

The Village Common of Rhode Island

Aging Better Together

HOUSE COMMITTEE ON FINANCE

The Honorable Marvin Abney, Chair

Testimony by H. Philip West Jr on April 23, 2024,

in support 24-H 7257 by Rep. Meghan L. Cotter

REAL ESTATE CONVEYANCE TAX

Thank you, Chairman Abney and members of the House Committee on Finance for your crucial work in preparing a responsible budget for the state. **The Village Common of Rhode Island hereby urges you to recommend 24-H 7257 by Rep. Meghan L. Cotter for passage.**

My name is H. Philip West, Jr., and I serve as a volunteer lobbyist on behalf of The Village Common of Rhode Island, a statewide non-profit that helps older adults live safely and independently in their homes. In communities across Rhode Island, our locally organized and operated villages deploy hundreds of helpful volunteers. Our volunteer-centered approach enhances lives, strengthens communities, and saves money. Our motto is "Aging Better Together."

Rhode Island's red-hot housing market is crushing many older adults on fixed incomes. Many cope bravely with their financial stresses, but fears for the future take a toll on their health. Feelings of financial desperation multiply age-related risks of heart disease, stroke, and dementia.

Rhode Island's huge shortfall in low- and moderate-income housing is a fact. The 2023 Housing Fact Book shows that our state has an acute shortage of rental homes that are affordable and available to households with low incomes. **More than 56,000 renters are "cost-burdened" or "severely cost-burdened," meaning that they must spend more than a third or even more than half of their income on housing. Many are wage-earners who hold one or more full-time jobs.**

No one issues a press release when older adults get evicted. Evictions happen every day, and many evicted people have nowhere to go. I live in Pawtucket, where people now live in camping trailers, in tents, and under tarps in woods along the Moshassuck River and on both sides of the Seekonk River. I'm attaching below a photo I took of a homeless encampment on that was bulldozed last year to make room for the new Tidewater Stadium. In the photo, you'll notice two wheelchairs covered with snow. I don't know whether the person in that tent made it through the winter.

Rep. Cotter's legislation would help older adults on the edge of eviction by (1) raising the real estate conveyance tax on properties sell for more than \$2,000,000, and (2) by dedicating the extra revenue to provide affordable housing for elderly persons. These funds would be administered by Rhode Island Housing. Specifically, 7257 would increase the rate on that portion of the sale price above \$2,000,000. For each \$500 above \$2 million, the rate would rise from \$2.30 to \$3.30. A quick look at properties sold so far in April 2024 above the \$2 million threshold shows nine sales that ranged from \$2,093,000 to \$4,700,000 and total sales of \$26,378,000. The new rate for sales above \$2 million would have produced roughly \$55,295 during the first three weeks of April. (See chart below.)

Again, I thank you on behalf of The Village Common, and I urge you to recommend 24-H 7257 by Rep. Meghan L. Cotter for passage.

Respectfully,



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WHEELCHAIRS IN THE SNOW



I took this photo of an encampment that has been bulldozed to clear space for the Tidewater Stadium in Pawtucket. I don't know whether the person who lived in that tent and relied on a wheelchair made it through the winter.

IN APRIL 2024 ALONE, SALES OF RHODE ISLAND RESIDENTIAL PROPERTIES FOR MORE THAN \$2,000,000 COULD GENERATE \$55,295 FOR ELDERLY HOUSING

Location of homes sold	Listed sale amount	Date	Sales > \$2m	\$500s > \$2m	x \$3.30
Orchard Ave, Providence, RI 02906	\$4,700,000	04/05/24	\$2,700,000	5,400	\$17,820.00
N Harbor Ave, Portsmouth, RI 02871	\$3,995,000	04/08/24	\$1,995,000	3,990	\$13,167.00
Paquins Ln, Portsmouth, RI 02871	\$3,100,000	04/05/24	\$1,100,000	2,200	\$7,260.00
Green End Ave, Middletown, RI 02842	\$3,000,000	04/12/24	\$1,000,000	2,000	\$6,600.00
Sand Hill Cove Rd, Narragansett, RI 02882	\$2,675,000	04/05/24	\$675,000	1,350	\$4,455.00
Powaget Ave, Charlestown, RI 02813	\$2,300,000	04/17/24	\$300,000	600	\$1,980.00
3rd Beach Rd, Middletown, RI 02842	\$2,300,000	04/09/24	\$300,000	600	\$1,980.00
Green Hill Ocean Dr, South Kingstown, RI 02879	\$2,215,000	04/10/24	\$215,000	430	\$1,419.00
Seaside Dr, Jamestown, RI 02835	\$2,093,000	04/03/24	\$93,000	186	\$613.80
TOTALS	\$26,378,000		\$8,378,000		\$55,294.80