City of Pawtucket, Rhode Island
HOME-ARP Affordable Rental Development
Release Date: August 27, 2025

# Overview

The City of Pawtucket is soliciting proposals from qualified firms, developers, or contractors to create LMI Rental Housing for Pawtucket residents. The City has available $1,000,000, which can be used to expand an existing development or as a standalone initiative. The City encourages proposals that maximize these funds to create an optimal number of new units. The project can be used for renovations provided new units are created.

# Qualifying Populations

Eligible Beneficiaries: HOME-ARP funds must primarily benefit individuals and families that meet one of the qualifying populations defined in the Notice. However, not more than 30 percent of the total number of rental units assisted with HOME-ARP funds may be occupied by low-income households as defined in 24 CFR 92.2.

Household Income: The following income requirements apply to HOME-ARP households:

Qualifying Households: At initial occupancy and each subsequent year during the

minimum 30-year compliance period, the City must use the definition of annual income at 24 CFR 5.609 and the process described in the Notice to determine the household’s contribution to rent.

Low-Income Households: The City must use the definition of annual income at 24 CFR 5.609 and the process described in the Notice to examine the household’s income at initial occupancy and each subsequent year during the minimum 30-year compliance period to determine the household’s ongoing income eligibility and applicable contribution to rent.

Tenant Contribution to Rent: A qualifying household may not contribute to rent more than is affordable based on the City’s determination of the household’s income.

# Eligible Activities

Eligible Activities: Acquisition, construction, and rehabilitation of affordable rental housing, including reconstruction as defined in 24 CFR 92.2. Acquisition of vacant land or demolition may be undertaken only with respect to a HOME-ARP project for which construction is expected to start within 12 months of commitment.

Eligible Costs: HOME-ARP funds may pay for up to 100 percent of the following eligible costs associated with HOME-ARP rental units:

Development hard costs include the actual cost of constructing and rehabilitating

housing to meet applicable property standards. Eligible development costs also include site improvements, utility connections and costs to construct or rehabilitate laundry and community facilities located within the same building as the HOME-ARP housing;

Refinancing of existing debt secured by a HOME-ARP rental project rehabilitated with HOME-ARP funds;

Acquisition costs of improved or unimproved real property;

Related soft costs including reasonable and necessary costs incurred by the City or project owner associated with the financing, development, acquisition, or rehabilitation of HOME-APR rental housing;

Relocation costs as defined in 24 CFR 92.206(f), 24 CFR 92.353, and the Notice;

Certain costs related to the payment of construction, bridge, or guaranteed loans, if HOME-ARP is part of original financing; and

# Project Requirements

Targeting and Occupancy: Not less than 70 percent of the total number of rental units The City assists with HOME-ARP funds must be restricted to occupancy by households that are qualifying households at the time of the household’s initial occupancy. Not more than 30 percent of the total number of rental units assisted with HOME-ARP funds by the City may be restricted for occupancy by low-income households. A household that met the definition of one or more qualifying populations at initial occupancy remains a qualifying household throughout their period of occupancy irrespective of changes in income or whether they continue to meet a qualifying population definition (e.g., no longer qualify as homeless after being admitted to a HOME-ARP unit).

Property Standards: HOME-ARP rental units must comply with all rental property standards required in 24 CFR 92.251 paragraphs (a), (b), (c)(1) and (2), (e), and (f).

Minimum Compliance Period: HOME-ARP rental units must comply with the HOME-ARP rental requirements for a minimum of 30 years, irrespective of the amount of HOME-ARP funds invested in the project or the activity undertaken. If a project-based rental assistance Housing Assistance Payments (HAP) contract is awarded to a HOME-ARP rental project, the minimum compliance period is the greater of 30 years or the term of the HAP contract.

Rent Limitations: HOME-ARP establishes rent limitations for units restricted for qualifying households and units restricted for low-income households as follows:

Units Restricted for Occupancy by Qualifying Households: The HOME-ARP rent may not exceed 30 percent of the adjusted income of a household whose annual income is equal to or less than 50 percent of the median income for the area, as determined by HUD (i.e., Low HOME Rents).

Units Restricted for Occupancy by Low-Income Households: HOME-ARP rental units restricted for low-income households must comply with the rent limitations at 24 CFR 92.252(a).

Additional HOME-ARP Unit Limitations, if applicable:

Federal/State Project-Based Rental Subsidy: A HOME-ARP unit that receives Federal or state project-based rental subsidy may charge the rent allowable under the rental subsidy program.

Single Room Occupancy Units (SRO): If an SRO unit has both sanitary and food preparation facilities, the maximum HOME-ARP rent is based on the zero-bedroom fair market rent. If the SRO unit only has sanitary facilities, the maximum HOMEARP rent is based on 75 percent of the zero-bedroom fair market rent.

Changes in Income and Over Income Households: The City must take action to address over income households occupying HOME-ARP units as follows:

Qualifying Households: A qualifying household whose annual income at the time of recertification is above 50 percent of median income for the area but below 80 percent of median income for the area must pay the rent specified in 24 CFR 92.252(a).

Low-Income Households: A low-income household whose income is above 80 percent of the median income for the area must pay rent that complies with 24 CFR 92.252(i)(2).

Lease and Tenant Protections: Each household that occupies a HOME-ARP assisted unit must execute a lease that complies with the tenant protection requirements prescribed in the Notice.

Master Leasing and Use of a HOME-ARP Sponsor: A HOME-ARP sponsor – a nonprofit organization that provides housing or supportive services to qualifying households – may execute a lease for a HOME-ARP unit or a master lease for multiple units in a project. The HOME-ARP sponsor may then sublease the HOME-ARP rental unit to a qualifying household.

Coordinated Entry and Project-Specific Waitlists: On a project-by-project basis, The City must decide whether a project owner may use a Continuum of Care’s (CoC) Coordinated Entry (CE), a CoC’s CE and other referral sources, or a project-specific waitlist to select qualifying households for HOME-ARP units restricted for occupancy by qualifying households. A project owner must use a project-specific waitlist to select low-income households to occupy units restricted for occupancy by low-income households.

Operating cost assistance, through a capitalized operating reserve or ongoing operating cost payments, for HOME-ARP units restricted for occupancy by qualifying households.

# Scope of Work & Responsibilities

The City of Pawtucket seeks proposals from firms, developers, contractors, and other qualified housing developers to create new units of LMI housing for Pawtucket resident. The City has $1,000,000 available and seeks to optimize these funds.

Projects in development that can expand the number of units are strongly encouraged to apply. These funds are fluid and can be used in a variety of manners that promote the City’s need for more LMI units.

The Grantee is responsible for the day-to-day management and oversight of its HOME-ARP program including but not limited to the following:

Underwriting and Subsidy Layering: The City must approve underwriting and subsidy layering guidelines for determining the appropriate amount of HOME-ARP funds, including any operating cost assistance provided to maintain the financial viability of the HOME-ARP project through the 30-year minimum compliance period.

Enforcement of Rental Requirements: The City must impose the HOME-ARP rental requirements through a deed restriction, covenant running with the land, legally binding agreement restricting the use of the property and recorded on the property in accordance with State recordation laws, or other mechanism approved by HUD.

Project Completion, Occupancy and Noncompliance: The Grantee must repay any HOME-ARP funds invested in units that are 1) not completed within 4 year of project commitment, 2) not rented to eligible qualifying or low-income households within 12 months of project completion, or 3) terminated before completion or otherwise not compliant with the HOME-ARP rental requirements.

Management and Oversight of Operating Cost Assistance Reserve: The City must require any HOME-ARP funds expended for project operating cost assistance reserves be held by a project owner in a separate interest-bearing account with review and written approval from the City prior to any disbursement of HOME-ARP funds from the operating cost assistance reserve account. The City must, no less than annually, review the operating cost assistance reserve account to determine that it is appropriately sized based on projected deficits for units restricted for occupancy by qualifying households.

# Proposal Requirements

# Timeframe

Following selection of one or more developer(s), Planning Department personnel will engage in contractual negotiations within 4 weeks of award.

Proposals should be double-spaced with a Maximum of 20 pages in total, including Attachments and Budgets. Applicants should deliver 1 original and 1 email. There is a supplemental application worksheet that should accompany the written Application. Any Application received late will not be considered.

# Submission Details

Application and Rental Development Supplement Required

Deadline for Submission:
**September 29, 2025, at 4:00 PM** (Late applications will not be considered)

**Mail or Deliver to:**Mark E. Goudreau
Community Development Program Manager
Pawtucket City Hall
137 Roosevelt Avenue
Pawtucket, RI 02860

mgoudreau@pawtucketri.gov

# Informational Session / Questions

An optional informational workshop will be held on September 4, 2025, 5:00 PM.
Submit questions to:
mgoudreau@pawtucketri.gov

# Other Federal Requirements

Selected applicants must comply with applicable federal laws, including:
- Non-discrimination and Equal Opportunity (24 CFR part 5, subpart A)
- Debarment and suspension policies
- Drug-Free Workplace regulations
- HUD Violence Against Women Act requirements (24 CFR 92.359)

# Award and Contracting

Funding will be awarded on a competitive basis. The City reserves the right to:
- Request additional information
- Reject any or all proposals
- Award partial funding
- Negotiate scope and budget with selected applicants

All awards are subject to final approval by the City of Pawtucket and are contingent upon HUD's HOME-ARP program requirements.

# Equal Opportunity and Nondiscrimination

The City of Pawtucket is an equal opportunity agency. All applicants shall comply with applicable local, state, and federal nondiscrimination and equal opportunity requirements.