STATE OF RHODE ISLAND

HOUSING TRUST FUND ("HTF") PROGRAM DESCRIPTION

1. Program Overview	The HTF program awards funding for the acquisition, rehabilitation, and new construction of rental housing for extremely low-income individuals and families. Provided such projects demonstrate alignment with HTF requirements, HTF funds will be prioritized first for successful 100% Permanent Supportive Housing Projects with less than 30 units using the Housing 2030 PSH fund scoring criteria for applications requesting HTF, and second, if funding remains, for LIHTC applications that contain Permanent Supportive Housing units. Homeownership is not an eligible use.
2. Eligible Applicants	Non-profit housing developers, for-profit developers, cities, towns, and community housing development organizations.
3. Eligible Activities	New construction or rehabilitation of rental units for income qualified households
4. Income Targeting	Developments must serve extremely-low income individuals and families with gross annual incomes at or below 30% of AMI. **HTF units cannot be shared with HOME program-assisted units.**
5. Program Funding	Approximately $3,000,000, if available.
6. Maximum Per Project Funding	Maximum award of $1 Million per project; Projects must identify HTF-assisted units in project application. (Davis-Bacon labor standards **are not** applicable to the HTF.) **2025 HTF Maximum Per-Unit Subsidy Limited will apply.** **2024 HTF Maximum Per-Unit Subsidy provided for illustrative purposes only:** 0 Bdrm $181,488 1 Bdrm $208,049 2 Bdrm $252,994 3 Bdrm $327,293 4 Bdrm+ $359,263

6. Funding Type	Long term loan secured by a deed restriction for rental developments.
7. Interest rate and Term	0% deferred loan with a minimum term of 30 years, and co-terminus with the senior debt.
8. Funding Priorities	• Acquisition, and/or substantial rehabilitation and/or new construction of rental units for families. • Acquisition, and and/or rehabilitation and/or new construction of rental housing units for homeless and special needs populations in conjunction with supportive services.
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 that meet the 20% at 50% or 40% at 60% set asides, 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.
11. Term of Affordability	30 years

12. Availability of Funds	HTF funds will be available through a Request for Proposals issued by RIHousing, and the award of such funds will be contingent upon the funds being made available to RIHousing by HUD.
13. Program Leverage with Other Financial Resources	It is expected that the HTF award will be matched with other public and private funds for the development of the proposed units
14. Environmental Review	HTF projects must meet the requirements of the HTF Environmental Provisions at 24 CFR §93.301(f)(1) or (2) at project completion. However, it must be determined prior to funding if a project will meet the HTF Environmental Provisions. If a project cannot meet the HTF Environmental Provisions, the project cannot be funded by HTF. For additional information, please review HUD CPD Notice 16-14.
15. Build America Buy America ("BABA")	The Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Recipient's infrastructure project.
16. Section 3 Requirement	The Section 3 program requires recipients of HUD funding to direct employment, training, and contracting opportunities to low-income individuals and the businesses that employ these persons within their community. Section 3 is a provision of the HUD Act of 1968 and is found at 12 U.S.C. 1701u. The regulations are found at 24 CFR Part 75. Per this statutory language, recipients of HUD funds (i.e. grantees and contractors) ensure that "to the greatest extent feasible," when certain HUD funds are used to assist housing and community development projects, preference for construction-related training, jobs, and contracting opportunities go to low- and very-low income people and to businesses that are owned by low- and very-low income persons or businesses that hire them. These opportunities are both gender and race neutral.