

## Housing

Spending by the state in support of housing production, access, and subsidies appears throughout the state budget and those of quasi-public entities, some of which are described in detail as part of operating and capital budget analyses. Quasi-public entities authorized to administer housing programs do not appear in the state budget except to the extent that general obligation bond proceeds and pass-through funds are appropriated for designated programs. Support is generally provided through major federal grants, general obligation bonds, and a dedicated tax on real estate transfers. This report contains detailed information on these sources, programs, and the state housing policy structure.

### Recent Activity

The Assembly provided \$545.7 million for use on housing programs, which is \$100.8 million more than enacted for FY 2024. These funds are broken out in the table below; it should be noted that this value excludes regular operating costs borne by managing agencies, and some funding reflects the total value of multi-year programs while others are a single year only.

<b>Housing Programs - 2024 Assembly</b>			
<b>Programs</b>	<b>Amount</b>	<b>Source</b>	<b>Managing Entity</b>
Low Income Housing Tax Credit Fund*	\$ 4,000,000	General Revenues	Department of Housing
Elderly Housing Security*	85,000	General Revenues	DHS
Livable Home Modification*	765,304	General Revenues	Governor's Commission on Disabilities
Medicaid Home Modifications*	701,062	General Revenues & Federal Funds	DHS
Community Development Block Grants*	14,196,940	Federal Funds	Department of Housing
Homelessness Assistance Grants*	3,332,598	Federal Funds	Department of Housing
Housing Opportunities for Persons with AIDS*	350,000	Federal Funds	Department of Housing
ARPA - Homelessness Infrastructure	45,000,000	Federal Funds - SFRF	Department of Housing
ARPA - Targeted Housing Development	26,000,000	Federal Funds - SFRF	Department of Housing
ARPA - Homelessness Assistance	38,800,002	Federal Funds - SFRF	Department of Housing
ARPA - Municipal Homelessness Support Initiative	2,200,000	Federal Funds - SFRF	Department of Housing
ARPA - Municipal Planning	2,300,000	Federal Funds - SFRF	Department of Housing
ARPA - Statewide Housing Plan	2,000,000	Federal Funds - SFRF	Department of Housing
ARPA - Predevelopment & Capacity Building	1,500,000	Federal Funds - SFRF	Department of Housing
ARPA - Preservation of Affordable Units	500,000	Federal Funds - SFRF	Department of Housing
ARPA - Housing Related Infrastructure	3,000,000	Federal Funds - SFRF	Infrastructure Bank
ARPA - Development of Affordable Housing	100,000,000	Federal Funds - SFRF	RI Housing
ARPA - Down Payment Assistance	30,000,000	Federal Funds - SFRF	RI Housing
ARPA - Site Acquisition	25,000,000	Federal Funds - SFRF	RI Housing
ARPA - Home Repair & Community Revitalization	24,500,000	Federal Funds - SFRF	RI Housing
ARPA - Workforce Housing	20,000,000	Federal Funds - SFRF	RI Housing
ARPA - Affordable Housing Predevelopment	10,000,000	Federal Funds - SFRF	RI Housing
ARPA - Proactive Housing Development	1,400,000	Federal Funds - SFRF	RI Housing
Housing Resources and Homelessness Account*	9,706,092	Restricted Receipts	Department of Housing Housing Resources
Housing Production Fund*	2,958,058	Restricted Receipts	Commission
New Affordable Housing Bonds	120,000,000	GO Bonds	RI Housing & Department of Housing
Affordable Housing Bonds	57,428,392	GO Bonds	RI Housing
<b>Total</b>	<b>\$ 545,723,448</b>		

\*Ongoing program; value represents FY 2025 only

The 2021 Assembly created the Deputy Secretary of Commerce for Housing within the Executive Office of Commerce. It also provided \$29.0 million from State Fiscal Recovery funds made available through the American Rescue Plan Act for various housing programs. The 2022 Assembly elevated the Deputy Secretary to become Secretary of Housing and provided that the Office shall be transferred from the Executive Office of Commerce to the new Department of Housing effective July 1, 2023. It also authorized a total of \$250.0 million from State Fiscal Recovery funds over a five-year period from FY 2022 to FY 2026, including \$29.0 million previously authorized, for various housing programs.

The 2023 Assembly transferred the Office of Housing and Community Development to the new Department of Housing and provided a total of \$3.5 million from general revenues and 38.0 full-time equivalent positions to support the Department. It also authorized a total of \$321.5 million from State Fiscal Recovery funds, including \$250.0 million previously authorized, and advanced all funding from later years to FY 2024 to ensure the state can meet federal deadlines for formally obligating the funds; actual spending can still occur over a longer time horizon.

The table that follows shows these funds, some of which are duplicated from the preceding table.

<b>2023 Assembly Multi-Year Allocation of State Fiscal Recovery Funds for Housing</b>				
<b>Program</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>Total</b>
<i>Rhode Island Housing</i>				
Development of Affordable Housing	\$ 14,740,825	\$ 30,259,175	\$ 55,000,000	\$100,000,000
Site Acquisition	6,000,000	9,000,000	10,000,000	25,000,000
Down Payment Assistance	-	10,000,000	20,000,000	30,000,000
Workforce Housing	-	12,000,000	8,000,000	20,000,000
Affordable Housing Predevelopment	-	2,500,000	7,500,000	10,000,000
Home Repair & Community Revitalization	-	15,000,000	9,500,000	24,500,000
Proactive Housing Development	-	-	1,400,000	1,400,000
<i>Department of Housing</i>				
Predevelopment & Capacity Building	78,609	921,391	500,000	1,500,000
Homelessness Assistance Program	-	8,500,000	13,000,000	21,500,000
Homelessness Infrastructure	-	15,000,000	30,000,000	45,000,000
Statewide Housing Plan	-	2,000,000	-	2,000,000
Targeted Housing Development	-	-	31,000,000	31,000,000
Municipal Homelessness Support Initiative	-	-	2,500,000	2,500,000
Municipal Planning	-	-	2,300,000	2,300,000
Preservation of Affordable Units	-	-	500,000	500,000
<i>Infrastructure Bank</i>				
Housing Related Infrastructure	-	-	4,300,000	4,300,000
<b>Total</b>	<b>\$ 20,819,434</b>	<b>\$105,180,566</b>	<b>\$195,500,000</b>	<b>\$321,500,000</b>

The Governor's FY 2024 revised and FY 2025 recommended budgets retain the same programs but show \$73.9 million of unspent FY 2023 funds in FY 2024, consistent with the enacted reappropriation authority. It does not include updated estimates for when funds will be disbursed. The recommendation also includes \$5.8 million from general revenues and 38.0 full-time equivalent positions to support the Department of Housing, and a new \$100.0 million housing bond. The Governor subsequently requested amendments to add \$10.0 million from State Fiscal Recovery funds, reallocate funds between programs, eliminate the exemption of whole-unit rentals from the State Hotel Tax and dedicate the proceeds to homelessness, and give the Department authority over the Housing Resources Commission account and Housing Production Fund, managed by the Commission and RI Housing, respectively.

The following table shows the distribution of State Fiscal Recovery funds for Housing as allocated by the 2024 Assembly; projects are duplicated from the overview table on page one. Further detail on the obligation and disbursement of funds for these programs is available in the ARPA State Fiscal Recovery Fund report also in the Special Reports section of this publication.

<b>2024 Assembly Multi-Year Allocation of State Fiscal Recovery Funds for Housing</b>				
<b>Program</b>	<b>FY 2022 to FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>Total</b>
<i>Rhode Island Housing</i>				
Development of Affordable Housing	\$ 14,740,825	\$ 85,259,175	\$ -	\$ 100,000,000
Site Acquisition	15,000,000	10,000,000	-	25,000,000
Down Payment Assistance	10,000,000	20,000,000	-	30,000,000
Workforce Housing	-	20,000,000	-	20,000,000
Affordable Housing Predevelopment	2,500,000	7,500,000	-	10,000,000
Home Repair & Community Revitalization	-	24,500,000	-	24,500,000
Proactive Housing Development	-	1,400,000	-	1,400,000
<i>Department of Housing</i>				
Predevelopment & Capacity Building	\$ 610,269	\$ 889,731	\$ -	\$ 1,500,000
Homelessness Assistance Program	5,557,605	15,942,397	17,300,000	38,800,002
Homelessness Infrastructure	3,714,912	41,285,088	-	45,000,000
Statewide Housing Plan	-	2,000,000	-	2,000,000
Targeted Housing Development	-	26,000,000	-	26,000,000
Municipal Homelessness Support Initiative	-	2,200,000	-	2,200,000
Municipal Planning	-	2,300,000	-	2,300,000
Preservation of Affordable Units	-	500,000	-	500,000
<i>Infrastructure Bank</i>				
Housing Related Infrastructure	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000
<b>Total</b>	<b>\$ 52,123,611</b>	<b>\$ 262,776,391</b>	<b>\$ 17,300,000</b>	<b>\$ 332,200,002</b>
<b>Change to 2023 Assembly</b>	<b>\$ (73,876,389)</b>	<b>\$ 67,276,391</b>	<b>\$ 17,300,000</b>	<b>\$ 10,700,002</b>

The 2024 Assembly provided funding consistent with the amended recommendation, added \$10.0 million from general revenues for homelessness resources, and added \$20.0 million from new general obligation bonds. It also transfers authority over the renamed Housing Resources and Homelessness account effective December 31, 2024 or after the Department submits a new housing organization plan, whichever comes later. The Assembly did not concur with changes to the State Hotel Tax nor the Housing Production Fund. The following table shows allocations included in the new housing bond for the November 2024 ballot.

<b>Proposed Housing Bond - November 2024</b>	
<b>Project</b>	<b>New G.O. Bond</b>
Affordable Housing*	\$80,000,000
Home Ownership Units	20,000,000
Community Revitalization	10,000,000
Site Acquisition	5,000,000
Housing Related Infrastructure	4,000,000
Municipal Planning	1,000,000
<b>Total</b>	<b>\$120,000,000</b>

\*Up to \$10,000,000 of which may be used to support public housing development

## Structure of State Housing Policy

Since passage of the Housing Resources Act of 1998, three organizations have administered the vast majority of state housing programs and funds: the Office of Housing and Community Development, the Housing Resources Commission, and the Rhode Island Housing and Mortgage Finance Corporation, also known as RI Housing. By statute, the Housing Resources Coordinating Committee was intended to oversee and coordinate all three entities, although this did not occur in practice. All originally existed within the Department of Administration but were transferred to the Executive Office of Commerce effective April, 2015. The Department retained the Division of Capital Asset Management and Maintenance, which is responsible for developing, monitoring, and assisting with the housing production portion of the state guide plan. The 2022 Assembly placed the Office of Housing and Community Development under the Secretary of Housing, removing it from the authority of the Coordinating Committee.

The Office of Housing and Community Development was transferred to the Department of Housing on July 1, 2023, thereby turning the Office into a standalone Department with expanded responsibilities and staffing. The 2023 Assembly codified the role of the Department as the state's lead agency for housing initiatives and authorized it to deal in real estate.

**Department of Housing.** The Housing Resources Act of 1998 established a state housing resources agency, later titled the Office of Housing and Community Development, to address issues related to housing, including the age of the housing stock; public health issues arising from inadequately maintained housing; supported living arrangements for the elderly; a growing population; affordability; declining federal commitment; and declining revenues at the time faced by RI Housing. It functioned as an administrative arm of the Housing Resources Commission, with limited direction from the Executive Office of Commerce, until the 2022 Assembly placed it under the oversight of the Secretary of Housing effective July 1, 2022 and effective July 1, 2023, the Office was transferred to the new Department of Housing. Historically, most of the Department's work is coordinating the provision of supportive services with nonprofit providers. It is the recipient of federal community development block grants for 33 municipalities and various other grants aimed at helping vulnerable populations. The 2023 Assembly codified the role of the Department as the state's lead agency for all housing, homelessness, and community development initiatives and authorized it to deal in real estate.

**Rhode Island Housing and Mortgage Finance Corporation.** Established in 1973, The Rhode Island Housing and Mortgage Finance Corporation, also known as RI Housing, is a quasi-public corporation statutorily authorized to finance, construct, upgrade, and act as landlord for residential housing and health care facilities. The Corporation supported three healthcare facilities in 1983 but has otherwise never exercised its broad statutory authority. It has intentionally limited its purview to financing housing development and administering housing vouchers and similar programs to minimize its legal, reputational, and financial liability. The Corporation has seven Commissioners detailed in the table that follows, three serve in an ex-officio capacity and four are appointed by the Governor based on professional expertise. The Governor designates the Commission's chair. In 2022, RI Housing maintained assets totaling \$2.6 billion, although these are largely held in trust for the benefit of bondholders and other third parties and do not represent state resources.

<b>RI Housing Commissioners</b>	
	Director of Administration
Ex-Officio	Director of Business Regulation
	General Treasurer
	Four members experienced in housing
Appointed	design, development, finance, management, and state and municipal

The primary activities of the Corporation involve financing housing development and rehabilitation, single family loan origination, servicing associated loans, and carrying out federal rental programs, such as housing vouchers and contract administration. The Corporation’s main products are single-family mortgage and multi-family development loans, often supported by insurance or guarantees through the federal Departments of Housing and Urban Development, Veterans Administration, or Agriculture. The Corporation’s single-family and multi-family lending activities are often supported by insurance or guarantees through the federal Departments of Housing and Urban Development, Veterans Administration, Agriculture/Rural Development, Treasury, or government sponsored enterprises.

The 2023 Assembly passed facilitating language for the creation of a new proactive development subsidiary of RI Housing, which was formally established in January 2024.

**Housing Resources Commission.** The Housing Resources Act of 1998 also created the Housing Resources Commission to administer policy, planning, and coordination of state housing functions as well as to implement guidelines and monitor performance. The 2004 Assembly amended the Act to clarify the Commission’s powers, including providing technical assistance and a formal role for the Division of Statewide Planning. The Commission consists of 28 members listed in the following table. Its chair is appointed by the Governor but cannot be an ex-officio member. The Commission is empowered to participate in lawsuits; enter into contracts; receive and make loans and grants; and to establish and collect fees for its services.

<b>Housing Resources Commission Membership</b>	
<b>Enumerated Entities</b>	<b>Representative of</b>
Director of Administration (Ex-Officio)	Chairperson ( <i>Amended by 1999 Assembly</i> )
Director of Business Regulation (Ex-Officio)	Homelessness
Director of Office of Healthy Aging (Ex-Officio)	Community Development Corporation
Director of Health (Ex-Officio)	Agency Addressing Lead Poisoning Issues
Director of Human Services (Ex-Officio)	Local Planner
Director of Behavioral Health, Developmental Disabilities and Hospitals (Ex-Officio)	Local Building Official
Chairperson of Rhode Island Housing (Ex-Officio)	Fair Housing Interests
Attorney General (Ex-Officio)	Agency Advocating for Racial Minorities
President of the Rhode Island Bankers Association	Rhode Island Builders Association
President of the Mortgage Bankers Association	Insurers
President of the Rhode Island Association of Executive Directors for Housing	Community Development Intermediary for Non-Profits
President of the Rhode Island Realtors Association	Non-Profit Developer
Executive Director of the Rhode Island Housing Network	Senior Housing Advocate ( <i>Amended by 1999 Assembly</i> )
Executive Director of the Rhode Island Coalition for the Homeless	
Executive Director of Operation Stand Down ( <i>Added by 2014 Assembly</i> )	

**Housing Resources Coordinating Committee.** The Housing Resources Act of 1998 established a four-member Housing Resources Coordinating Committee to oversee the Office of Housing and Community Development and the relationship between RI Housing and the Housing Resources Commission, including designating which is the state recipient for several federal grants. It was intended to provide coherence to all state housing programs and integrate activities of the Corporation and the Commission. In practice, it meets only after major statutory changes that affect both organizations, and did not meet from 2009 until 2021. In March 2022 and January 2023, respectively, it established guidelines for allowable uses of the

Housing Production Fund and a municipal technical assistance program, both created by the 2021 Assembly. The Committee’s responsibility to oversee the Office was effectively exercised by the Commission until July 2022, when oversight was transferred to the Secretary of Housing.

**Housing Resources Coordinating Committee Members**

RI Housing	Chairperson
RI Housing	Executive Director
Housing Resources Commission	Chairperson
Department of Administration	Director

**Housing Programs**

Housing programs are broken out in the subsequent section into functional categories, including funding and administering agencies according to the 2024 Assembly. Proposed housing bond funds continue several existing State Fiscal Recovery Fund programs and are noted in the corresponding items where appropriate.

**Housing Production.** Housing production refers to all programs intended to increase the supply of new housing. This includes technical assistance and grants awarded for housing construction projects, renovation of existing buildings to create new or additional housing, as well as predevelopment assistance for businesses and municipalities to reduce barriers to housing production.

<b>Housing Production</b>				
<b>Program</b>	<b>FY 2025 Recommended</b>	<b>FY 2025 Enacted</b>	<b>Source</b>	<b>Managing Entity</b>
Low Income Housing Tax Credit Fund*	\$ 4,000,000	\$ 4,000,000	General Revenues	Dept. of Housing
ARPA - Targeted Housing Development	31,000,000	26,000,000	Federal - SFRF	Dept. of Housing
ARPA - Development of Affordable Housing	100,000,000	100,000,000	Federal - SFRF	RI Housing
ARPA - Workforce Housing	20,000,000	20,000,000	Federal - SFRF	RI Housing
ARPA - Affordable Housing Predevelopment	10,000,000	10,000,000	Federal - SFRF	RI Housing
ARPA - Home Repair & Community Revitalization	24,500,000	24,500,000	Federal - SFRF	RI Housing
ARPA - Housing Related Infrastructure	4,300,000	7,000,000	Federal - SFRF & GO Bonds	Dept. of Housing & RI Housing
ARPA - Site Acquisition	25,000,000	30,000,000	Federal - SFRF & GO Bonds	RI Housing
Housing Production Fund*	2,958,058	2,958,058	Restricted	Housing Resources Commission
Affordable Housing	157,428,392	137,428,392	GO Bonds	RI Housing
Community Revitalization	-	10,000,000	GO Bonds	RI Housing
Homeownership Units	-	20,000,000	GO Bonds	RI Housing
<b>Total</b>	<b>\$ 379,186,450</b>	<b>\$ 391,886,450</b>		

*\*Ongoing program; amounts represent FY 2025 only*

- **Low Income Housing Tax Credit Fund.** The Budget includes \$4.0 million from general revenues to prefund commitments under the State Low Income Housing Tax Credit. Up to \$30.0 million of credits annually are competitively awarded for a five-year term in equal annual increments and may be redeemed for 90.0 percent of their value. To be eligible, developments must first have been awarded federal low-income housing tax credits. The 2023 Assembly provided \$28.0 million from general revenues to prefund credits against an award maximum \$150.0 million based on the current June 30, 2028 sunset date. As of June 2024, Department rules and regulations were undergoing a public comment period.

- ARPA - Targeted Housing Development. The Budget includes \$26.0 million from State Fiscal Recovery funds, \$5.0 million less than enacted, to allow the Secretary of Housing to target priority housing development projects. Of this amount \$4.0 million supports transit-oriented housing. All remaining funds were included in the award round announced in May 2024.
- ARPA - Development of Affordable Housing. The Budget includes the enacted amount of \$100.0 million from State Fiscal Recovery funds to provide an enhanced level of gap financing for affordable housing developments. This creates an additional directed subsidy as a match to multiple sources of financing. As of May 2024, only \$4.4 million remains to be obligated. The Budget also expands allowable uses to include site acquisition and predevelopment expenses.
- ARPA - Workforce Housing. The Budget includes the enacted amount of \$20.0 million from State Fiscal Recovery funds authorized by the 2023 Assembly to increase the supply of housing for Rhode Island families earning up to 120 percent of area median income. Nearly all remaining funds were included in the award round announced in May 2024. Remaining funds are expected to be awarded in the Summer.
- ARPA - Affordable Housing Predevelopment. The Budget includes the enacted amount of \$10.0 million from State Fiscal Recovery funds to reduce pre-construction barriers to housing development including prerequisite environmental studies and legal work. A total of \$9.1 million is committed to 40 projects as of May 2024, and all remaining funds are expected to be awarded in the summer.
- ARPA - Home Repair and Community Revitalization. The Budget includes the enacted amount of \$24.5 million from State Fiscal Recovery funds to support critical home repairs and redeveloping residential or commercial properties, and public and community spaces. A total of \$19.5 million has been committed to 13 projects as of May 2024.
- ARPA - Housing Related Infrastructure. The Budget includes \$7.0 million to be transferred to the Infrastructure Bank to support infrastructure necessary for affordable housing development. This includes \$3.0 million from State Fiscal Recovery funds, \$1.3 million less than enacted, and \$4.0 million from new general obligation bond funds.
- ARPA - Site Acquisition. The Budget provides \$30.0 million, including \$25.0 million from enacted State Fiscal Recovery funds and \$5.0 million from new general obligation bond funds, to continue a site acquisition program administered by RI Housing which began during 2020 in response to the coronavirus pandemic. The program subsidizes developers to acquire property to develop into long-term affordable and supportive housing for people experiencing homelessness. A total of 24.2 million has been committed as of May 2024.
- Housing Production Fund. The Budget includes the enacted amount of \$3.0 million from Housing Production Fund restricted receipts for FY 2025, to provide financial or technical assistance to support the creation and preservation of affordable housing. The 2021 Assembly enacted a second tier of the Real Estate Conveyance Tax, doubling the tax to \$4.60 for each \$500 increment for residential property over \$0.8 million, and reallocated a portion to be deposited in a new housing production fund, effective January 1, 2022. The 2021 Assembly also provided \$25.0 million from general revenues in FY 2022 to capitalize the fund and required that funds be disbursed subject to program and reporting guidelines adopted by the Coordinating Committee. As of December 2023, RI Housing has made awards totaling \$19.2 million and has \$13.2 million in available funds.
- Affordable Housing. The Budget includes \$80.0 million from new general obligation bonds for the November 2024 ballot for development of affordable housing units, including rehabilitation of existing structures and new construction. It also includes \$57.4 million from remaining general obligation bond funds approved by voters in March 2021.

- Community Revitalization. The Budget includes \$10.0 million from new general obligation bonds for the November 2024 ballot to continue RI Housing’s Acquisition and Revitalization Program to finance acquisition and redevelopment of blighted properties in disadvantaged communities.
- Homeownership Units. The Budget includes \$20.0 million from new general obligation bonds for the November 2024 ballot for the development of new affordable and middle-income housing units intended for homeownership.

**Housing Preservation.** Housing preservation refers to programs designed to retain the existing supply of housing and protect its affordability. This includes support for upgrades, repairs, and maintenance that delay or prevent housing from exiting the housing stock; health related initiatives, such as lead abatement, to increase housing quality and longevity; and efforts to add deed restrictions or reduce capital and operating expenses to preserve the affordability of housing for low- and moderate-income households.

<b>Housing Preservation</b>				
<b>Program</b>	<b>FY 2025 Recommended</b>	<b>FY 2025 Enacted</b>	<b>Source</b>	<b>Managing Entity</b>
Elderly Housing Security*	\$ 85,000	\$ 85,000	General Revenues	OHA
Livable Home Modification*	765,304	765,304	General Revenues	Governor's Commission on Disabilities
Medicaid Home Modifications*	551,062	701,062	General Revenues & Federal Funds	DHS
ARPA - Preservation of Affordable Units	500,000	500,000	Federal - SFRF	Dept. of Housing
<b>Total</b>	<b>\$ 1,901,366</b>	<b>\$ 2,051,366</b>		

\*Ongoing program; amounts represent FY 2025 only

- Elderly Housing Security. The Budget includes the enacted level of \$85,000 from general revenues to implement security measures in elderly housing complexes. The funds can be used for a variety of purposes to help elderly persons feel safe in their homes. The Office of Healthy Aging annually issues a request for proposals to award the funds, which support new lighting, doors, and alarms.
- Livable Home Modification. The Budget includes the enacted level of \$0.8 million from general revenues for FY 2025 for the Livable Home Modification Grant Program, which provides 50.0 percent of the total retrofit costs to support home modifications and accessibility enhancements to allow individuals to remain in community settings. The grant amount is capped at \$4,500.
- Medicaid Home Modifications. The Budget includes \$0.7 million for FY 2025, including \$0.3 million from general revenues and \$0.4 million from federal Medicaid funds, for home modifications to accommodate individuals with disabilities so they can remain in their homes.
- ARPA - Preservation of Affordable Units. The Budget includes the enacted amount of \$0.5 million from State Fiscal Recovery funds authorized by the 2023 Assembly to preserve affordable housing units at risk of foreclosure and blight.

**Supportive Services.** Supportive services are programs that aid housing consumers. This includes financial and information support for prospective homebuyers as well as directed assistance and subsidies that address the special needs of certain populations, such as the homeless. State programs in this category typically take the form of pass-through funds to quasi-governmental and nonprofit organizations.



Supportive Services					
Program	FY 2025 Recommended	FY 2025 Enacted	Source	Managing Entity	
Housing Opportunities for Persons with AIDS*	\$ 350,000	\$ 350,000	Federal	Dept. of Housing	
Homelessness Assistance Grants	3,332,598	3,332,598	Federal	Dept. of Housing	
ARPA - Homelessness Infrastructure	45,000,000	45,000,000	Federal - SFRF	Dept. of Housing	
ARPA - Homelessness Assistance	21,500,000	38,800,002	Federal - SFRF	Dept. of Housing	
ARPA - Municipal Homelessness Support Initiative	2,500,000	2,200,000	Federal - SFRF	Dept. of Housing	
ARPA - Down Payment Assistance	30,000,000	30,000,000	Federal - SFRF	RI Housing	
<b>Total</b>	<b>\$ 102,682,598</b>	<b>\$ 119,682,600</b>			

\*Ongoing program; amounts represent FY 2025 only

- **Housing Opportunities for Persons with AIDS.** The Budget includes the enacted amount of \$0.4 million from federal funds for administration of the federal Housing Opportunities for Persons with AIDS dedicated to supporting services and housing for low-income people living with HIV and AIDS.
- **Homelessness Assistance Grants.** The Budget includes the enacted amount of \$3.3 million from federal Emergency Shelter Grants and Title XX Shelter Transfer Grants. The Housing Resources Commission typically allocates funding competitively to the private shelter system through the Consolidated Homeless Fund.
- **ARPA - Homelessness Infrastructure.** The Budget includes the enacted amount of \$45.0 million from State Fiscal Recovery funds to increase facility capacity for individuals experiencing homelessness. The 2023 Assembly expanded allowable uses to include prevention and stabilization programs. As of April, the Department indicates that \$20.6 million remains unobligated.
- **ARPA - Homelessness Assistance.** The Budget includes \$38.8 million from State Fiscal Recovery funds, \$17.3 million more than enacted, to provide housing navigation, stabilization and mental health services for people experiencing homelessness. The 2021 Assembly included a requirement to provide monthly progress reports regarding achievement of these efforts. The Department submitted its first report in March 2023 and has not submitted a report since July 2023. The recommendation also removes language requiring that a portion of funds be used for operating subsidies for extremely low-income housing units.
- **ARPA - Municipal Homelessness Support Initiative.** The Budget includes \$2.2 million from State Fiscal Recovery funds, \$0.3 million less than enacted, to award grants to municipalities to help pay for community services, such as trash collection, ambulance, or outreach that support homeless individuals. The Department of Housing began accepting applications from municipalities in October 2023.
- **ARPA - Down Payment Assistance.** The Budget includes the enacted amount of \$30.0 million from State Fiscal Recovery funds to provide up to \$20,000 of down payment assistance to eligible first-time homebuyers. As of March 2024, all funds have been obligated and the program is closed to new applications.

**Flexible.** Some programs provide funding that is not limited to a specific purpose but can be put to a variety of uses at the discretion of the state through the Housing Resources Commission and Department of Housing.

<b>Flexible</b>				
<b>Program</b>	<b>FY 2025 Recommended</b>	<b>FY 2025 Enacted</b>	<b>Source</b>	<b>Managing Entity</b>
Community Development Block Grants* Housing Resources and Homelessness Account*	\$ 14,196,940	\$ 14,196,940	Federal	Dept. of Housing
	4,706,092	9,706,092	Restricted	Housing Resources Commission
<b>Total</b>	<b>\$ 18,903,032</b>	<b>\$ 23,903,032</b>		

\*Ongoing program; amounts represent FY 2025 only

- **Community Development Block Grants.** The Budget includes \$14.2 million from federal Community Development Block Grant funds, \$3.3 million more than the enacted budget. Cranston, East Providence, Pawtucket, Providence, Warwick and Woonsocket are entitlement communities which receive their Community Development Block Grants directly from the Department of U.S. Housing and Urban Development; the remaining 33 communities' grants are administered by the state.
- **Housing Resources and Homelessness Account.** The Budget transfers \$10.0 million from general revenues to the former Housing Resources Commission account for lead hazard reduction abatement, rental subsidy and shelter operations. It programs \$9.7 million from restricted receipts to reflect spending for FY 2025, including \$5.0 million from these new resources. The 2014 Assembly amended the Real Estate Conveyance Tax statute to provide a permanent stream of funding to be used by the Housing Resources Commission for lead hazard reduction abatement, rental subsidy and shelter operations. The 2015 Assembly further amended the statutes to ensure that the tax applied to property transfers that were accomplished through a different legal maneuver. The Budget contains language to transfer authority over the renamed Housing Resources and Homelessness account effective December 31, 2024 or after the Department of Housing submits a new housing organization plan, whichever comes later

**Planning.** Planning costs refer to nonrecurring expenses associated with planning, managing, and reporting on state housing programs. It should be noted that the operating expenses of quasi-governmental organizations do not appear in this publication.

<b>Planning</b>				
<b>Program</b>	<b>FY 2025 Recommended</b>	<b>FY 2025 Enacted</b>	<b>Source</b>	<b>Managing Entity</b>
ARPA - Statewide Housing Plan	\$ 2,000,000	\$ 2,000,000	Federal - SFRF	Dept. of Housing
ARPA - Predevelopment & Capacity Building	1,500,000	1,500,000	Federal - SFRF	Dept. of Housing
ARPA - Proactive Housing Development	1,400,000	1,400,000	Federal - SFRF	RI Housing
ARPA - Municipal Planning	2,300,000	3,300,000	Federal - SFRF & GO Bonds	Dept. of Housing
<b>Total</b>	<b>\$ 7,200,000</b>	<b>\$ 8,200,000</b>		

- **ARPA - Statewide Housing Plan.** The Budget includes the enacted amount of \$2.0 million from State Fiscal Recovery funds for a statewide comprehensive housing plan to assess current and future housing needs, consider barriers to home ownership and affordability, and identify services needed for increased investments toward disproportionately impacted individuals and communities. Funds also support municipal planning efforts. The Department of Housing indicated that it has contracted with a vendor to produce this report by December 2024. These funds are expected to be used to support the creation of the new housing organization plan.
- **ARPA - Predevelopment and Capacity Building.** The Budget includes the enacted amount of \$1.5 million from State Fiscal Recovery funds for contracted consultants to provide administrative support to the Department of Housing. The funding is intended to assist with managing the increased resources for federal and other housing-related programs and address the lack of administrative capacity as a barrier to

implementing affordable housing initiatives. The 2021 Assembly included a requirement to provide monthly progress reports regarding achievement of these efforts. The Department submitted its first report in March 2023 and has not submitted a report since July 2023. As of March, \$0.4 million remains unspent.

- ARPA - Proactive Housing Development. The Budget includes the enacted amount of \$1.4 million from State Fiscal Recovery funds authorized by the 2023 Assembly to create a new proactive development subsidiary of RI Housing. The subsidiary was formally established in January 2024.
- ARPA - Municipal Planning. The Budget includes the \$3.3 million to support municipal planning efforts, including \$2.3 million from State Fiscal Recovery funds and \$1.0 million from new general obligation bonds for the November 2024 ballot. Of these funds \$1.3 million is for a municipal fellows program and \$2.0 million is for transit- and zoning-related grants to municipalities. Applications opened in Spring 2024.

### Required Reports

The status as of June 2024 of all programmatic reports related to housing required to be submitted to the General Assembly or individual members, among others, is shown in the following table. The table does not include annual organization-wide financial disclosures and audits, which are all submitted and compliant, nor does it include reports required for programs funded using State Fiscal Recovery funds.

R.I.G.L.	Program	Submitted	Compliant
<i>Department of Housing</i>			
42-64.19	Integrated Housing Report	Yes	Yes
42-64.19	State Housing Reorganization Plan	Yes	Partial
42-128	Housing Resources Commission	Yes	Yes
42-128.1	Lead Hazard Mitigation	Yes	Yes
42-128.3	Housing Incentives Districts	No	No
44-71	Low Income Housing Tax Credit Fund	n/a	New
45-24	Accessory Dwelling Units	Yes	Yes
45-53	Comprehensive Permitting	Yes	Yes
45-53	Housing Vouchers	Yes	Yes
<i>Rhode Island Housing and Mortgage Finance Corporation</i>			
42-55-22.1	Mortgage Disclosure	Yes	Yes
42-55-22.2	Affirmative Action Fair Housing Policy	Yes	Yes
42-55.1	Housing Trust Fund	Defunct	Defunct
44-53	Development and Preservation Activity	Yes	Yes

**Integrated Housing Report.** The Department of Housing is required to submit a December 31 annual report including the total number of housing units, occupancy, change in units, net new units in development since the prior report, units by building occupancy and income type, the number and projection of status quo units, units necessary to meet housing formation trends, regional and similar-state comparisons, including fund sources, rental bedrooms, affordability level, permitting statistics, and affordability by municipality. Much of this data must be broken down by municipality, into cost brackets, and growth over the past five years. A small number of these requirements are similar to the Housing Resources Commission report required by the 1998 Assembly. The 2021 and 2022 versions of the report omitted certain required items such as recommendations, however the report submitted on December 30, 2023 is compliant.

The Assembly concurred with the Governor’s recommendation to make several changes to this report, contained in Article 7, Sections 4 and 18 of 2024-H 7225, substitute A. These sections delay the due date of the annual Integrated Housing Report from December 31 to April 15 to provide time for the Department

of Housing to include applicable federal data typically published in December. It changed several measures to provide greater clarity and align more closely with available data, including requiring a study in 2026 and every three years thereafter to determine the accessibility of the state housing stock and the number of units required to meet estimated growth. Municipalities are now required to provide relevant data requested by the Department on or before February 15.

**State Housing Reorganization Plan.** The Secretary of Housing was required to submit a housing organizational plan by November 1, 2022 that included a review, analysis, and assessment of functions related to housing of all state departments, quasi-public agencies, boards, and commissions. The plan was submitted on November 18 and lacked required commentary from other state agencies, an assessment of the current structure, and advantages and disadvantages of proposed changes. The Department later indicated state agency input and cost-benefit criteria were incorporated into its methodology and recommendations.

Under the plan, the Department would assume authority over the Housing Resources Commission, direct all state and federal housing funds currently administered by the Commission and RI Housing, and receive several programs transferred from the Departments of Administration, Behavioral Healthcare, Developmental Disabilities and Hospitals, and Human Services as well as the Executive Office of Health and Human Services and the Governor's Commission on Disabilities. The Department would be responsible for all housing-related public statements and statutory reports. It also recommends strong consideration making the Secretary ex-officio chairman of the RI Housing Board and a member of the Statewide Planning Council and Public Safety Grant Administration Policy Board. These changes were not included in the Governor's FY 2024 recommendation or the Assembly adopted budget.

The Assembly required submission of a new version of this report by December 31, 2024, including proposed statutory revisions. Upon that date and after completion of the report, the Department will receive authority over the Housing Resources and Homelessness account from the Housing Resources Commission, although the Commission will retain a consultative role.

**Housing Resources Commission.** The Housing Resources Commission is required to file an annual report on its activities and findings and recommendations on housing issues, including by census tract details on all program spending, health-related housing issues, and incidences of lead poisoning. Many of these requirements are similar to the Integrated Housing Report required by the 2021 Assembly. The Housing Resources Commission has historically failed to submit this report; however, as of March 2024, it is now in compliance.

**Lead Hazard Mitigation.** The Housing Resources Commission is required to file a March annual report on progress made to achieving the four-year 2003 strategic plan to mitigate lead poisoning. The Commission signed a memorandum of understanding with the Department of Health to fulfill all responsibilities associated with this program. The Housing Resources Commission has historically failed to submit this report; however, as of March 2024, it is now in compliance.

**Housing Incentives Districts.** As of FY 2022, the Coordinating Committee of the Housing Resources Commission is required to file an annual report on commitments and disbursements of technical assistance or school impact payments for municipalities that create and administer a Housing Incentive District. The Coordinating Committee does not hold regular meetings and the Commission indicates that this municipal initiative has not yet been implemented and there is no status to report. It should be noted that the report is still required even if there is no status to update.

**Low Income Housing Tax Credit Fund.** Beginning November 1, 2024, the Department of Housing is required to file an annual report that contains the amount of credits approved in the prior fiscal year. A summary of tax credit agreements must also be sent to the Division of Taxation and published on its website.

**Accessory Dwelling Units.** The Department of Housing is required to file a March 1 annual report containing all municipal ordinances related to accessory dwelling units and two prior years of information regarding unit permits and certificates of occupancy. Municipalities are required to provide the Department with this information by February 1.

**Comprehensive Permitting.** The Department of Housing is required to file a March 15 annual report to be posted on its website containing the prior 12 months of information regarding comprehensive permits for each municipality including: letters of eligibility, the number of subsidized units proposed and subsidy sources, status of applications, and the affordability of proposed units. Municipalities are required to provide the Department with this information by February 1.

**Housing Vouchers.** The Department is required to file a March 1 annual report to be posted on its website containing the prior 12 months of information regarding Section 8 Housing Choice Vouchers received and used by public housing authorities. By municipality, the report must contain an accounting of all vouchers, unfunded vouchers, administrative costs, and fees collected in lieu of development of low- and moderate-income units.

**Mortgage Disclosures.** RI Housing is required to produce a disclosure of all of its mortgage lenders and loans by census tract with reference to age of recipient, state representative districts, and federal support. The report is required to be available to the public with copies at the Corporation's Office. RI Housing indicates the report takes one week of staff time to create and is provided upon request; however, it has no record of a request ever being received.

**Affirmative Action Fair Housing Report.** RI Housing is required to biennially assess minority participation in all of its programs. The Corporation indicates that producing this report takes four to six weeks of staff time; however, in 2022 its website logged only 16 views, almost all of which were internal. The report is regularly produced consistent with statute.

**Development and Preservation Activity.** RI Housing is required to file a March 15 annual report to be posted on its website containing a list of preservation or development projects approved by the Corporation, the value of support provided, and the resulting certificates of occupancy once available. It also contains the value of fees and taxes paid by affordable housing developments to each municipality.

## Housing Data

The Department of Housing reports that as of 2022 there were a total of 483,053 housing units in Rhode Island. The Department estimates that Rhode Island would need to produce between 2,204 and 3,087 units annually to keep up with population growth and housing formation rates, however it estimates that only 1,429 units were produced in 2023. The number of households that are cost burdened, defined as those spending 30 percent or more of income on housing, has consistently risen over the past few decades and now represents 34 percent of households, including 47 percent of renter households. Detailed information on the quality and status of housing is included in the Department's Integrated Housing Report, due annually on December 31. The following is a non-exhaustive list of sources for credible information on housing in the state:

RI House Commission on Land Use:

<https://www.rilegislature.gov/commissions/laus/SitePages/hmaterials.aspx>

RI House Commission on Low and Moderate Income Housing:

<https://www.rilegislature.gov/commissions/LMIHA/Pages/hmaterials.aspx>

Division of Statewide Planning:

<https://planning.ri.gov/>

HousingWorksRI:

<https://www.housingworksri.org/Research-Policy/Publications-Reports>

Office of Housing and Community Development:

<https://ohcd.ri.gov/>

RI Housing:

<https://www.rihousing.com/research-reporting/>

United States Census Bureau:

<https://www.census.gov/topics/housing.html>