

State of Rhode Island Low Income Housing Tax Credit Program

The Rhode Island Department of Housing is pleased to announce the opening of its first competitive funding round to award up to \$30 million under the Rhode Island Low Income Housing Tax Credit Program (State LIHTC Program) in conjunction with RIHousing's Consolidated Request for Proposals (RFP). The purpose of the State LIHTC Program is to increase the development of affordable housing in Rhode Island by closing financing gaps in projects receiving Federal LIHTCs (4% or 9%). The State LIHTC Program will provide tax credit funding to projects in equal increments over the 5-year period after the project is placed in service. The tax credits may be sold to an investor or may be redeemed by the State for ninety percent (90%) of the value of the tax credit. Further information regarding the funding terms and requirements of the State LIHTC Program can be found in the program regulations available on the Rhode Island Secretary of State's website at <https://rules.sos.ri.gov/regulations/Part/310-10-10-1>.

APPLICANT ELIGIBILITY

- Eligible applicants include for-profit and non-profit developers, owners of existing affordable housing developments, and Public Housing Authorities.
- 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.

SUBMISSION REQUIREMENTS

- Application materials will be posted and available on the Rhode Island Department of Housing's website: www.housing.ri.gov and also on RIHousing's website: www.rihousing.com.
- Incomplete applications, applications submitted on incorrect/obsolete forms and those omitting the requested documentation will not be evaluated.
- The Department of Housing requires that all applicants submit their applications electronically via www.rihousing.com/rfps-rfqs/.
- Department of Housing reserves the right to adjust funding amounts requested by any applicant based on need, demand, and project fit with available sources.

THRESHOLD CRITERIA

Applications must meet the State LIHTC Program threshold criteria to be considered for funding which includes:

- The application is timely, complete, and submitted electronically according to the submission instructions.
- The project has received or been selected by RIHousing for a Federal LIHTC Award (4% or 9%). The Federal LIHTC Award must occur concurrent with or before the project is awarded State LIHTC.
- The project must be financially feasible. Projects that are financially infeasible or have had unreasonable cost increases since a prior federal LIHTC award will not be considered for the State LIHTC in this round.

SCORING CRITERIA

Applications will be scored in the five (5) categories summarized below and the scoring will be used to select projects for an award under the State LIHTC Program, subject to availability of funds. The scoring methodology for these criteria is listed on the following page.

Scoring Factor	Points	% of Total
1. Increase Production of Affordable Housing	15	27%
2. Readiness to Proceed	15	27%
3. Serving Vulnerable Populations	10	18%
4. State LIHTC Efficiency	10	18%
5. Priority Projects Catalyzing Investments	5	9%
TOTAL	55	100%

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Scoring Worksheet**

Scoring Factor	Points
<p><u>#1: Increase Production of Affordable Housing</u></p> <ul style="list-style-type: none"> ○ New construction or adaptive reuse projects of 100 or more new units = 15 points. ○ New construction or adaptive reuse projects with fewer than 100 new units = Prorated points based on # of new units (#units/100 x 15). 	15
<p><u>#2: Readiness to Proceed</u></p> <ul style="list-style-type: none"> ○ Project has all other financing committed, has preliminary approval/reservation of federal LIHTC from RIH, building approvals/permits are secured, and developer is capable of closing within 60 days of award = 15 points. ○ If remaining approvals are as of right and the project can close within 6 months of a State LIHTC award = 10 points ○ If remaining approvals are as of right and the project can close within 9 months of a State LIHTC award = 5 points <p><i>Note: Documentation evidencing all commitments and approvals is required to receive points in this category.</i></p>	15
<p><u>#3: Serving Vulnerable Populations</u></p> <ul style="list-style-type: none"> ○ Projects offering housing for households in one or both of the following categories: a) income at or below 30% of median income or b) are homeless and coming from the Coordinated Entry List may receive up to 10 points. ○ To receive points in this category, projects must have a service plan and agreements in place to meet the expected service needs of the population to be served. ○ Points will be prorated based on the percentage of units serving the special populations identified above. 	10
<p><u>#4: State LIHTC Effective Leveraging</u></p> <p>The State LIHTC is designed to fill gaps remaining after other sources of capital have been maximized. Up to 10 points will be awarded on a sliding scale based on project's effective leveraging of other funding sources.</p> <p>Amount of SLIHTC needed to close the gap?</p> <ul style="list-style-type: none"> ○ >\$100K per unit = 0 points ○ \$90K-\$100K per unit = 1 point ○ \$80K - \$89,999 per unit = 2 points ○ \$70K - \$79,999 per unit = 3 points ○ 60K - \$69,999 per unit = 4 points ○ \$50K - \$59,999 per unit = 5 points ○ \$40K - \$49,999 per unit = 6 points 	10

<ul style="list-style-type: none"> ○ \$30K - \$39,999 per unit = 7 points ○ \$20K - \$29,999 per unit = 8 points ○ \$10K - \$19,999 per unit = 9 points ○ \$1 - \$9,999 per unit = 10 points 	
<p><u>#5 Priority Projects – Catalyzing Investment</u> Up to 5 points may be awarded for projects of special significance in catalyzing substantial additional private sector investment and/or unlocking federal resources, including investment beyond the housing project itself. Priority Projects bring a unique level of positive economic impact for the State. Yes = 5 points, No = 0 points</p>	5
Total Points Available	55