



RIHousing Announces Ancillary Financing Funding Round

Application Deadline: 5:00 p.m. Monday, June 24, 2019

RIHousing is pleased to announce the opening of a competitive funding round for the HOME Investment Partnership Program (HOME) and the Housing Trust Fund (HTF), initiatives of the U.S. Department of Housing and Urban Development (HUD). We anticipate being able to award approximately **\$6 million in combined HOME and HTF funds** for the development of affordable housing for low, very low, and extremely low-income households.

APPLICATION PROCESS:

- There is only one acceptable application form. It is posted on the RIHousing website at www.rihousing.com.
- Incomplete applications, applications submitted on obsolete forms and those omitting the requested documentation will not be evaluated.
- Applicants must submit three hard copies and one electronic version of the full application on CD or thumb drive to the address provided below.
- Applicants may submit proposals for more than one project per funding round.
- RIHousing reserves the right to adjust the fund source amount requested by any applicant based on need, demand, and project fit with available sources.

ELIGIBLE APPLICANTS:

Nonprofit housing developers, for-profit developers, public housing authorities, cities, towns, faith-based organizations and community housing development organizations are eligible to apply.

Note to HOME fund applicants only - Applicants from communities entitled to receive formula-based HOME funding allocations are eligible to apply, provided that their communities do not have HOME funds available for the specific housing activities proposed.

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:

- Applications must be complete, including all attachments
- The applicant must be an eligible applicant for the funding source being sought (as per above)
- Properties and activities proposed for consideration must be eligible
- Developer must demonstrate capacity to complete the proposed project
- Proposals must be financially feasible as presented
- Projects must be ready to proceed within 6 months of firm financing commitment
- Proposed assistance amounts must meet all appropriate funding source requirements



- Proposals must meet all applicable construction and rehabilitation guidelines
- Proposals must be consistent with the State Land Use Plan, applicable Municipal Affordable Housing Plan, [State Comprehensive Housing Plan](#), and [State Consolidated Plan](#)
- Projects must meet funding priority requirements (as set forth below and in the Attachments)
- Projects must be consistent with the appropriate program income targeting requirements

DISTRIBUTION PLAN AND SCORING:

Distribution Plans for each program, including funding priorities and scoring criteria, are attached and can be found online at <http://www.rhodeislandhousing.org/sp.cfm?pageid=570>.

APPLICATION SUBMISSION:

Applications are due by 5:00 p.m. on Monday, June 24, 2019. Three hard copies and one electronic version of the full application on CD or thumb drive must be submitted to Eric Alexander, Assistant Director, RI Housing, 44 Washington Street, Providence, R.I. 02903. **No applications will be accepted after the Monday, June 24, 2019 deadline.**

If you have questions about the HOME or HTF programs, please contact either Eric Alexander at 401-457-1236 or ealexander@rihousing.com, or Belinda Lill at 401-429-1425 or blill@rihousing.com.



Attachment A: HOME Program Distribution Plan

The State's HOME program awards funding for the purpose of acquisition, rehabilitation and new construction of affordable housing. There is a cap of 10% of the HOME award to use on administration of the program. Annually, 15% of program funds must be allocated to an eligible Community Housing Development Organization (CHDO) and RI Housing may provide HOME assistance, in the form of operating funds, to those eligible organizations upon award of project funds.

Priorities and relative importance

1) High Priorities:

- a) Substantial rehabilitation and/or new construction to provide new rental units for low and very low-income families;
- b) Substantial rehabilitation and/or new construction to provide new homeownership opportunities for low-income families;
- c) Substantial rehabilitation and/or new construction of new housing units for homeless and special needs populations (as defined in the Consolidated Plan), in conjunction with supportive services.

2) Medium Priorities:

- a) New construction to provide new rental units for low and very-low income one and two-person households;
- b) Preservation of the existing affordable housing stock through rehabilitation. (Properties eligible for assistance under 24 CFR 248 "Prepayment of Low Income Housing Mortgages" are ineligible for HOME funds).

3) Low Priorities:

- a) Moderate rehabilitation of rental units for low and very low-income households throughout the State including the elimination of lead based paint hazards, correction of code violations, the provision of handicapped access for persons with disabilities and for the elderly, and to increase the energy efficiency of units occupied by lower income families;
- b) Acquisition only for the purposes of any of the above mentioned activities.

Direct homeownership assistance, down payment and closing cost assistance, which do not include housing development, are not among the priorities of the HOME Program.



Attachment B: HTF Program Distribution Plan

The Housing Trust Fund (HTF) is a new affordable housing production program that will complement existing federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for families and other households in Rhode Island, including homeless families¹. One hundred percent (100%) of the HTF fund awarded in 2018 must benefit extremely low-income families or families with incomes at or below the poverty line (whichever is greater).

Priorities and relative importance

- 1) High Priorities:
 - a) Acquisition and/or substantial rehabilitation and/or new construction to provide rental units for families;
 - b) Acquisition and/or rehabilitation and/or new construction of rental housing units for homeless and special needs populations in conjunction with supportive services;
 - c) Acquisition and/or rehabilitation and/or new construction of rental housing units that provides or will provide project-based rental assistance to eligible tenants.
- 2) Medium Priorities:
 - a) Preservation of existing affordable rental housing stock through rehabilitation, acquisition, or other eligible assistance;
 - b) Acquisition and/or rehabilitation and/or new construction to provide rental units for one and two-person households;
 - c) Acquisition, and/or rehabilitation and/or new construction to provide rental units for elderly residents.
- 3) Low Priorities:
 - a) Moderate rehabilitation of rental units for families throughout the State including the elimination of lead based paint hazards, correction of code violations, the provision of handicapped access for persons with disabilities and for the elderly, and to increase the energy efficiency of family units;
 - b) Funds used to create additional affordable rental housing units to assure no net loss of units as a result of demolition, conversions to homeownership, prepayment or voluntary termination of State or federally assisted mortgages.

RIHousing has determined that direct homeownership assistance, down payment and closing cost assistance, which do not include housing development, are not among priorities of the HTF Program.

¹ To learn more about the HTF program, visit the HUD Exchange at:
<https://www.hudexchange.info/programs/HTF/>.



Attachment C: HOME Program Scoring

Scoring Factor	Total Possible Points
<u>Meeting Program Priorities:</u> The extent to which the proposal addresses one or more of the HOME Program Priorities outlined below (Tier 1 priorities=30 points; Tier 2 priorities=25 points; Tier 3 priorities=20 points)	30
<u>Applicant Ability to Obligate and Undertake Eligible Activities:</u> Capacity of the applicant to undertake the proposed activity (past project performance- up to 7 points, development and management team- up to 7 points, financial feasibility- up to 6 points, deduction of up to 9 points for HOME findings: if in monitoring- 3 points, if past compliance concerns- 3 points, and/or if there was a lack of responsiveness to past requests for required information - 3 points)	20
<u>Leverage and Match:</u> Commitment of and amount of leveraged resources and available match (non-federal match will be scored more highly)	15
<u>Demonstrated demand:</u> Market study or waitlist (full points allocated if waiting lists are provided, 5 points for demonstration of need but not demand)	10
<u>Financial feasibility of Project:</u> Committed or projected operating subsidy=up to 5 points; Pro forma performance through affordability period=up to 5 points	10
<u>Design and Construction Standards:</u> Meets or exceeds RIHousing Design and Construction Standards	10
<u>Community Participation:</u> Evidence of community engagement, public solicitation of feedback, and/or resident participation in project planning or execution	5
<u>Meeting Program Priorities:</u> The extent to which the proposal addresses one or more of the HOME Program Priorities outlined below (Tier 1 priorities=30 points; Tier 2 priorities=25 points; Tier 3 priorities=20 points)	30
<u>Geographic Diversity:</u> HOME funding is available to all communities in the State, with the general exception of Providence, Pawtucket and Woonsocket (entitlement communities), which receive HOME allocations directly from HUD. Entitlement communities may be eligible for State HOME funding if the entitlement entities do not have funds available for a specific activity. Priority will be given to non-entitlement communities who have yet to meet or exceed State requirements that at least 10% of housing stock is affordable (1 point). Additional points will be given for each of the following: <ul style="list-style-type: none"> • accessibility to transit (1 point); • accessibility to employment centers (1point); • accessibility to high performing schools (1 point); • accessibility of community services (1 point) 	5
<u>Duration of Affordability:</u> Term of Affordability exceeds minimum requirements for type of unit and amount of funding requested. HOME affordability varies dependent on project type and level of HOME investment. (meets affordability - 2 points, +1-10 years – 3 points, +11-20 years – 4 points, +21 years or more – 5 points)	5
<u>Priority Housing Needs of the State:</u> Connectedness to State Consolidated Plan priority needs	5
<u>Additional Merits:</u> Preference for underserved segments of the population as defined in the State’s Consolidated Plan	5
<u>Additional Merits:</u> Project provides access to resident services and supports (maximum point allocation to those applications which include executed MOUs with service partners)	5
TOTAL	130



Attachment D: HTF Program Scoring

Scoring Factor	Total Possible Points
<u>Meeting Program Priorities:</u> The extent to which the proposal addresses one or more of the HTF Program Priorities outlined below (Tier 1 priorities=30 points; Tier 2 priorities=25 points; Tier 3 priorities=20 points;	30
<u>Applicant Ability to Obligate and Undertake Eligible Activities:</u> Capacity of the applicant to undertake the proposed activity (past project performance- up to 7 points, development and management team- up to 7 points, financial feasibility- up to 6 points, deduction of up to 9 points for HOME findings: if in monitoring- 3 points, if past compliance concerns- 3 points, and/or if there was a lack of responsiveness to past requests for required information - 3 points)	20
<u>Leverage and Match:</u> Commitment of and amount of leveraged resources and available match (non-federal match will be scored more highly)	15
<u>Demonstrated demand:</u> Market study or waitlist (full points allocated if waiting lists are provided, 5 points for demonstration of need but not demand)	10
<u>Financial feasibility of Project:</u> Committed or projected operating subsidy=up to 5 points; Pro forma performance through affordability period=up to 5 points	10
<u>Design and Construction Standards:</u> Meets or exceeds RIHousing Design and Construction Standards	10
<u>Community Participation:</u> Evidence of community engagement, public solicitation of feedback, and/or resident participation in project planning or execution	5
<u>Geographic Diversity:</u> HTF funding is available to all communities in the State. Priority will be given to communities that have yet to meet or exceed State goal that at least 10% of housing stock is affordable (1 point). Additional points will be given for each of the following: <ul style="list-style-type: none"> • accessibility to transit (1 point); • accessibility to employment centers (1point); • accessibility to high performing schools (1 point); • accessibility of community services (1 point) 	5
<u>Duration of Affordability:</u> Term of Affordability exceeds minimum requirements for type of unit and amount of funding requested. HTF affordability is 30 years. (meets affordability - 2 points, +1-10 years – 3 points, +11-20 years – 4 points, +21 years or more – 5 points)	5
<u>Priority Housing Needs of the State:</u> Connectedness to State Consolidated Plan priority needs	5
<u>Additional Merits:</u> Preference for underserved segments of the extremely-low income population as defined in the state’s Consolidated Plan	5
<u>Additional Merits:</u> Project provides access to resident services and supports (maximum point allocation to those applications which include executed MOUs with service partners)	5
<u>Additional Merits:</u> Project integrates green design elements, universal design, energy and water conservation, etc. technologies above and beyond the Design & Construction standards.	5
TOTAL	130