

ONE

NEIGHBORHOOD
BUILDERS

ONE Neighborhood Builders

Building Opportunity Through **Homes + Health**

JENNIFER HAWKINS, CEO

PRESENTATION to Special Legislative Commission to
Study and Review the Cost and Status of State-
owned, Vacant, and Abandoned Properties

SEPTEMBER 18, 2023




An aerial photograph of a densely populated urban neighborhood, likely in a city like Boston. The image shows a variety of residential buildings, including multi-story houses and apartment complexes. A prominent church steeple is visible in the upper right quadrant. The entire image is overlaid with a semi-transparent blue filter. The text "OUR MISSION" is positioned in the upper left corner.

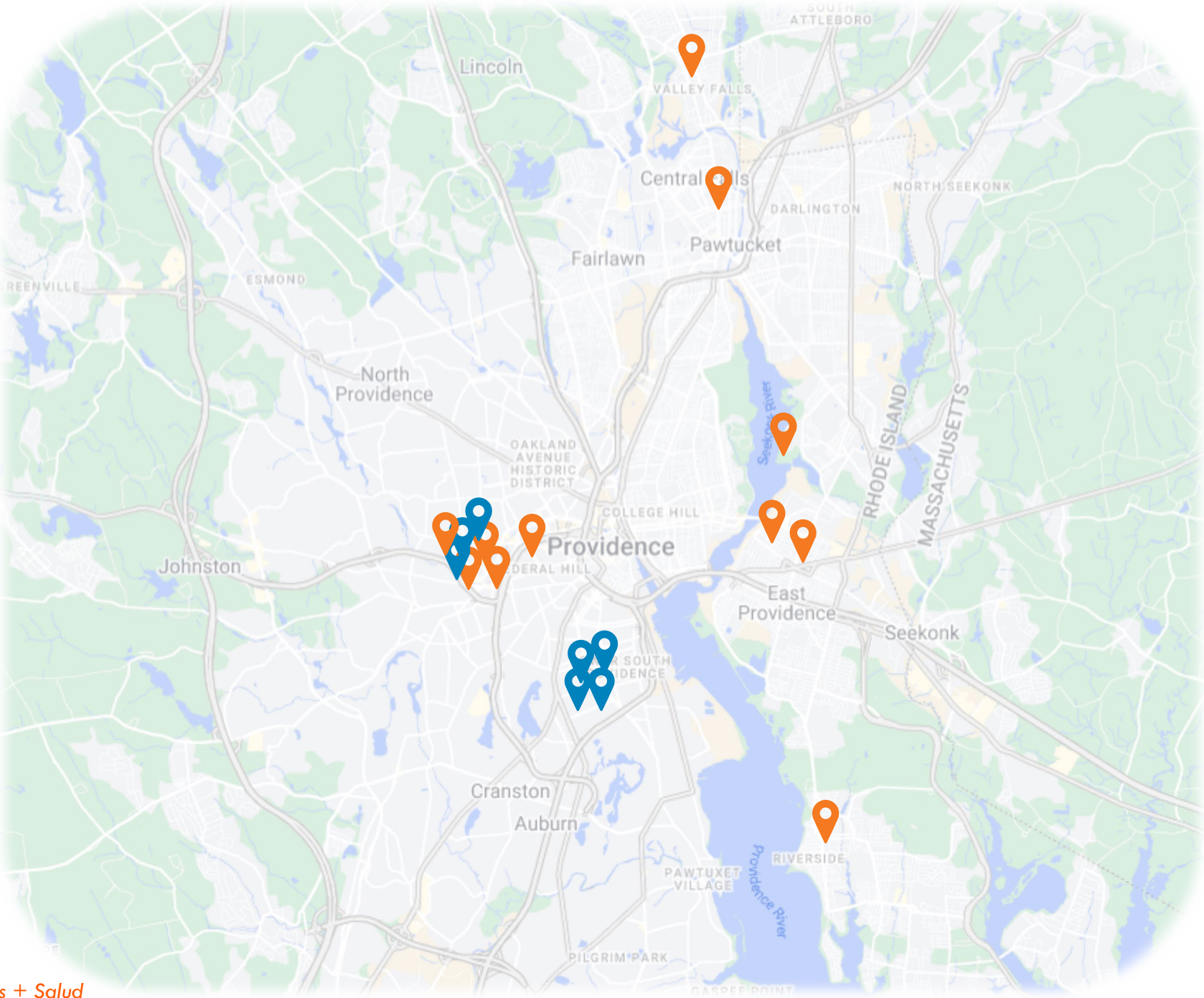
OUR MISSION

**We develop affordable housing and engage neighbors
to cultivate healthy, vibrant, and safe communities**

Housing Development Expansion

 Developments Completed 1988-2020
337 *rental apartments & owner-occupied homes*

 Developments Completed /
Planned Completion 2021-2026
418 *rental apartments & owner-occupied homes*



Resident Profile

- Mixed income: extremely-low- to moderate-income households (i.e. \$10,000 to \$90,000 for 2-person family)
- Prioritizing historically excluded populations
(Older adults, youth transitioning out of foster care, disabled individuals, formerly incarcerated individuals)
- Commitment to at least 10% of rental portfolio being Supportive Housing for persons who have experienced homelessness

Geography

- Work Statewide. Current developments in Providence, East Providence, Central Falls, Cumberland
- All within less than 1/4 mile from public transit
- All within one mile of health clinic or offering on-site healthcare services

Why redevelop vacant state-owned property as housing?

Increase tax base

Net gain. One agency may forfeit revenue, but another agency reduces the public-subsidy that would be required to purchase property

Helps municipalities **make progress** towards 10% LMI

In most cases, state-owned property already has **utility hook-ups**

Prevents blight



Related Legislative Wins

HB7943

Encourages the repurposing of vacant schools and other buildings owned by the school district for the development of affordable housing

HB6090-A

Allows for the repurposing of commercial property into residential and mixed-use developments

- Density boost for 20% LMI

Important Considerations

Inventory. What does the State own? What is vacant, under-utilized, or functionally obsolete?

Model. How could the State lead the way to encourage cities and towns to conduct similar inventory for municipally-owned property?

Incentivize. Municipalities that donate property for the provision of affordable housing receive boost (i.e. point allocation; set-aside of State housing capital; etc.)

Encourage. Take a wider-lens when evaluating exit strategy

Proactive Development by Municipalities and State of RI

Land Bank: Acquire key parcels and designate for housing development

Put State & Municipalities in Driver's Seat: Steer development to align with goals by creating parameters for housing type and income targeting

For especially thorny properties, **provide incentives to attract developers** (i.e. keep 100% of excess cash flow; allow for higher per unit TDC; etc.)

Land Bank: Acquire Key Parcels for Redevelopment

Land banks are a mechanism for acquiring, holding, and distributing property in service of community goals. Land banks, which can be government supported, quasi-governmental or independent non-profit organizations, obtain land through a number of different mechanisms: tax foreclosures, municipal government transfers, donations, or open-market purchases.

-Local Housing Solutions

Rhode Island's “Land Bank”

Landbank Program

RIHousing Land Bank program provides financing for eligible applicants to acquire undeveloped real estate, vacant lots, developed properties, or a combination thereof which are intended for the production of affordable housing. Eligible applicants include non-profit organizations whose purpose includes providing housing and related facilities to persons and families of low and moderate income, state or local government, public housing authorities or any partnership or joint venture consisting of at least one of the entities described above.

Land Bank Loans are for a term up to twelve (12) months. The interest rate for all Land Bank program loans will be set at closing in the amount of 3 month U.S. LIBOR plus 3%, but in no event shall the rate be less than 4% or greater than 7%. Land Bank Loans will be limited to 97% of appraised value or purchase price, whichever is lower.

Landbank Program Bulletin 2016-01

New Tools to Consider

Legislation that gives State “**super-bid**” **power** to acquire tax delinquent properties prior to being auctioned off (i.e. New York and Nebraska)

Legislation that makes properties that have a RI Housing landbank loan **tax-free to the developer**

- Municipalities need to be made whole via payment made by the State

Evaluate opportunity for State to **self-insure** vacant properties that have a RI Housing landbank loan

- Insurance costs can be hefty and add to development budget

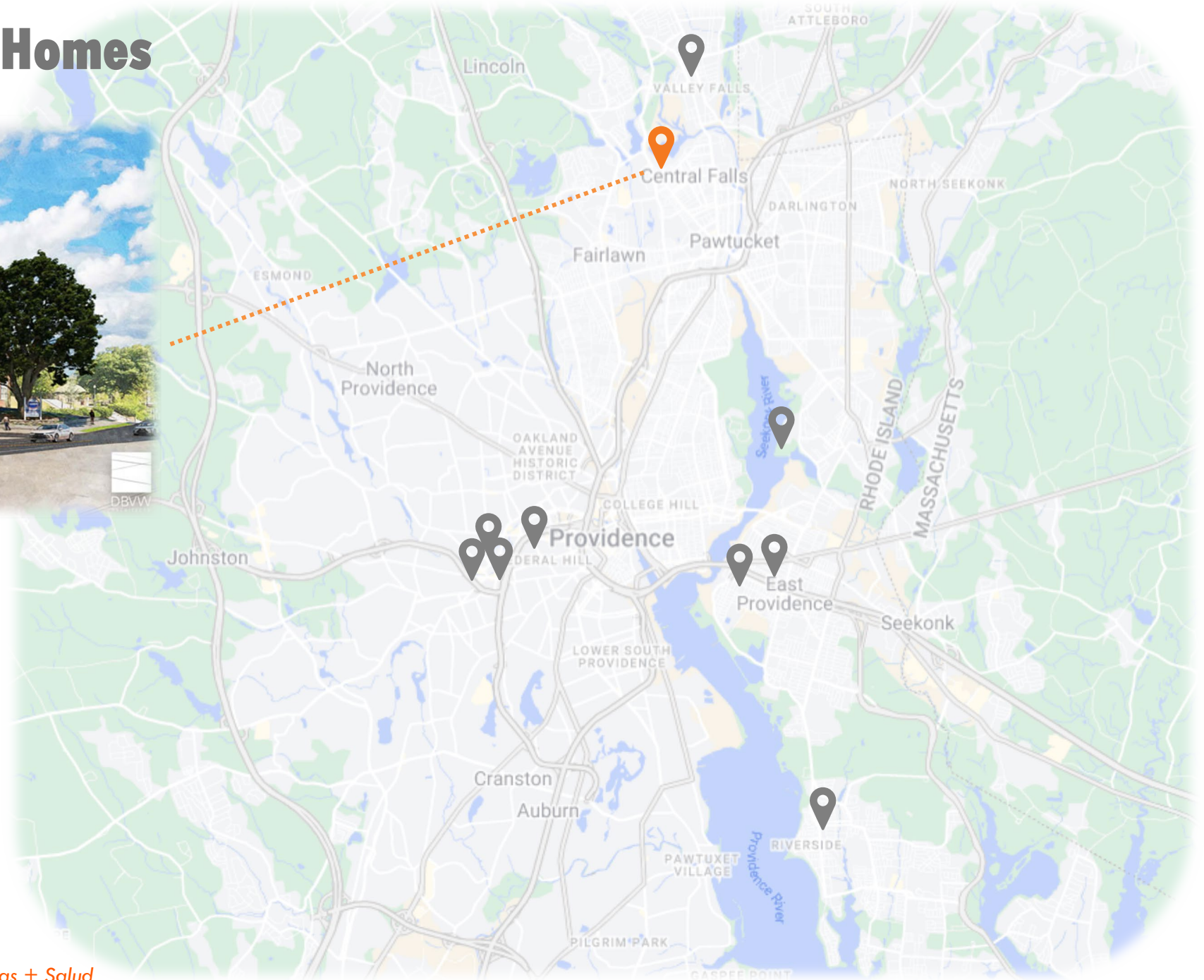


Housing Highlight: Broad Street Homes



524 & 542 Broad Street, Central Falls

- City acquired two privately owned, but blighted and abandoned properties through receivership.
- City designated ONE|NB as the developer and required the properties be converted to affordable housing.
- City cleared title and is transferring ownership to ONE|NB.
- 44 Apartments breaking-ground early 2024.





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