RIHOUSING

GUIDELINES FOR RIHOUSING-
EXTREMELY LOW-INCOME OPERATING RESERVE

Program Purpose:

RIHousing announces funding availability under the RIHousing-Extremely Low-Income ("RIH-ELI") Program. RIH-ELI is intended to subsidize the operations of housing units serving Extremely Low-Income ("ELI") households, defined as households with income at or below 30% of Area Median Income ("AMI")

RIHousing anticipates that RIH-ELI funding will be used to support developments providing units designated to serve ELI households including those experiencing homelessness or at risk of becoming homeless.

Funding Availability: $3,000,000 to capitalize a long-term operating reserve designed to offset the gap between:

- the 30% AMI rent and the 50% AMI rent for units with existing tenants or new tenants that are **not** referred by the Coordinated Entry System

AND/OR

- the 30% AMI rent and the 60% AMI rent for units for new households referred from the Coordinated Entry System. This includes, but is not limited to, CES referrals made to HOME-ARP project based chronological waiting lists.

Should RIHousing receive additional RIH-ELI program funds, RIHousing reserves the right to allocate them as part of this funding round.

Funding Type: Capitalized reserve

Availability of Funds: RIH-ELI funds will be available through a Request for Proposals issued by RIHousing. Funding is available in the form of a reserve capitalized upon the units' readiness for occupancy and administered by RIHousing. Successful projects will requisition funds from RIHousing based on demonstrated need and project specific operating budgets.

Eligible Applicants: Eligible applicants include for-profit and non-profit developers and owners of existing affordable housing developments.

Income Targeting: Developments must benefit individuals and families with gross annual income at or below 30% of AMI adjusted for family size with a priority for households either exiting homelessness or at risk of becoming homeless. Mixed income developments are allowed under the RIH-ELI program.

Funding Priorities:

The RIH-ELI represents a limited resource with a large mandate. To ensure that resources are committed and expended in the most efficient manner that most positively impacts the state, RIHousing has established Funding Priorities and Threshold Criteria.

Priorities:

- In an effort to support families experiencing homelessness and move households off of the Coordinated Entry System, proposals which target units that will be occupied by households referred by the Coordinated Entry System will be prioritized and receive an award sized at the difference between the 30% and 60% AMI rent. This includes but is not limited to CES referrals made to HOME-ARP project based chronological waiting lists.
- Proposals that provide at least 10% of the total units for households with incomes at or below 30% of AMI.
- Proposals which target households experiencing homelessness or at risk of becoming homeless
- Owners with a demonstrated track record of working with an experienced social service/homeless service provider to provide services to residents of ELI units submitted at the time of application.
- Developments with units already in operation or those immediately ready for occupancy.

Threshold Criteria:

- **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:** For all units in the development, but particularly for those ELI units which the funds will support, applicants must demonstrate the need within the community, the ability to access the targeted population and long-term plan to market and occupy those units over the life of the project.

- **Development Team Capacity:** The service provider must have a demonstrated history of providing supportive services to ELI households and individuals or families who, but for this housing, would be at risk of homelessness. The developer must have experience in the successful development and operation of affordable housing of similar scope and complexity.