



July 29, 2020

The Honorable Marvin Abney
Chair, House Committee on Finance
Rhode Island State House
Providence, RI 02903

Re: Support for Amendment to Budget Article 5 (H-7171)

Dear Chairman Abney and Members of the House Committee on Finance:

House of Hope Community Development Corporation is writing today **in strong support of the proposed Amendment to Budget Article 5 (Question 3a)**. This section of the amendment proposes \$65 million to increase the availability of affordable homes and support community revitalization through redevelopment, new construction, property acquisition and investment in local infrastructure or assets.

House of Hope CDC is a non-profit organization founded in 1989 in Warwick, Rhode Island with a mission to prevent and end homelessness in the state and end the personal and social trauma of homelessness. We create affordable housing delivered with life changing services and work with other advocates for policies to ensure that everyone can have a safe, stable home. House of Hope CDC is a proud member of Homes RI, a coalition of organizations working together to increase and preserve the supply of safe, healthy, and affordable homes throughout Rhode Island. We know firsthand what a safe, affordable home can mean for a person experiencing homelessness. In 2019, we provided services to 1,335 individuals experiencing homelessness across Rhode Island. Most of these services were provided through our statewide homeless street outreach team, Shower to Empower (our mobile shower unit in the City of Providence) and the Access program, a Pawtucket-based walk-in center. Further, we provide case management support to approximately 146 formerly homeless individuals and families in through in a variety of affordable housing settings across Rhode Island.

Even before COVID-19, Rhode Island was not sufficiently investing in the production and preservation of safe, healthy, and affordable homes. Residential building permits have decreased over the last 20 years; in fact, annual permits dropped by half between 2005 and 2018. An estimated 500 plus homes are lost each year to demolition or deterioration. In New England, we remain: 1) the only state without a dedicated funding stream for housing production, 2) the state with the lowest per capita investment in housing, and 3) the state with the lowest rental vacancy rate at 3.1 percent.

Across our small state, we have seen the economic devastation wrought by COVID-19, with the impact most acute in low-income communities of color. Hispanic/Latinx and Black Rhode Islanders have experienced illness and unemployment at higher rates than their white peers. This is a result of economic exclusion borne by decades of discrimination, with housing at the crux. Investing in affordable homes not only makes sense for our state's economic recovery, but it is an important strategy to advance racial and health equity.

Rhode Island voters consistently support affordable housing, having approved three bonds since 2006. Funds from these bonds, distributed through Building Homes Rhode Island, have supported the production and preservation of more than 3,200 long-term affordable homes. The vast majority (nearly 93%) of these homes are long-term affordable rentals serving households at or below 80% AMI (HousingWorks RI, 2020). A recent report from National Low Income Housing Coalition shows just how important long-term affordable rental homes are – 40% of Rhode Island households rent, and their median hourly wage is \$14.21. To afford a modest two-bedroom apartment in Rhode Island, one needs to earn \$21.16 per hour.

With an expanded affordable housing bond, we have the opportunity as a State to dually respond to Rhode Island's COVID-19 recovery and to take meaningful action to increase the supply of safe, healthy, and affordable homes.

It could not be more evident than during this global pandemic that home is the foundation of our health, economic, and community wellbeing. **We strongly urge the Committee to support the proposed budget amendment to Article 5** and demonstrate that Rhode Island can and should be a place where all residents are able to live in safe, healthy, affordable homes in thriving communities.

Please contact me with any questions at laura@thehouseofhopecdc.org or (401) 463-3324 x236.

Respectfully,



Laura Jaworski, MSW
Executive Director