STATE OF RHODE ISLAND

HOUSING 2030 - AFFORDABLE RENTAL HOUSING NEW DEVELOPMENT ("Housing 2030 New Rental")

PROGRAM DESCRIPTION

1. Program Overview	The purpose of Housing 2030 New Rental is to provide funding for the development of new multifamily rental units for households with incomes below 120% of Area Median Income ("AMI"). The source for Housing 2030 New Rental is 2024 State Housing Bond funds.
2. Eligible Applicants	Eligible applicants include for-profit and non-profit developers, owners of existing affordable housing developments, and Public Housing Authorities.
3. Eligible Activities	New construction, rehabilitation, and/or adaptive reuse, of income eligible rental units. All applications must include 51% or more new construction units. Developments must include a majority of affordable units that are secured with a deed restriction of at least 30 years.

4. Target Population/Areas	Developments must benefit low- and moderate-income individuals and families with gross annual incomes at or below 120% of AMI adjusted for family size. Developments that benefit lower income households (80% of AMI and below) are encouraged under the program. The state is particularly interested in developments with units that will help achieve its goals of permitting 500 new Extremely Low-Income Housing units (30% AMI and below) by 2030.
5. Program Allocation	Up to $27,000,000. All funds may be awarded in one funding round – the State reserves the right to reallocate funds to or from this program if demand is not met.
6. Funding Type	Long term loan secured by a deed restriction for rental developments.
7. Interest rate and Term	**Interest Rate:** 30-year treasury the month the loan closes **Rental Development Loan Term:** The term of the loan will be a minimum of 30 years and co-terminus with the senior debt. To the extent available, principal will be repaid through 50% of surplus cash as defined in the RIHousing loan documents. Interest will accrue and be forgiven at the end of the loan if affordability is maintained and monitored, and other requirements are met.

8. Funding Priorities	• Newly created units for households earning up to 80% AMI. • Proposals that provide at least 20% of the total units for households with incomes at or below 30% of AMI. • Development that has or will contribute to a comprehensive neighborhood revitalization strategy, community building initiative or similar local initiative. • Proposals providing for the greatest number of affordable units at the lowest total development cost. • Proposals using tax exempt bonds and 4% LIHTC and developing new affordable units.

9. Threshold Criteria	• **Readiness to Proceed:** Owner/Developer must demonstrate ability to proceed to closing on all financing and begin construction within nine months of commitment. • **Financial Feasibility:** The development must demonstrate financial feasibility for: (i) the overall development costs of the project and (ii) the long-term operation of the proposal. • **Marketability:** The development must have a reasonable likelihood that it will achieve sustainable occupancy of 95% within 6 months of construction completion. For mixed income proposals (any with rental units above 80% AMI) the applicant must submit a third-party market study that includes an absorption schedule, lease-up reserve and identifies the timeline for achieving 95% occupancy. • **Development Team Capacity:** The developer must have experience in the successful development and operation of affordable housing of similar scope and complexity. The Developer and their development team will be evaluated on its professional capacity to plan, build, market, and operate the proposed development.
10. Amount of Assistance	A maximum of $5,000,000 per project.
11. Term of Affordability	A minimum of 30 years.
12. Availability of Funds	Funds will be available through a Request for Proposals issued jointly between RIEOH and RIHousing.
13. Program Leverage with Other Financial Resources	It is expected that the Housing 2030 Rental Housing award may be matched with other public and private funds for the development of the proposed units.

Housing 2030 Affordable Rental Housing New Development Scoring Criteria

Point Allocation Summary

54 Points Cost Effectiveness
26 Points General Points
9 Points Sustainable Design

89 Total Points

Total Development Cost – Up to 10 points

Project TDC per unit at or below $375,000	10 points
Project TDC per unit between $375,001 and $400,000	8 points
Project TDC per unit between $400,001 and $425,000	5 points
Project TDC per unit between $425,001 and $450,000	3 points
Project TDC per unit above $450,000	0 points

Leveraging - Up to 10 points

Needed gap funding from any soft money sources (after LIHTC if applicable) is < 30 % of TDC	10 points
Needed gap funding from any soft money sources (after LIHTC if applicable) is < 50% of TDC	5 points
Secured Funding is > 50% of TDC	0 Points

4% LIHTC Tax Exempt Bond –5 Points

Housing 2030 New Rental funds are last source (not including LIHTC request)– 5 Points

Committed Operating Support – Up to 24 Points

Project makes available currently unused federal subsidy through activation of unused Faircloth Authority by a Public Housing Authority	Add 4 points to any category below
30% or more units within the development	20 points
20-29.99% of units within the development	16 points
10-19.99% of units within the development	10 points
Up to 9.99% of units within the development	Up to 6 points

Readiness to Proceed – Up to 12 points

Fully permitted development AND specifications are at least 90% complete AND architect confirms in writing that the plans and specifications can be 100% complete within 30 days AND the application includes a signed schedule of values from the general contractor, determined by RIHousing to be consistent with current pricing, that is the basis for the funding application	12 points
Master, preliminary and final plan approval for a development or for a development with "by right" approval AND 50% plans and specifications consistent with the requirements of the 2026 Developer's Handbook for "Design Development" level plans.	9 points
Master, preliminary and final plan approval for a development or for a development with "by right" approval AND plans that are only schematic. Points will be prorated based on approvals in place at time of application.	Up to 6 points

New Below 80% AMI Units – Up to 6 Points

100% of the units are new affordable units at or below 80% of AMI	6 points
50% of the units are new affordable units at or below 80% of AMI	4 points
25% of the units are new affordable units at or below 80% AMI	2 points
No new units at or below 80% of AMI	0 points

New 30% AMI Units – Up to 3 Points

20% of the units are new affordable units at or below 30% of AMI	3 points

Development that has or will contribute to a comprehensive neighborhood revitalization strategy, community building initiative or similar local initiative - Up to 5 Points

Development is located in a previously approval Concerted Community Revitalization Plan (CCRP) as outlined in the QAP	5 Points
Developer submits a letter from the municipality outlining how the project will contribute to a comprehensive neighborhood revitalization strategy, community building initiative or similar local initiative	5 Points
Applicants can demonstrate how the proposed housing contributes to an overall plan to revitalize and/or stabilize the neighborhood or that builds upon previous investments	Up to 5 Points

Sustainable Design- Up to 9 Points

Exceeds Energy Star 3.1 Version 8 for new construction OR substantial rehab that surpasses Tier II standards	3 points
Meets RNC Tier II AND most current Net Zero or Passive House standards	6 points
Incorporates solar panels or other renewables including net metering	Add up to 3 points based on size and amount of energy produced