

H O U S I N G



N E T W O R K

March 24, 2026

The Honorable Jacob Bissaillon
Chair, Senate Finance on Housing and Municipal Government
Rhode Island State House,
Providence, RI 02903

Re: S2697 Support

Dear Chair Bissaillon and Members of the Senate Finance Committee:

I am writing today in support of **S2697**, legislation which would allow a municipality to establish its own conveyance tax rate for residential properties sold in excess of \$900,000 to fund affordable housing projects.

Rhode Island faces a well-documented and persistent shortage of affordable homes. The National Low Income Housing Coalition, of which we are a state partner, recently released its annual report, *The Gap: A Shortage of Affordable Homes*, which found that Rhode Island has a shortage of 23,222 rental homes that are affordable and available to the lowest-income renters. Addressing this challenge will require coordinated action across all levels of government, as well as strong partnerships between municipalities, housing developers, community-based organizations, and the private sector.

The challenges that Rhode Islanders are experiencing accessing, sustaining, or trying to maintain housing are being felt across the state. 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, affordable homes. As of the 2025 HousingWorks Factbook, the median single family home price in Rhode Island is \$475,000 which to afford, a household would require an annual household income of approximately \$158,263. Yet median household income in Rhode Island is only \$86,372. The single best way alleviate some of the pressure on the housing market, reduce skyrocketing home prices, and house Rhode Islanders is to build more homes. The ability to build more homes, particularly homes at price points affordable to low and moderate income Rhode Islanders, requires more expansive approaches to financing development.

The additional real estate conveyance tax proposed in **S2697** 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 offer our support of the concept proposed within **S2697**. I'm happy to answer any questions the Committee might have, please feel free to contact me at (401) 721-5680 ext. 104 or mlodge@housingnetworkri.org.

Respectfully submitted,

A handwritten signature in black ink that reads "Melina Lodge".

Melina Lodge, Executive Director