



May 17, 2023

The Honorable Marvin L. Abney
Chair, House Finance Committee
Rhode Island State House
82 Smith Street, Providence, Rhode Island 02903

**RE: Amend - House Bill 6168 – An Act Relating to State Affairs and Government –
Housing Production Revolving Fund**

Dear Chair Abney and Members of the Committee,

On behalf of ONE Neighborhood Builders, I write in support of amending House Bill 6168, introduced by Representative June Speakman. This bill would create a housing production revolving fund in the state Department of Housing that would support the development of mixed-income housing. I applaud this focus on affordable and mixed-income housing and offer suggestions below for how to strengthen the bill to best support the development of affordable housing for our lowest income households.

I support the idea of creating a public housing production revolving fund, but I have concerns about the technical mechanics of the current proposal:

1. The bill as written requires that at least 30% of the units in a public development be affordable to households earning less than 80% of the area median income (AMI), with 20% of those units for households earning less than 50% AMI. As a nonprofit housing developer, we focus our efforts on creating affordable homes for very low to moderate-income households. This bill would enable the public financing of housing developments that have up to 70% market-rate units, which does not appropriately address our state's dire need for increased production of affordable housing.

Rhode Island has a statewide shortage of affordable housing for our lowest-income residents. The National Low Income Housing Coalition [reported](#) that Rhode Island has a shortage of 47,758 rental homes that are available affordable to those who earn up to 50 percent of the area median income (AMI).

To address this shortage, this revolving fund could, for example, support projects with a minimum of half of units affordable to households making less than 50 or 60% AMI.

2. Additionally, this bill excludes private, non-profit developers such as Community Development Corporations (CDCs) that are committed to developing affordable housing from applying for allocations from this fund.

Non-profit developers are currently responsible for the overwhelming majority of the affordable housing development across the state and have numerous projects in their pipeline that could benefit from this new resource.

I would like to see this bill revised so that eligible developers include non-profit developers that are committed to developing housing that is affordable and available to low- and moderate-income households.

I urge the Committee to amend H6168 to reflect these concerns and to continue to focus on passing legislation that would encourage the development of affordable housing and work with affordable housing advocates to ensure appropriate refinement of these bills so that the intentions match the impacts.

I applaud the work of the sponsors and the House leadership for continuing to elevate affordable housing issues, but strongly recommend the inclusion of these amendments.

Thank you for your consideration.

Sincerely,



Jennifer Hawkins
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