

**Request for Action  
by  
Board of Commissioners**

**Approval of Neighborhood Opportunities Program (NOP) Awards**

**1. Summary of Request**

This Request for Action (“RFA”) is for the approval of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) to allocate \$491,046 in Neighborhood Opportunities Program (“NOP”) funds.

The State of Rhode Island established the Neighborhood Opportunities Program (“NOP”) in 2001 with the goal of increasing the supply of affordable housing for very low and extremely low-income households. Originally there were three (3) program components: (i) Family Housing Funds (“FHF”), which provided affordable housing for households earning no more than 40% of State median income; (ii) Permanent Supportive Housing (“PSH”), which provided affordable housing for disabled and homeless households requiring supportive services; and (iii) Building Better Communities (“BBC”), which provided funding for homeownership opportunities, mixed-use developments, and community development. Operating funds were also available for the FHF and PSH components.

The BBC component was suspended in FY 2007 to provide increased opportunities for rental housing. Since FY 2008, the majority of funds have been provided for operating assistance to support FHF and PSH. The State of Rhode Island Housing Resources Commission funded the program through FY 2011, at which time the State program wound down. Since FY 2012, at the direction of the State of Rhode Island General Assembly, RIHousing has independently funded and administered the NOP Program.

RIHousing issued a Request for Proposals for NOP Program operating support funding in March 2024. Up to \$500,000 in NOP funds have been made available for the renewal of existing NOP projects that require additional operating subsidy to complete or extend their 10-year obligation or wish to add additional NOP units. RIHousing received eight (8) applications in response to the Request for Proposals, for a total cumulative amount of \$2,201,574 in NOP operating subsidy.

RIHousing staff met to review and score the applications in accordance with the terms of the RFP and NOP program guidelines. Staff is recommending funding six (6) developments for a total of \$491,046; details of which are set forth in Attachment A.

**2. Recommendation**

The attached resolution authorizing the allocation of \$491,046 in NOP funds is recommended for approval.

**3. Attachments**

- A. Recommendations of RIHousing Staff
- B. Resolution

**Attachment A**

**Recommendations of RIHousing Staff**

<b>NOP- June, 2024</b>					
<b>Agency</b>	<b>Development Address</b>	<b>Municipality</b>	<b>NOP Operating Funds Recommended</b>	<b>Length of Funding</b>	<b># NOP Units</b>
Crossroads Rhode Island / Traveler's Aid Housing	160 Broad Street	Providence	\$218,640	12 months	20
Crossroads Rhode Island	Harold Lewis House 54 Providence Street	West Warwick	\$65,592	12 months	6
Amos House	57 Brownell Ave.	Providence	\$47,760	12 months	4
SWAP, Inc.	Southside Gateways	Providence	\$58,746	12 months	8
Amos House	Swan Street	Providence	\$47,760	24 months	2
Crossroads Rhode Island	Tremont Street	Central Falls	\$52,548	12 months	5
<b>TOTAL</b>			<b>\$491,046</b>		<b>45</b>

1) **Crossroads, Travelers Aid Housing-** Requested \$382,620 total for 35 units (increasing from 16 current units under agreement) for 1 year. This property depleted NOP in 2019. Its initial 10-year affordability period ended in 2013. This award will support operating deficits at the site due in part to high maintenance and operating costs due to the age and use of the building. The need for NOP support has historically been higher than most projects due to the number of units (budget evaluation) and limited supportive service income. Within the next 24 months, most of the residents of 160 Broad Street will be relocated to Crossroads' new Summer Street development and this property will receive the benefit of higher RADS rents during this conversion. This NOP award will support the financial deficit on NOP qualified units prior to the transition of these residents to Summer Street.

**Committee decision:** As there are limited NOP award funds to allocate, staff recommends a \$218,640 award, which would fund deficits for 20 units for 1 year.

2) **Crossroads, Harold Lewis House -** Requested \$65,592 total for 6 units for 1 year. (a decrease from 14 units currently under agreement). This property depleted NOP in 2022 and the 10-year affordability period ended in 2018. Crossroads focuses heavily on permanent supportive housing and NOP has successfully filled deficits in the past.

**Committee Decision:** Staff recommends a 1 year award of \$65,592.00 which would fund additional deficits for the 6 requested units.

- 3) **Amos House, 57 Brownell Street, Providence-** Requested \$238,800 for 4 units (a reduction from 14 units under agreement) for 5 years. This property depleted NOP in 2020 and the 10-year affordability period ended in 2019. Amos House communicated that they have been funding the ongoing deficit since the NOP was depleted. They would like to continue to maintain this property as permanent supportive housing, which NOP subsidy has previously assisted in supporting.  
**Committee Decision:** Staff recommends a 1-year award of \$47,760 and will recommend that the owner apply for additional operating support opportunities as they arise.
- 4) **SWAP, Southside Gateways-** Requested \$587,461 for 8 units (a reduction from 16 units currently under agreement) for 10 years. This property depleted its NOP operating funds in 2023. The initial 10-year affordability period ended in 2017. This project falls under the NOP Family Housing program which requires a higher minimum rent than the PSH program.  
**Committee Decision:** Staff recommends an award allocation of \$58,746 which would be 1 year of subsidy for the 8 requested units.
- 5) **Amos House, 251 Swan Street –** Requested \$119,400 for 2 units (a reduction from 8 units currently under agreement) for 5 years. This property depleted NOP in 2020. The initial 10-year affordability ended in 2015. They would like to continue to maintain this housing as PSH. Amos House has funded deficits here since NOP depleted.  
**Committee Decision:** Staff recommends an award of \$47,760, which will support 2 units for 2 years.
- 6) **Crossroads, Tremont Street –** Requested \$52,548 for 5 units (same as currently in agreement) for 1 year. This property depleted NOP in 2023. The property has CoC funding, but still has historically had deficits. NOP has helped fund the shortfalls.  
**Committee Decision:** Staff recommends a one year allocation of the requested \$52,548.

## Attachment B

### Resolution of the Board of Commissioners Rhode Island Housing and Mortgage Finance Corporation

WHEREAS: Rhode Island Housing and Mortgage Finance Corporation's ("RIHousing's") enabling act provides it with all the power and authority to make and execute necessary contracts necessary to exercise the powers and functions provided to it under the act (R.I. Gen Laws §42-55-5(6)); and

WHEREAS: RIHousing has agreed to fund and administer the Neighborhood Opportunities Program ("NOP"); and

WHEREAS: RIHousing received eight (8) applications for NOP funding in response to a Request for Proposals, which applications have been reviewed by RIHousing staff to determine their eligibility for NOP funding; and

WHEREAS: RIHousing staff recommends that NOP funds be committed in the amounts and for the proposals listed in Attachment A.

NOW, THEREFORE, IT IS HEREBY:

RESOLVED: that RIHousing commits \$491,046 for the proposals identified in Attachment A subject to the availability of funding.

RESOLVED: that the Executive Director, Deputy Executive Director, and Director of Leased Housing and Rental Services, each acting singly, be, and hereby are, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions, including without limitation the authority to negotiate the terms of the grants as he or she may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.