

Good afternoon Chairman Abney and members of the Committee

I am writing today in support of **H5756**, legislation which would allow a municipality to establish its own conveyance tax rate for residential properties sold in excess of \$900,000 to help fund the creation of new affordable homes.

During the last four legislative sessions, the growing need for more affordable housing in this state has taken center stage with policymakers. Historically low inventory of homes for sale and for rent coupled with exploding demand for housing have driven housing costs out of reach for many Rhode Islanders, particularly our lowest income households. Decades long reductions in building permit activity, restrictive land use policies set forth by municipalities, low vacancy rates, the state's chronic underinvestment in affordable housing and inadequate worker wages have all been major contributing factors to the lack of available homes and housing unaffordability. **The only way to solve our housing crisis is to start building our way out of it.**

The additional real estate conveyance tax proposed in **H5756** represents not only a useful tool to help generate additional revenue to fund the creation of homes that are critically needed but also supports municipalities in their efforts to reach the 10% affordable housing goal, allowing them to be an active part of the solution.

Thank you for the opportunity to weigh in on this important piece of legislation. Please feel free to reach out if you have any questions.

Regards

Melina



Melina Lodge

Executive Director

Housing Network of Rhode Island/

Community Housing Land Trust of RI

2181 Post Road, First Floor

Warwick, RI 02886

(401) 721-5680 ext. 104

www.housingnetworkri.org

