SIGN ON LETTER IN SUPPORT OF STATE INVESTMENT IN AFFORDABLE HOUSING

March 29, 2017

Senate/ House Finance Committee
Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Dear Chairman:

We wish to thank you for your investment in affordable housing through the $50 million Housing Opportunity bond in FY17. With such uncertainty around Federal resources for housing, those resources will be heavily relied on by the housing development community to build safe, decent housing that Rhode Islanders can afford. As you consider the State's FY18 budget, we call on you to build upon that work by prioritizing the development and preservation of affordable housing and include our request for $5 million of capital investment in affordable housing (S317, H5565). Continued investment is a vital component of addressing the State's ongoing need for affordable housing, stimulating economic development and revitalizing our communities and neighborhoods.

Thoughtful and deliberate investment in affordable housing development has the ability to positively impact familial stability, neighborhood and community revitalization, and the State's overall economy. Having access to safe, decent affordable housing choices is a foundation for creating stable and thriving families. The impact of investments made in affordable housing is far reaching, creating an environment where children are able to have better educational outcomes; providing security to elderly and disabled populations living on fixed incomes; making disposable income available to working families to spend at their local small businesses; increasing jobs across a variety of industries tied to the construction, service and retail sectors – all of which enhances the quality of life that Rhode Island can offer its residents and contributes to a thriving Rhode Island economy.

The Projecting Future Housing Needs Report, released by Rhode Island Housing in 2016, clearly demonstrates the need for affordable housing opportunities over the next ten years. The demand for housing will far exceed what the Housing Opportunity bond can provide, so we must be proactive in our efforts to meet that demand head on. Over the next five years, affordable housing developers have plans to develop approximately 2,345 new units of affordable housing with an estimated $456.5 million in development costs. The State's ongoing reinvestment is critical to help move these projects forward and ensure that the work can continue. The need for safe, decent, affordable housing remains urgent. Half of all Rhode Island renter households are housing cost burdened (spending more than 30% of their income on housing), with 25% spending more
than half of their income for housing. HousingWorks RI data shows that cost burden among homeowners, with and without mortgages, continues to increase every year. From 2000 - 2014, the percent of cost burdened homeowners with a mortgage increased by 41% and 53% for homeowners without mortgages. Without the State’s commitment to this important financing tool, affordable housing developers will be severely limited in their ability to meet the housing needs of thousands of Rhode Island’s struggling working families, both now and in the future.

To be more competitive with our neighboring states, Rhode Island has some catching up to do. In FY16, Massachusetts invested $99.72 per capita and Connecticut invested $76.98 per capita on affordable housing and homelessness prevention, while Rhode Island only invested $8.46.

Investing in affordable housing is a winning proposition for all Rhode Islanders, revitalizing neighborhoods and creating jobs, while providing much needed affordable homes for workers, families and our most vulnerable residents. We urge you to make that investment by including $5 million in capital financing for affordable housing in your FY18 budget. We, the undersigned, all stand ready to support the development and preservation of affordable housing and to put those dollars to work building a better Rhode Island. Thank you for your leadership and support.

Signed:

* Required

**ORGANIZATION/ COMPANY NAME**

**ORGANIZATION/ COMPANY ADDRESS**

**CONTACT NAME**

**CONTACT EMAIL ADDRESS**

**ORGANIZATION/ COMPANY TYPE**

Please select one

- Architect/Planning Consultant
- Attorney
- Builders/Contractors/Sub Contractors
- Business Association
- Community Based Organization
- Development Financing
- Faith Based Organization
- For Profit Housing Developer
- Insurance Provider
- Municipalities