

2024 -- H 7923

LC005224

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- HOUSING PRODUCTION
REVOLVING FUND ACT

Introduced By: Representatives Speakman, Giraldo, Knight, Carson, Tanzi, Potter,
Cotter, Donovan, McGaw, and Henries

Date Introduced: March 04, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 42 of the General Laws entitled "STATE AFFAIRS AND
2 GOVERNMENT" is hereby amended by adding thereto the following chapter:

3 CHAPTER 64.35

4 HOUSING PRODUCTION REVOLVING FUND ACT

5 **42-64.35-1. Short title.**

6 This chapter shall be known and may be cited as the "Housing Production Revolving Fund
7 Act."

8 **42-64.35-2. Establishment of the fund - Uses.**

9 (a) The department of housing is authorized to issue bonds in the amount of fifty million
10 dollars (\$50,000,000) (the "housing bonds"), with a maturity date not to exceed twenty (20) years,
11 to create the housing production revolving fund (the "fund"), in order to further the goals set forth
12 in this chapter and to promote, among other purposes, the development of housing in order to make
13 housing more affordable.

14 (b) The uses of the fund shall include, but are not limited to:

15 (1) Providing debt service for the housing bonds; and

16 (2) Financing real estate projects by public developers to include public housing authorities
17 and other public agencies.

18 (c) The fund shall consist of:

1 (1) Proceeds from the issuance of housing bonds in the amount of fifty million dollars
2 (\$50,000,000);

3 (2) Annual appropriation from the general assembly for debt service of the housing bonds
4 not to exceed five hundred thousand dollars (\$500,000) per year;

5 (3) Repayments of principal and interest from loans made from the fund; and

6 (4) Any other money made available to the fund from other sources including, but not
7 limited to, gifts, grants or donations.

8 **42-64.35-3. Development of housing.**

9 (a) The department of housing shall formulate a program for the development of housing
10 units where a portion of the housing units are set aside from housing projects to ensure affordability.
11 The program shall solicit applications from public developers to include public housing authorities
12 and other public agencies for the construction or rehabilitation and ownership of housing units. A
13 developer awarded assistance under this chapter shall be required at a minimum to provide:

14 (1) Twenty percent (20%) of the development of housing units be affordable housing for
15 households earning fifty percent (50%) or less of the area median income (AMI), adjusted for
16 household size; and

17 (2) An additional ten percent (10%) of the development of housing units be affordable
18 housing for households earning eighty percent (80%) or less of the area median income (AMI)
19 adjusted for household size.

20 (b) Developers shall endeavor to use all possible methods including, but not limited to,
21 additional public subsidy and housing vouchers, to achieve maximal affordability on all projects.

22 **42-64.35-4. Rules and regulations.**

23 The department of housing shall be the administrator of the fund and shall promulgate rules
24 and regulations deemed necessary for the administration of the fund and for the implementation of
25 the provisions of this chapter.

26 **42-64.35-5. Labor standards.**

27 (a) For construction projects financed in whole or in part by the housing production
28 revolving fund in excess of ten million dollars (\$10,000,000), all construction workers shall be paid
29 in accordance with the wages and benefits required pursuant to chapter 13 of title 37 ("labor and
30 payment of debt by contractors") with all contractors and subcontractors required to file certified
31 payrolls on a monthly basis for all work completed in the preceding month on a uniform form
32 prescribed by the director of labor and training. Failure to follow the requirements pursuant to
33 chapter 13 of title 37 shall constitute a material violation and a material breach of the agreement
34 with the state. The department of housing, in consultation with the director of labor and training

1 and the tax administrator, shall promulgate such rules and regulations as are necessary to implement
2 the enforcement of this section.

3 (b) The department of housing shall ensure that contracts for construction projects under
4 this chapter shall contain provisions requiring contractors and subcontractors to:

5 (1) Pay wages at rates not less than the prevailing rates of wages for work of a similar
6 character in the locality as determined by the department of labor and training or its successor
7 agency;

8 (2) Submit certified payroll records to the department of housing to demonstrate
9 compliance with prevailing wage requirements;

10 (3) Utilize apprenticeship and training programs registered with and approved by the State
11 of Rhode Island or federal apprenticeship agencies, ensuring a specified ratio of apprentices to
12 skilled workers as defined by the department of labor and training or its successor agency, and
13 adhere to the obligations set forth by these programs.

14 (4) Comply with the minority business enterprise contracting targets set forth in §37-14.1-
15 6, using the definitions of § 37-14.1-3.

16 (c) The department of housing is authorized to establish procedures and requirements to
17 ensure compliance with the labor standards set forth in this section, and shall coordinate with the
18 department of labor and training or its successor agency in the enforcement of these standards.

19 (d) For projects valued over twenty-five million dollars (\$25,000,000), the department of
20 housing shall conduct an independent, objective, reasoned study, using reviewable criteria, to
21 determine whether adoption of a project labor agreement on the proposed project or projects shall
22 be beneficial and/or aid and assist in the compliance with the provisions of chapter 2 of title 37
23 ("state purchases").

24 **42-64.35-6. Compliance with the American with Disabilities Act.**

25 (a) A minimum of five percent (5%) of the housing units developed under this chapter shall
26 be designed and built to be readily accessible and usable by individuals with disabilities in
27 accordance with the standards set forth by the Americans with Disabilities Act (ADA) and
28 applicable state laws.

29 (b) The department of housing shall ensure that the application process for public
30 developers includes the provision for ADA-compliant housing units and shall review and approve
31 the accessibility features in the design plans of the housing units.

32 **42-64.35-7. Childcare provision.**

33 (a) Public developers are encouraged to incorporate on-site childcare facilities within
34 housing developments funded under this chapter to support the families residing in these housing

1 units.

2 (b) The department of housing shall coordinate with the department of children, youth, and
3 families to develop guidelines and provide resources for the establishment and operation of on-site
4 childcare facilities, including compliance with state and national standards for childcare provision.

5 **42-64.35-8. Green building and environmental standards.**

6 (a) All construction projects financed in whole or in part by the housing production
7 revolving fund shall adhere to recognized green building and environmental standards that
8 holistically address climate and environmental impacts, as determined by the Rhode Island office
9 of energy resources or its successor agency, which may include standards established by the
10 international sustainable building certification program created by the International Living Future
11 Institute referred to as the "Living Building Challenge", or the "Passive House Standard"
12 established by the International Passive House Association (IPHA).

13 (b) Public developers shall, to the greatest extent possible, incorporate renewable energy
14 systems such as solar power, and energy-efficient technologies in the design, construction, and
15 operation of housing units developed under this chapter.

16 (c) The department of housing shall coordinate with the Rhode Island office of energy
17 resources or its successor agency to develop guidelines, provide resources, and offer technical
18 assistance to public developers for the implementation of green building and environmental
19 standards in housing projects funded under this chapter.

20 **42-64.35-9. Local hiring.**

21 (a) Except where prohibited by law, public developers shall be encouraged to prioritize
22 hiring local workers for construction, maintenance, and operation jobs within the housing projects
23 funded under this chapter.

24 (b) The department of housing shall coordinate with local workforce development agencies
25 to promote job opportunities for local residents in housing projects funded under this chapter, in
26 accordance with applicable laws and regulations.

27 **42-64.35-10. Transportation access.**

28 (a) Public developers are encouraged to prioritize locations with access to public
29 transportation or provide transportation solutions to ensure accessibility to essential services and
30 employment opportunities for the residents of the housing units developed under this chapter.

31 (b) The department of housing shall coordinate with the department of transportation and
32 other relevant agencies to assess and improve transportation access to and from housing projects
33 funded under this chapter.

34 **42-64.35-11. Climate resilience.**

1 (a) Public developers shall incorporate climate resilience measures to protect housing
2 developments from extreme weather events and future climate change impacts.

3 (b) The department of housing shall coordinate with relevant state agencies to develop
4 guidelines for climate resilience measures in housing projects funded under this chapter.

5 **42-64.35-12. Monitoring and evaluation.**

6 (a) The department of housing shall establish a mechanism for the ongoing monitoring
7 and evaluation of the fund's impact, including a public reporting requirement.

8 (b) Public developers receiving funding under this chapter shall provide regular reports to
9 the department of housing on the progress and impact of funded projects, as determined by the
10 department of housing.

11 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- HOUSING PRODUCTION
REVOLVING FUND ACT

1 This act would authorize the department of housing to issue bonds in the amount of fifty
2 million dollars (\$50,000,000), with a maturity date not to exceed twenty (20) years, to establish the
3 housing production revolving fund, to promote the development of housing and ensuring that
4 housing becomes more affordable. The fund would be used to provide debt service for the housing
5 bond and establish real estate projects by public developers to include public housing authorities
6 and other public agencies. A portion of the housing units developed would be set aside to ensure
7 affordability, by requiring that at least twenty percent (20%) is allocated as affordable housing for
8 households earning fifty percent (50%) or less of the area median income, adjusted for household
9 size, and an additional ten percent (10%) is allocated for households earning eighty percent (80%)
10 or less of the area median income, adjusted for household size.

11 This act would take effect upon passage.

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