

Building Homes Rhode Island Request for Proposals (RFP)

Application Deadline: 3 p.m. Thursday, February 28, 2019

The Housing Resources Commission is pleased to announce the opening of a competitive funding round for Building Homes Rhode Island (BHRI), a State-funded initiative of the Housing Resources Commission. At this time, the Housing Resources Commission will be making an estimated \$10 million available for the development and preservation of affordable housing.

While the BHRI RFP is being issued on the same general schedule, using the same/similar forms as other initiatives administered by Rhode Island Housing such as the HOME, HTC programs, please note the program requirements, priorities and application process are distinct and may differ.

APPLICATION INFORMATION:

- Application materials will be posted and available on the State's website at <http://www.ohcd.ri.gov>.
- Incomplete applications, applications submitted on incorrect/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 multiple proposals for more than one project in any given funding round.
- Housing Resources Commission reserve the right to adjust funding amounts requested by any applicant based on need, demand, and project fit with available sources.
- Current Low Income Housing Tax Credit project sponsors that still require additional funding sources as part of their existing proposals MUST submit an application for BHRI funds in response to this RFP.

ELIGIBLE APPLICANTS:

Nonprofit housing developers, for-profit developers, public housing authorities, municipalities, faith-based organizations, community housing development organizations, recognized tribes, state departments or agencies and redevelopment corporations.

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 as listed in the application.
- The applicant must be in Good Standing with the organization's state of origin and the State of Rhode Island;
- The applicant shall not have any pending lawsuits with the municipality in which they propose to develop;
- Projects must be consistent with income targets outlined in this RFP;
- Properties and activities proposed for consideration must be eligible in accordance with BHRI regulations;
- Projects must meet timeliness requirements referenced in the BHRI regulations;
- Proposals must meet all applicable State and local construction and rehabilitation guidelines;
- Proposals should be consistent with the State Land Use Plan, applicable Municipal Affordable Housing Plan, State Comprehensive Housing Plan, and State Consolidated Plan.

DISTRIBUTION PLAN AND SCORING:

The BHRI Distribution Plan, including funding priorities and scoring criteria, are attached and can be found on the State's website at <http://www.ohcd.ri.gov>.

Details of scoring, including information on the key criteria of Financial Viability and Capacity, will accompany the final RFP.

APPLICATION SUBMISSION:

Applications are due by 3:00 p.m. on Thursday, February 28, 2019. Two hard copies and one electronic version of the full application on CD or thumb drive must be submitted to Raymond Neirinckx, Office of Housing and Community Development/Housing Resources Commission, One Capitol Hill, 3rd Floor, Providence, R.I. 02908-5873.

If you have questions about the BHRI program, please contact Raymond Neirinckx, Housing Commission Coordinator, at 222-4893 or Raymond.Neirinckx@doa.ri.gov.

Attachment A: BHRI Distribution Plan & Priorities

The goal of the Building Homes Rhode Island Program (BHRI) is to provide eligible developers with resources to finance the creation of “new” and preservation of existing homeownership opportunities for households up to 120% of Area Median Income (AMI) and rental housing opportunities for households up to 80% of AMI. At this time, the Housing Resources Commission will be making an estimated \$13.5 million available for these activities, with additional funding resources in subsequent years until the entire \$40 million available for this program has been obligated. There is an expectation that developers will give hiring preference to local contractors/subcontractors, to the greatest extent feasible.

Funding Priorities

1) Tier I:

- a) Acquisition and/or substantial rehabilitation and/or construction to provide new rental units for households earning up to 80% of AMI. “New” is defined as newly-affordable and may include rental units created in conjunction with a LIHTC development refinance;
- b) Acquisition and/or substantial rehabilitation and/or new construction to provide homeownership opportunities for households earning up to 120% of AMI;

Proposals that address critical housing needs of “Special Needs” populations, as defined by the BHRI program regulations, will be given special consideration.

- 2) Tier II: Preservation of existing affordable housing stock, no sooner than the initial fifteen (15) years for LIHTC developments and/or within ten (10) years of the end of the affordability period for all other developments, to prevent loss of units due to market conversion, loss of units due to critical physical needs, or loss of units due to ownership capacity/program commitment.
- 3) Tier III: Preservation of the existing affordable housing stock outside of the time periods outlined in Tier II, to prevent loss of units due to market conversion, loss of units due to critical physical needs, or loss of units due to ownership capacity/program commitment.

Direct homeownership assistance, down payment and closing cost assistance is not eligible.

D: Scoring (BHRI Only – Please see Self-Scoring Sheet for Detail)

Scoring Factor	Total Possible Points
<u>Meeting State Priority Housing Needs (Priority):</u> The extent to which the proposal addresses one or more of the Program Priorities outlined in the applicable Distribution Plan (15 points) and income targeting for the project (15 points).	30
<u>Applicant Ability to Obligate and Undertake Eligible Activities (Feasibility):</u> Capacity of the applicant to undertake the proposed activity. This criteria will consider Past Experience (5 points), Financial soundness of the organization (10 points) and financial feasibility of the proposal (15 points).	30
<u>Leverage and Match (Leverage):</u> Commitment of and amount of leveraged resources and available match (non-federal match will be valued more highly)	10
<u>Use of Non-Federal Resources (Cost Effective):</u> Diversified sources of investment. Total Development Cost per unit (10 points) and BHRI Subsidy per unit (5 points) are considered.	15
<u>Geographic Diversity (Geographic Diversity):</u> BHRI and HTF funds are available for projects located in all communities in the State. HOME funding is available for projects located in all communities in the State, with the general exception of Providence, Pawtucket and Woonsocket (“Entitlement Communities”), which receive HOME allocations directly from HUD. Projects located in Entitlement Communities may be eligible for State HOME funding if the Entitlement Communities do not have sufficient funds available for a specific activity. Priority will be given to communities who have yet to meet or exceed State requirements that at least 10% of housing stock is affordable (5 points).	5
<u>Community Needs (Community Need):</u> Project addresses market/community need (including serving populations with special needs)	10
Other factors considered: Readiness, Design, Access to services, Community engagement...	
TOTAL	100