

1- How much does it cost to achieve the passive house standard?

The Passive House Institute US (PHIUS) is the leading passive-building standard-setting, research & information provider, and certification institute in North America. RIHousing does not have a large number of developments that are seeking or have achieved Passive House PHIUS certifications yet, but the two most recent projects that we have funded have come in at or below our published total development cost guidelines. There were added PHIUS certification and consultant fees that averaged around \$125,000 per development. PHIUS guidance states that there should be 2-6 percent premium to build to the PHIUS standards, but this margin is shrinking as the energy code becomes more stringent. In general, the PHIUS standard appears to be a cost-effective way to reach a deeper energy efficiency and/or Net Zero housing.

2- Does the \$223.2 m in funding requests under the consolidated funding round reflect only the amount of subsidy that would be required for projects using 9% Low Income Housing Credits (LIHTC) or also the additional financing that would be required if the deal had to utilize the less competitive but also less generous 4% Housing Credits?

The \$223.2 million in funding requests reflects the subsidy sources specifically requested in the application. If an applicant applied for 9% Housing Credits, but expressed a willingness to utilize 4% Housing Credits if they were not awarded 9% Credits, the subsidy request calculation uses the subsidies needed in conjunction with the 9% Credit but not the alternative proposal. Likewise, if an applicant applied for 4% Housing Credits, the subsidy request calculation uses the subsidies needed in conjunction with the 4% Credit.

3- Are there examples of other states that do a better job than we do of providing the gap financing needed to better leverage 4% LIHTC?

Historically, Rhode Island has provided less state funding than our New England neighbors to fund housing development and preservation, and thus have had fewer sources to close subsidy gaps for developments financed using 4% Housing Credits. In FY20, the most recent year for which this information is available, Rhode Island appropriated \$18.34 per capita for housing programs compared to \$26.60 per capita in Maine, \$75.03 per capita in Vermont, \$79.02 per capita in Connecticut and \$116.02 per capita in Massachusetts. Massachusetts funds many more programs than Rhode Island that can be used to close gaps in 4% Housing Credit deals. These programs include a State Low Income Housing Tax Credit program (up to \$40 million per year), an Affordable Housing Trust Fund program (\$45 million in FY20), and a Housing Stabilization and Investment Fund (\$31 million in FY20) to name a few.

4- Are the scores of applicants under the Consolidated Funding Round made public?

The criteria for evaluating projects was made public in the Request for Proposals. The scoring of individual applications is not typically included in the information provided in the publicly posted board action for approval of financing. That information is however public information and can be provided upon request after final awards are made, subject to potential redactions in line with the Access to Public Records Act.