

March 20, 2025

The Honorable Stephen Casey Chair, House Committee on Municipal Government and Housing Rhode Island State House 82 Smith Street, Providence RI 02903

Re: Support for H5373

Dear Chair Casey and Members of the Committee:

The mission of the Housing Network of Rhode Island (HNRI) is to increase the supply of safe, healthy, and affordable homes in thriving communities. On behalf of HNRI and our membership of 18 nonprofit affordable housing developers, I write in support of **H5373**.

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, 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. These points all underscore the importance of the Speaker's mantra of "Production, production, production."

H5373 would allow us to not only develop homes that confirm to neighborhood character but also more fully capitalize on naturally occurring density in neighborhoods that already zoned for three and four family units. The proposed changes in **H5373** would expand the residential code to include three and four family units, which currently fall under the commercial code. This shift is seemingly minor but in fact has significant positive impact on the housing sector's ability to produce smaller scale multifamily housing. At present, three and four family homes are more expensive to design, and incur higher material and labor costs because of their "commercial" designation. As a result of the higher costs associated with the commercial designation, it is often not financially feasible for a developer to build a three or four family unit and opt to instead build only a one or two family unit.

Thank you for the opportunity to share my support for **H5373** with this Committee. I am available to answer any questions you might have and can be reached at 401-721-5680 ext. 104 or <u>mlodge@housingnetworkri.org</u>.

Respectfully submitted,

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Melina Lodge, Executive Director