, 2020.**

One (1) electronic copy must be submitted to:

Belinda Lill, Program Coordinator/Ancillary Financing, blill@rihousing.com

For information on the HIF program, contact Eric Shorter at (401) 457-1219 or eshorter@rihousing.com.

Application for Homeownership Investment Fund ("HIF")

Application Deadline: 4:00 p.m., Friday, April 17, 2020

Applicant Name: _____

Please indicate the amount of funds you are requesting:

HIF Funds Requested: \$ _____

Property is: Vacant Land Foreclosed property Blighted property

Existing building Vacant Year built: _____

To be demolished: Yes No

Please note: Development within a 100-year Flood Zone (A, AE), demolition of historic buildings and development upon environmentally sensitive land is prohibited.

Per application checklist, provide FEMA map.

Application Instructions:

Submit **one (1) electronic copy*** of the application (including all spreadsheets and attachments) to:

Belinda Lill

Program Coordinator/

Ancillary Financing

blill@rihousing.com

Project must commence within six (6) months of approval of HIF funding.

DEVELOPER FEES AND/OR PROFITS ARE LIMITED TO 10% OF THE TOTAL DEVELOPMENT COST OF THE PROJECT NOT INCLUDING DEVELOPER FEES.

USE OF AN APPLICATION OTHER THAN THIS VERSION WILL RESULT IN THE APPLICATION BEING RETURNED WITHOUT REVIEW.



1. Applicant Information

Organization: _____

Ownership entity if different from above: _____

Address: _____

City/Town: _____ State: _____ Zip Code: _____

Tax ID: _____ Agency DUNS # (if applicable): _____

Chief Executive Officer: _____

Contact Person: _____ Title: _____

Telephone: _____ Fax: _____ Cell: _____

E-mail Address: _____

Type of Organization:

Housing Developer Organization is: non-profit for-profit

Other: _____

2. Project Location

Project Name: _____

Street Address:* _____

City/Town: _____ Zip Code: _____

Plat: _____ Lot(s): _____ Census Tract: _____ Block Group: _____

**for multiples attach a separate list of addresses.*

3. Project Involves (check all that apply):

New construction

Rehabilitation

Demolition Acquisition

Applicants must demonstrate that the project will commence within six (6) months of approval of funding. The proposal’s initial readiness to proceed will be assessed, and all applicants must demonstrate readiness to proceed throughout the process.

4. Development Team Information

a) Strength of development team. Please be specific. Describe experience developing homeownership opportunities (affordable, market) by providing a brief history of completed projects. Please provide evidence of satisfactory progress of projects previously funded with RIHousing resource (if applicable).



5. Write a comprehensive narrative description addressing each of the following issues (use separate headings):

- a) Objectives and beneficiaries of proposal. Please be specific. Describe status of plans and specs and approvals (zoning, building permit, etc.) by municipal permitting bodies and state regulatory agencies for the project. Please provide a development schedule including projected date of commencement of activities (e.g., construction) and timetable for completion.

- b) Demonstrate that the proposed project is financially feasible. Provide Total Development Cost (“TDC”) per home/unit (for residential or mixed-use proposals) or for project (for public space, community facility and other proposals). Describe project leveraging (i.e., percent of TDC to HIF funding). List all other committed state, federal and other funds (including other gap funding sources). HIF funds should be the last funding to be committed.

- c) Discuss location and impact on surrounding community. Describe the existing conditions of the neighborhood, demographic trends and local need.

- d) Discuss inclusion of any sustainable and green components and/or design and energy efficiency.

Agreement and Certification

The undersigned specifically agrees that the funds requested by this application will be secured by a Mortgage and a Deed Restriction on the property described herein and that RIHousing, its agents, successors and assigns make no representations or warranties, express or implied, to the Applicant regarding the property, the condition of the property or the value of the property.

I verify that the information in this application is true and correct. I understand that false statements herein are subject to the penalties of Rhode Island Law relating to unsworn falsification to authorities.

Organization Name:

By: _____ Title: _____

Print or type name

Signature: _____ Date: _____

Application Checklist

Attach in this exact order (please use section tabs for all applications):

Application (signed and dated)	==	
Narrative proposal description	==	
Project Sources and Uses	==	
Letters of funding commitment	==	
Resumes of all key development staff & team		==
Provide proof of organization's creditworthiness through financial compilation or audit	==	
Evidence of site control	==	
Property Deed and legal description of the property	==	
Include Plat, Lot and zip codes for all addresses	==	
Photographs of property	==	
Evidence of zoning approval	==	
FEMA flood map for each address	==	
Design Plans and Specs	==	
Detailed construction estimates prepared by qualified professionals.	==	
Evidence of demand or need for the project through market analysis or study, local demographics, etc.	==	
Site location map (location and surroundings)	==	

Please ensure consistency between application, narrative, sources and uses, and plans & specs.

RIHousing
Homeownership Investment Fund (“HIF”)

PROGRAM REVIEW CRITERIA

In awarding HIF resources, RIHousing has identified the following priorities:

1. Increase the construction of new homes for households at or below 120% of area median income (“AMI”). Middle-income households are generally recognized as housing that is available for purchase to households earning between 80% - 120% AMI. For the Providence area, this would be between \$58,950.00 and \$88,440.00 for a three (3) person household (Source: U.S. Department of Housing and Urban Development FY2019- Income Limits);
2. Rehabilitation of blighted properties for homeownership;
3. Suitable site and design with appropriate scope of rehabilitation or construction;
4. Projects that incorporate smart growth and sustainable development principles;
5. Proposals that achieve these goals at the lowest cost.

To best achieve these goals, RIHousing has established four (4) threshold criteria that must be met before a proposal will be considered for HIF funding:

1. The development activity will commence within six (6) months of approval of funding.
2. Applicant must demonstrate that the development is financially feasible.
3. Applicant must demonstrate the experience and capacity to complete and market for-sale housing.
4. Applicant must demonstrate the need or demand for the project through market analysis, local demographics, existing demand for the project, etc.

Generally, only proposals that satisfy the Threshold Criteria review (as set forth below) will be further considered under the Scoring Criteria (as set forth below). RIHousing will record a fifteen (15) year restriction on properties assisted under the HIF. RIHousing will have an opportunity to provide the construction financing or match any terms from other lenders.

A. Threshold Criteria

1) Readiness to Proceed: Applicant must demonstrate that development of affordable homeownership opportunities for middle-income households will commence within six (6) months of funding. To be awarded and maintain a funding reservation, all applicants must demonstrate readiness to proceed throughout the process. An assessment of a proposal's initial readiness to proceed will be made based upon the applicant's ability to achieve the following: obtain all written land use and zoning approvals and building permits; evidence of site control; secure all funding commitments; and demonstrate financial feasibility.

RIHousing will use its best professional judgment in evaluating an application for readiness to proceed. Staff will consider the applicant's past performance in meeting permitting, funding and closing deadlines.

2) Financial Feasibility: The applicant must demonstrate that the proposal is financially feasible. RIHousing reserves the right to deny funding of proposals for which adequate funding commitments have not been secured for all development costs.

3) Development Team Capacity: The development team must have experience in the successful development and sale of affordable homeownership opportunities. The development team will be evaluated on its professional capacity to plan, build, market, and sell the proposed home(s). Each team member is expected to demonstrate satisfactory prior experience on projects of similar scale and complexity; to have satisfactory professional references; and to devote sufficient staffing and resources to complete the proposed project. The applicant will also be evaluated for creditworthiness and financial capacity.

4) Demonstration of Need or Demand: The applicant must demonstrate the need or demand for the project through market analysis, local demographics, existing demand for the project, etc.

RIHousing reserves the right to deny funding to any proposal where (i) any materially participating entity is not in good standing regarding compliance monitoring of other RIHousing funded projects; or (ii) any partner, developer or other key development team member has been determined by RIHousing to be not creditworthy. Creditworthiness takes into consideration the financial condition of an organization and management capabilities. RIHousing will review each applicant's most recent audit to ensure financial capacity to develop the project.

B. Scoring Criteria

Residential Point Allocation Summary

25 points General



20 points	Total Development Costs (“TDC”) per home/unit
15 points	Household Income Levels
15 points	Financing Points
15 points	Community Impact
10 points	Local Need

100 Total Points

GENERAL POINTS – Up to 25 Points

Up to 10 points - Utilizing Rhode Island based and MBE/WBE firms.

- 5 points for owner/applicant that utilizes a Rhode Island based General Contractor to construct the project.
- 3 points for owner/applicant that certifies in the application to require that up to 75% of the sub-contractor contracts be awarded to Rhode Island based construction firms.
- 2 points for owner/applicant that certifies in the application to require up to 10% MBE/WBE utilization rate.

Up to 10 points - Development that at the time of application is permitted by all applicable regulatory agencies including: municipal permitting bodies (local planning, zoning and building permit approvals) and state regulatory agencies (Department of Environmental Management and Coastal Resources Management Council). **Projects must demonstrate readiness to proceed within 6 months of funding.**

- 10 points for a project that has 100% plans and specifications and building permits secured or no building permits required
- 8 points for a fully permitted development that has building permits secured and specifications are at least 75% complete and architect confirms in writing that the plans and specifications can be 100% complete within 30 days
- 5 points for master, preliminary and final plan approval for development. Points will be prorated based on approvals in place at time of application.

Bonus: Up to 5 points - HIF is the last funding source needed to commence the project.

TOTAL DEVELOPMENT COST (“TDC”) PER HOME/UNIT - Up to 20 points

<\$200,000	20 points
\$201,000 - \$225,000	15 points
\$226,000 - \$250,000	10 points
\$251,000 - \$275,000	5 points
>\$275,000	0 points

HOUSEHOLD INCOME LEVELS – Up to 15 Points

- Homes developed for households at or below 80% of AMI 15 points
- Homes developed for households at or below 100% of AMI 10 points
- Homes developed for households at or below 120% of AMI 5 points

HIF FINANCING – Up to 15 Points

< \$25,000 per home/unit	15 points
\$26,000 - \$50,000 per home/unit	10 points
\$51,000 - \$75,000 per home/unit	5 points
>\$76,000 per home/unit	0 points

COMMUNITY IMPACT - Up to 20 Points

- 15 points - A property which is located within a community with less than 10% affordable housing as defined by state law
- 10 points - A property in an exempt community with less than 10% affordable housing as defined by state law: Cranston, East Providence, North Providence, Pawtucket, Warwick, or West Warwick

Bonus: Up to 5 points - If project integrates green and sustainable components and energy efficiency.

LOCAL NEED - Up to 10 Points

- 10 points - New construction that creates additional affordable homes on foreclosed, abandoned, vacant or difficult-to-develop lots;
- 5 points - The project must demonstrate that construction or rehabilitation corrects existing physical and health and safety conditions.