



Purpose of Program



The purpose of the Residential Housing Infrastructure Assistance Program (“Program”) and the associated Residential Infrastructure Fund (“Fund”) is to provide financial assistance to eligible participants to finance infrastructure projects that support residential housing development in communities that demonstrate need for additional housing inventory based on local job growth.

The Program and Fund will be administered by the
Indiana Finance Authority.



Uses of the Fund



The Fund may finance public infrastructure for the support of residential housing including the purchase of land necessary to accommodate an Eligible Project including any soil excavation and/or compaction. All funds will be distributed to a political subdivision in the form of a low interest loan through the issuance of a bond for an Eligible Project.

“Eligible Project” is a project that includes the installation, replacement, upgrade or improvement of public infrastructure for the support of additional residential housing.



Fund Requirements



Seventy percent (70%) of the appropriations to the Fund must be used for housing infrastructure in political subdivisions with a population of less than fifty thousand (50,000) and the remaining thirty percent (30%) must be used for housing infrastructure in political subdivisions not eligible for the 70% allocation.



Eligibility Requirements



For a project to be “eligible”, a political subdivision’s application must include but is not limited to the following criteria:

- (1) General project information including:
 - (a) Demonstration of need
 - (b) Type of infrastructure needed
 - (c) Detailed description of all project components including the housing that will be developed



Program Prioritization



- Projects that are ready to move forward with construction within six (6) months after loan closing.
- Verification that the political subdivision: (a) Invested in a housing study within the last five (5) years; or (b) demonstrated the need for additional housing inventory as indicated by the Indiana Housing and Community Development Authority's ("IHCDA").
<https://indianahousingdashboard.com>
- The political subdivision has voluntarily revised development ordinances and regulations, if applicable.
- The political subdivision has secured other funding to contribute to the project.
- A repayment source has been identified.

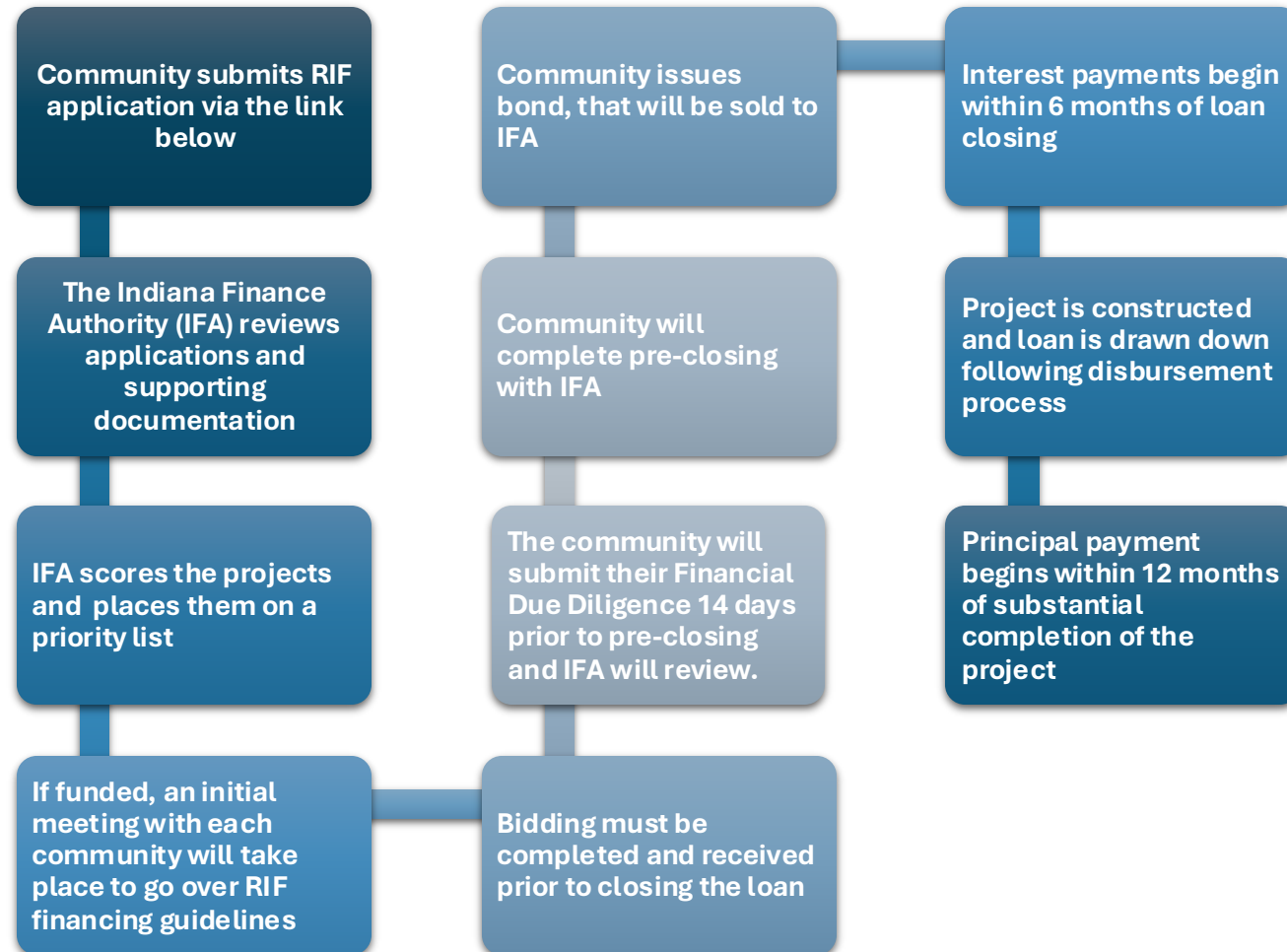


Interest Rates & Repayment



- The interest rate for proposed projects will be set using the Indiana Finance Authority's (IFA) State Revolving Fund (SRF) interest rate matrix. See <https://www.in.gov/ifa/srf/finance/summary-of-current-interest-rate-policy/>. For traditional utility infrastructure projects, the interest rate depicted in the SRF matrix for the Political Subdivision will be used. All nonutility projects will be eligible for the interest rate equal to the highest SRF interest rate on the date of loan closing.
- Principal repayment will begin within 12 months after substantial completion of the project and will have a 20-year fixed interest rate, and level annual debt service.

Process





Reporting



- In order to track and document the benefits of the Program, the political subdivision will:
 - Provide final development costs demonstrating cost savings as a result of the RIF loan.
 - Provide the number of housing units completed and by type.
 - Provide the percentage of funding that was leveraged using Program Funds.
 - Provide the size of the laborshed and how many employers the development supported.



Recent Changes



- Funding limitations: \$15K per multifamily unit and \$25K per single family unit.
- Applicants are limited to two active projects at a time.
- Preliminary engineering plans approved and stamped by a professional engineer, including a certification that the total project cost is reasonable based on current market conditions.