

PROVIDENCE HOUSING TRUST FUND

EXECUTIVE SUMMARY

INTRODUCTION

The Providence Redevelopment Agency, as Trustee, is currently soliciting proposals to spur the production, preservation, and protection of income-restricted housing through the Providence Housing Trust Fund. These funds are available to private and public developers for construction and project financing. **Applications will be accepted on a rolling basis as funds permit.**

ELIGIBILITY

The Providence Housing Trust Fund (“PHTF”) is a bond-funded loan program and available to any individual or entity (“Borrower”) willing to acquire, develop, redevelop, rehabilitate, construct, and/or preserve income-restricted housing in the City of Providence. The Borrower must submit an Eligibility Form prior to submitting a Providence HTF loan application. The Borrower’s use of PHTF financing must result in income-restricted housing units with a project that outlines an ability to service existing and proposed debt.

USES

Acquisition, development, redevelopment, rehabilitation, construction, and/or preservation of housing affordable for individuals or families with area median incomes of less than one hundred twenty percent (120%) as determined by U.S. Department of HUD.

FINANCING

PHTF's loan rates uniquely reflect scope and complexity of the activities funded and the resulting affordable housing after the funds have been expended. **PHTF portion may range from 10% to 50% of total project costs, will all investments fully secured.** PRA, as Trustee for the PHTF, will maintain a position on property and equipment depending upon the credit quality and nature of the project. Additional security will be required as appropriate. Cross collateralization with other loans may also be required. PHTF reserves the right to require a debt service reserve fund and/or personal guarantees depending upon the creditworthiness of the borrower, the nature and value of the collateral and the risk associated with the project. Actual rates may vary due to market conditions at the date of commitment or due to borrower credit.

Minimum Amount	\$50,000 per project
Maximum Amount	\$5,000,000 per project
Term	Affordability covenant may vary
Payment Schedule	Monthly

TIMING & PROCEDURE

A potential Providence HTF applicant must submit an Eligibility Form and will receive a notice of eligibility. Applicants deemed eligible may be invited to complete a PHTF Loan Application in accordance with the Loan Procedures and Underwriting Guidelines adopted by the PRA. Upon a recommendation, the PRA Board either approve or deny the loan by resolution. If approved, a commitment letter will be issued and a Settlement of the PHTF loan may occur once the terms of the commitment are satisfied.

FEE

Nonrefundable application fee of \$1,000 (loans up to \$2.5 million) & \$2,000 (loans greater than \$2.5 million) are due at time of HTF application submission. There is no fee to submit the Eligibility Form.

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ELIGIBILITY FORM

Overview

Private and public developers interested in funding from the Providence Housing Trust Fund must complete an eligibility form. Projects may range from the rehabilitation of existing residential structures, new construction, acquisition of existing affordable housing, and conversions of non-residential structures into income-restricted housing units. Under certain circumstances of funding use, developers may be required to award contracts on a competitive bid basis. The award amount may range between \$50,000-\$5,000,000 and range within 10-50% of total project cost.

Eligibility & Process

An applicant or project deemed eligible to submit a PHTF Application does not ensure award of PHT financing. The PHTF eligibility status will extend one (1) year from the date of notification. Only completed forms will be reviewed. Answers may be expanded upon by attaching additional pages. Use 8 1/2"x11" paper and mark each additional page with the firm name and referenced question.

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ELIGIBILITY FORM CHECKLIST

Please submit application and attachments to the Providence Housing Trust Fund at: housingtrust@providenceri.gov.

<input type="checkbox"/> ELIGIBILITY FORM. Filled in its completion.
<input type="checkbox"/> PROJECT SUMMARY. Brief description of proposed project that includes location, current ownership, timeline for acquisition or financing and preliminary findings regarding the site such as zoning, environmental and market analysis.
<input type="checkbox"/> FINANCIAL. Include a copy of the firm's three (3) most recent annual (audited, if available) financial statements. At a minimum, the financial statements must include the balance sheet, statement of income and retained earnings and footnotes, if applicable. If the applicant has been in business less than three years, the application must include all available statements.
<input type="checkbox"/> INSURANCE. Applicant must provide proof of insurance equal to the minimum requirements. Insurance requirements are in Section 4. Disciplines other than construction may have additional insurance requirements such as errors and omissions, professional liability and environmental or pollution liability coverage.
<input type="checkbox"/> BOND CAPACITY. Please provide a letter from your Surety Company verifying the information stated in Section 5 of the application.
<input type="checkbox"/> LICENSES. Copies of all applicable and current trade licenses issued to the applicant firm that legally allow the firm to perform the work it does. This includes Rhode Island State Contractor License.
<input type="checkbox"/> CITY PERFORMANCE HISTORY. The application requires firms to self-disclose performance on past PRA, PHT, or City of Providence (CITY)-financed projects. The firm must list all work performed within the last three years with PRA. This includes budget and schedule performance, M/W/DSBE and wage compliance. Use the attached form to complete the required information.
<input type="checkbox"/> PREVIOUS WORK HISTORY NON-CITY PROJECTS. The application contains a form titled "Experience on Completed or Ongoing Projects". Please use this form to detail the non-PRA, PHT, or CITY work that the firm has performed within the last three years. Firms must list a minimum of five (5) projects. Use one page per project and reproduce copies of the form as necessary.
<input type="checkbox"/> OSHA VIOLATIONS. If at any time within the past five (5) years the applicant firm received a serious OSHA violation, you must provide copy(s) of the Citation and Notification of Penalty, signed Settlement Agreement and narrative which details the specific issue(s) cited, remedial action required and taken by your firm, amount of fine initially imposed and ultimate resolution.
<input type="checkbox"/> RESUMES AND ORGANIZATIONAL CHART The applicant must include current resumes for each Principal and Key individual identified in Question 8a. The application must also include a copy of the firm's current Organizational Chart.
<input type="checkbox"/> DUNS (Data Universal Numbering System) NUMBER. The DUNS number is a distinctive nine-digit identification number assigned to the firm by Dun & Bradstreet Information services. If the applicant does not have a DUNS number, it should contact Dun & Bradstreet directly to obtain one. A DUNS number will be provided for the firm within seven to ten business days. For information on obtaining a DUNS number, the firm, if located in the United States, should call Dun & Bradstreet at 1-800-333-0505.
<input type="checkbox"/> APPLICATION CERTIFICATION AND AUTHORIZATION FORM. Please be sure to complete the following additional certification and authorization forms. Applications will not be processed without them.