

# Housing Tax Credit Application Checklist and Application

## Submission Requirements

Each Applicant submitting a proposal to Rhode Island Housing must include one copy of the drawings and specifications, one CD containing a completed pro-forma, and an original and two copies of each of the following documents along with the application. In addition, a full electronic copy that follows the checklist should be submitted electronically on a CD or thumb drive.

**Please use three-ring binders with tabs dividing the sections.**

### INITIAL REVIEW SUBMISSION REQUIREMENTS

**1. Funding Application** (Attached).

**2. Submission Checklist.** A copy of this submission checklist is to be completed by applicant to indicate whether each submission requirement is Complete, Incomplete, or N/A.

**3. Applicant Self-Scoring Form** (Attached).

**4. Application Fee.** See Developers Handbook for a description of the application fee requirements.

#### 5. Development Information:

**A. Development Summary Narrative:**

Provide a detailed narrative of the development proposal that reflects the goals of the Applicant and describes how the proposed design will meet the needs of the targeted population. Applicant must provide information that supports Applicant's Score of the proposal. The narrative should include, at a minimum, a discussion of:

- Building and unit type - vacant, foreclosed and/or abandoned, vacant lots.
- Type of construction - rehabilitation, new construction, adaptive re-use.
- Neighborhood impact (e.g. density, architectural consistency, etc.)
- The healthy and sustainable design features of the development as related to the scoring criteria.
- Community facilities and amenities on site or proximate to the development.
- How the proposal contributes towards the goals of Comprehensive Community Development which includes among other attributes:
  - Community Context & Engagement
  - Good Homes, Public Infrastructure and Transportation
  - Health
  - Strong Economy and Workforce Development

- B.** Applicant will be required to (i) submit evidence of all permitting approvals or (ii) demonstrate that permitting scoring is not applicable for the development in order to qualify for permitting points. For developments seeking planning or zoning changes, provide a narrative outlining current status, outstanding approvals still needed and detailed timeline for obtaining all permitting approvals.
- C. Schematic Design.** Provide, at a minimum, schematic designs in accordance with the requirements of the Design and Construction Handbook.
- D. Utility Availability.** Provide verification of availability of electric, gas, storm water, cable telephone as well as adequate water and sewer capacity.
- E. Flood Plain.** A FEMA Flood Map with Map Panel ID for each property included in the proposed development. (<http://msc.fema.gov>)
- F. Environmental Hazards.** Applicant must provide a map of each property included in the development indicating proximity to any environmental hazards. Environmental maps may be obtained from the Department of Environmental Management's website at [www.dem.ri.gov](http://www.dem.ri.gov). Applicant must also disclose knowledge of any material(s) and/or substances that might be located either on site or in close proximity to the site that might be an environmental hazard. If available, a Phase I (or Phase II) Environmental report should be submitted with the application.

#### 6. Development Team Capacity:

- A.** Applicant must complete the attached Real Estate Owned/Developed Schedule with a listing of all previously developed multifamily housing. Attach a hard copy of the Schedule with the application and submit an electronic copy of the Schedule with the pro forma.
- B. Financial Statements.** Financial Statements and Form 990 must be provided for the past three years (at least two years audited). If the Mortgagor is a to-be-formed partnership, all proposed General Partner(s) must complete this requirement.
- C. Qualification Statement.** Provide a resume, including the affirmative action record, for all members of the development team. Complete the chart included in the Application with Development Team contact information. A copy of the MBE/WBE Certificate and Certification Number should be provided for any member of the development team that is a Minority Owned or Woman Owned business:
  - Developer/Mortgagor (include resumes of Principals in charge of the proposed development). If developer is seeking credit as “a community based nonprofit that has a demonstrable track record of community engagement and operated housing in the neighborhood”, please provide backup.

- Management Agent
- Consultant
- Architect (include an AIA form B305, Architect's Qualification Statement)
- Legal firm
- Contractor (include an A305, Contractor's Qualifications Statement and Bonding Capacity Letter).

- D. Joint Ventures.** If the development team is a joint venture between two or more parties, a Memorandum of Understanding signed by the parties is required. This agreement should identify the responsibilities of each party and the benefits derived by all parties.
- E. General Contractor.** If a contractor has not been selected through a competitive bid process, names and resumes of pre-qualified bidders should be included with an A305, Contractor's Qualifications Statement and Bonding Capacity Letter for each firm.
- F. Social Services Plan.** For service enriched housing proposals, a detailed description of the services to be provided must be submitted, including the type of service, the appropriateness and sufficiency of services for the targeted population, the estimated cost of the services, the source(s) which will be used to cover this cost, and a narrative description and resume for all service providers, demonstrating their organizational capacity to provide the appropriate services. The Plan and a Memorandum of Agreement with a service provider if applicable must be submitted in order to receive points.

## 7. Financial Feasibility:

- A. Development Pro forma.** The Rhode Island Housing pro forma can be downloaded from the website at [www.rhodeislandhousing.org](http://www.rhodeislandhousing.org). A hard copy of the development pro forma must be submitted with the application. The Applicant should also provide an electronic copy (CD or flash drive) of the development pro forma.
- B. Evidence of Additional Resources.** Provide commitment letters for additional resources. Complete the chart included in the Application outlining source, amount and expected timing for the commitment of such funds.
- C. First Mortgage.** For applicants proposing first mortgage financing from a private lender, a letter of intent from the lender outlining financing terms and conditions should be submitted.
- D. Tax Credit Syndication Estimate.** A letter from a knowledgeable independent professional regarding the estimated total value of the sale proceeds of the Housing Tax Credits that will be available to the development.

- E. Real Estate Tax Assessment.** Applicant is required to submit evidence that the real estate tax assessment for the development will be at 8% of effective gross income in accordance with RIGL 44-5-13.11.

## 8. Marketability:

- A. Market Analysis.** Applicant must submit relevant market information to support the proposed development. If a professional market study is not available Applicant must complete the Market Data chart in the application in addition to information on three comparable **unassisted** properties.
- B. Evidence of Local Support.** Applicants should submit letters of support from municipal governments, community based organizations and other local entities if applicable. Specifically, a letter of support from a local municipality referencing their awareness and support of the project as it contributes to the betterment of the neighborhood.
- C. Local Need and Impact Documents.** If applicable, applicants should demonstrate that the development is referenced within a local revitalization strategy, included within the municipality's affordable housing plan and/or located in a Statewide Planning Designated Growth Center. The applicant should provide a written description of how the proposed development will support the revitalization strategy or municipal housing plan. If the proposal responds to other documented local needs submit a copy of the City/Town Plan or other documentation which describes the local need to which this proposal responds. (Applicant may submit excerpts from this Plan, if the full document exceeds twenty pages.)
- D. Development Location.** Applicants should include an 11" by 17" map showing the location of the development identifying all properties and amenities.

## 9. Readiness to Proceed:

- A. Evidence of Site Control.** Applicant must complete the Site Control chart in the application. Evidence of site control must be provided in the form of a current option, contract to purchase, deed or other formal interest in the land. A legal description of each property must be provided. In cases where land is owned by a municipality, redevelopment authority, or other public entity, a letter from the entity must be provided which clearly identifies the Applicant as the designated developer. When land or buildings are already owned by the Applicant or a related party, the price of the last arm's length transaction and the acquisition date as well as the amount of outstanding debt must be documented. If available, an appraisal of the current value should be submitted.

\*Applicants are advised that execution of a purchase and sales agreement following submission of an application for federal funds, but prior to the completion of a HUD Environmental Review will prohibit investment of federal funds. However, applicants may enter into an option agreement at a

nominal cost for land and buildings which includes a provision that the purchase is contingent upon successful completion of a federal Environmental Review.

- B. Site Information and Constraints.** Complete the site information and constraint charts. Provide maps or other relevant data on any site constraints.
- C. Zoning and Permitting.** Submit a letter from the appropriate local official indicating current zoning of the site, if the zoning is appropriate for the proposed development, and if the site is located within the boundaries of an established Historic District. Applicant must complete the General Project Status chart in the application.
- D. Project Schedule.** Applicant must complete the Project Schedule chart and provide supporting documentation if applicable.

**10. Other Documentation:**

- A. Written justification for Development and Operating Costs.** Applicants proposing development costs or operating expenses at levels exceeding those costs or ranges listed in the Program Bulletin or which are at variance with any specific provisions of the RFP must submit written justification in the application and request an exception in to the Program Guide or RFP provisions in writing.

\*All Applicants are encouraged to provide line item justification and backup for cost estimates. A detailed breakdown should be provided for both payroll and “miscellaneous” line items. If proposed operating expenses are significantly different than the operating expenses of similar type properties listed on the REO schedule Applicant must explain the variance

- B. MBE/WBE.** In order to receive points, Applicants seeking to demonstrate that they have achieved commendable track records in MBE/WBE business and workforce utilization must submit evidence of contract dollar amounts and work force hours awarded to minorities and women, as defined by the Rules and Regulations of Rhode Island Housing Pertaining to Equal Employment Opportunity and Affirmative Action.
- C. Board Resolution.** Any nonprofit Applicant must submit a resolution from its Board of Directors authorizing the submission of this application and designate a signatory for all required certifications in the application.
- D. Certifications.** Applicant must complete and submit all certifications.