



Rhode Island Coalition to End Homelessness

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Testimony in Support of House Bill 7225, Article 5, Question 3 House Finance Committee - February 29, 2024

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

The RI Coalition to End Homelessness is in support of Article 5, Question 3 in the Governor's proposed budget. This question proposes \$100 million to increase affordable and middle income housing production and infrastructure, support community revitalization, and promote homeownership.

The Coalition to End Homelessness strongly urges the Committee to recommend **increasing the proposed bond item to \$150 million to support affordable housing production, supportive housing, and preservation for low- and moderate-income households**. The bond needs to include language that supports the people who need housing the most.

There are currently 539 Rhode Islanders living outside as of February 1, 2024. Additionally, we are receiving reports from many regions that there are more people sleeping outside and more encampments forming in our state. Large numbers of newly homeless persons are entering into our homeless service system every week. In January 2024, 300 persons without children and 76 households with children were entered into our system for the first time. The lack of affordable options not only perpetuates cycles of poverty, but also contributes to homelessness and displacement, tearing at the fabric of our community.

In a report commissioned by the Rhode Island Foundation, published by Boston Consulting Group, it was found that one-third of all Rhode Island residents are struggling to afford housing, and that we have the second-highest growth rate among unsheltered families and individuals in the nation. The state historically has not allocated sufficient funding for housing production and has failed to take advantage of existing federal programs. The report's authors say that at least 24,000 units would need to "become affordable and/or be built." That number continues to grow. Our state has not invested the proper amount of funding in affordable housing, making Rhode Island rank dead last in the nation for the net housing units produced per capita, according to the report's data.

We must prioritize creating housing for lower-income households who face significant challenges in finding affordable homes. It is crucial that if approved by the General Assembly, the housing bond funds be explicitly approved to produce and preserve affordable homes for low- and moderate-income households — up to 80% Area Median Income (AMI) for rental, and up to 120% AMI for homeownership units (following the State's definition of low- and moderate-income (LMI) housing in 45-53) and supportive housing.



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Affordable housing is not just a matter of economics; it's a fundamental human right. Yet, as we look around our state, it's clear that many of our neighbors struggle to find safe, stable, and affordable housing options. This bond represents a critical step forward in addressing this pressing issue and offers a tangible solution to these complex problems. By investing in the development of affordable and supportive housing units, we can provide much-needed relief to those who are most vulnerable among us. Not only does this bond prioritize the well-being of our residents, it also fosters a more inclusive and equitable state for generations to come.

Furthermore, the economic benefits of investing in affordable housing cannot be overstated. Beyond providing homes, it stimulates local economies, creates jobs, and strengthens the overall housing market. By making housing more accessible, we are laying the groundwork for a thriving and resilient community. We need to work to make Rhode Island a place where everyone has the opportunity to thrive, regardless of their income or background. This bond is not just an investment in bricks and mortar; it's an investment in the future of our community and the values that define us.

In conclusion, I strongly urge the Committee to support this budget article and question (Article 5, Question 3) and consider increasing the proposed amount to \$150 million to produce and preserve affordable homes, and to include language that designates funding for low- and moderate-income housing and for supportive housing.

In Service,

Margaux Morisseau

RI Coalition to End Homelessness