

# RIHousing

## MEMO

**To:** Developers and Municipalities  
**From:** Eric Shorter, Director of Development  
**Date:** August 30, 2018  
**Subject:** Building Homes Rhode Island III Program Bulletin 2018-03

The purpose of the Building Homes Rhode Island Program (“BHRI Program”) is to provide financing to eligible developers for the construction and preservation of affordable housing.

Program Bulletin 2018-03 sets forth two programmatic conditions related to BHRI Program approved developments. These conditions relate to pre-closing requirements and design and construction standards.

### **Title Insurance Policy**

All projects receiving financing from the BHRI Program must have a title insurance policy issued equivalent to the amount of BHRI Program funds being invested in the development.

### **Design and Construction Standards**

#### **Homeownership Streamline Program for 1-2 Unit Developments**

The Homeownership Streamline Program for 1-2 Unit Developments is designed to expedite the construction review and approval process. All work conducted shall comply with all applicable federal, state and local codes, ordinances, and zoning requirements. RIHousing’s Design and Construction Guidelines may be used as a guidance document, but are not mandated. Key updated Rhode Island State Building and Fire Code Regulations are located at:

<http://sos.ri.gov/divisions/Open-Government/State/building-and-fire-codes>

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### I. To Initiate Property Specific Review:

1.  Property Address, Site Map
2.  Schematic Plans & Specifications per Section 2 of RI Housing Design and Construction Guidelines
3.  List of Sustainability, Energy Efficiency (RNC Tier I Minimum) and Universal Design Components to be included in project scope of work.
4.  Proforma Sources and Uses
5.  Purchase and Sales Agreement or Deed
6.  Zoning Certificate or Evidence of Zoning

### II. Required for Closing:

7.  Title Insurance Policy insuring the BHRI Program funds being invested
8.  Project Final Proforma with Sources and Uses
9.  Executed Construction Contract with Final Plans and Specifications referenced
10.  Plans and Specifications; Site Plan with setbacks and zoning requirements (Sustainability, Energy Efficiency (RNC Tier I Minimum) and Universal Design components included)
11.  Construction Contracts require a 10% MBE/WBE contractor goal
12.  Property Survey confirming that no 100-year flood plain, wetland or adverse easement restrictions exist
13.  Building Permit
14.  Property Insurance (Risk Insurance)
15.  Contractor's Insurance
16.  Contractor's Registration Card
17.  Perc Test, if applicable
18.  Evidence of utilities for all suburban and rural developments including well and ISDS, where applicable
19.  Structural review required for rehabilitation
20.  Test pits required for new construction (unsuitable soils determination)

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21.  Passive Radon System required
22.  Renovation projects must encapsulate and/or abate Asbestos, Radon, Mold and PCB's in accordance with all federal, state and local environmental laws and regulations
23.  Signed Commitment Letters (and copies of loan documents) for Gap Financing

### III. Required for Disbursements:

1.  Funding Requisition Form
2.  Invoice(s) from Borrower with back-up documentation
3.  Lien Waivers from Contractor
4.  Inspection Report (to be conducted by RIHousing at 35%, 55%, 70% and 100% completion intervals), subject to a \$100 inspection fee

### IV. Project Close-out Requirements:

1.  Certificate of Occupancy
2.  RIDOH Lead Safe Certificate and environmental close-outs (rehabilitation projects only)
3.  As Built Survey
4.  Contractor's 1 Year Guaranty for Labor and Materials
5.  Contractor's transmittal of O&M and Start-up submitted to owner.
6.  Evidence of NGRID Building Incentives and Rebates
7.  Final Title Rundown and Lien Waivers from Contractor

***Sponsors utilizing RIHousing's Master Construction Loan Program must review the standard closing agenda and legal documents required for the closing of those loans.***