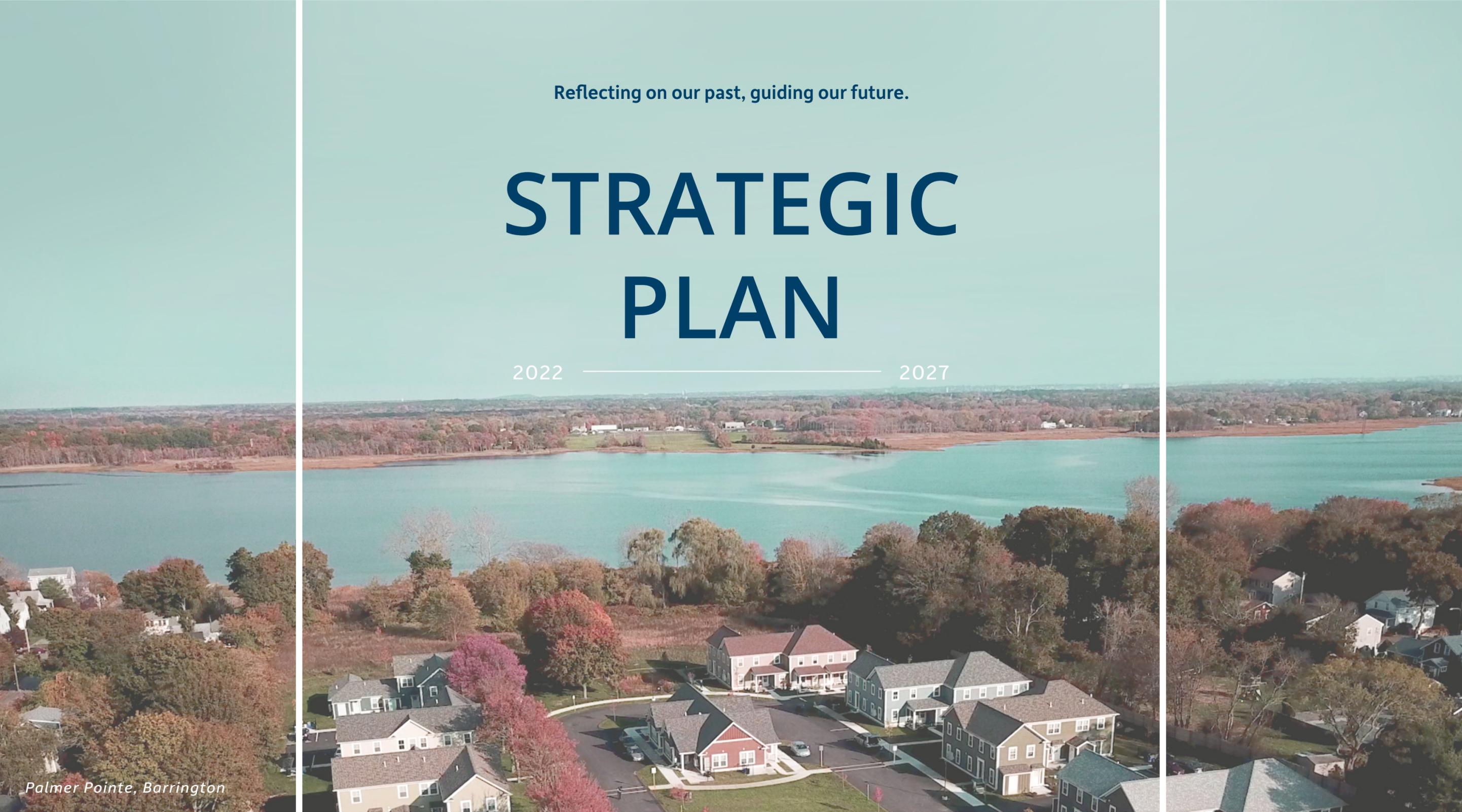




Reflecting on our past, guiding our future.

STRATEGIC PLAN

2022 ————— 2027



Palmer Pointe, Barrington

As Rhode Island continues to evolve, so does RIHousing

— *responding to the changing needs of our residents.*

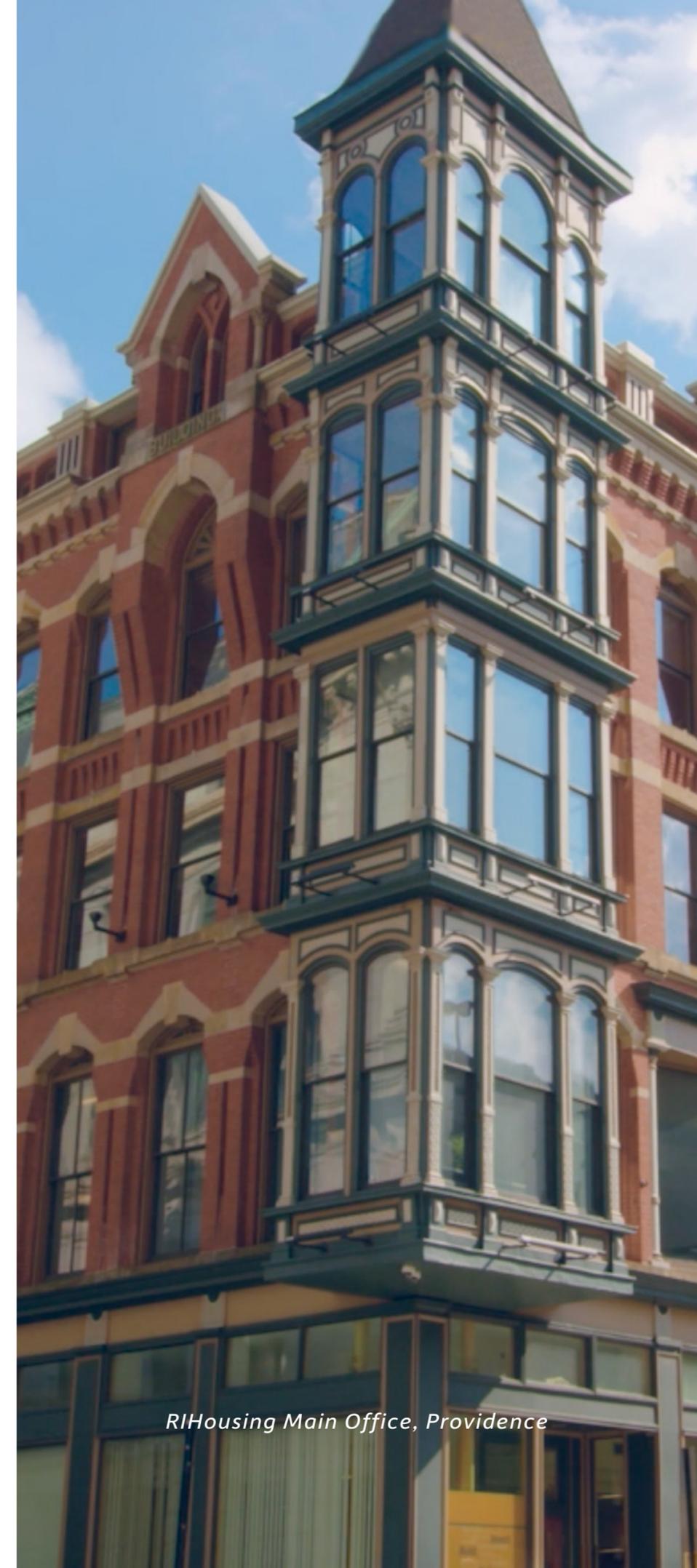
RIHousing is a nimble and flexible agency focused on connecting Rhode Islanders with opportunities for homeownership and choices in housing.

We're builders of a community of first-time homebuyers — and of partnerships that support evolving programs and products that provide a wide range of housing opportunities for individuals and families. We're dismantlers of barriers that for too long prevented some people in our state from accessing homeownership.

Every day, we help Rhode Islanders — *especially those who have historically not had access to housing opportunities* — find, rent, buy, keep and build homes. We aim to transform communities through access and opportunity. We respect and seek differing perspectives in developing products, programs, resources and services tailored specifically to meet the unique needs of our customers.

We value transparency and openness in sharing data, research and resources. We focus on building capacity to fuel the collective creation of more affordable housing opportunities in all Rhode Island communities. We value our municipal partners' achievements in creating healthy cities and towns rich in quality education and housing choices for all.

In all efforts, we remain committed to our core values of innovation and opportunity



RIHousing Main Office, Providence



North Cove Landing, North Kingstown

Reflecting on our past, guiding our future.

Defining a guiding vision for the future begins with assessing where you've been, where you are now and where you want to go.

We honor our agency's history of connecting underserved Rhode Islanders with safe and affordable homes as we further focus our efforts on continuing to increase housing opportunities for all.

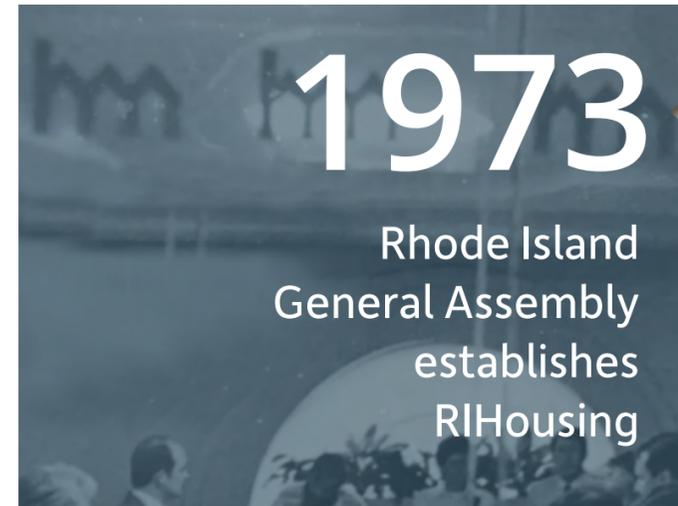
Where we've been

In 1973, the Rhode Island General Assembly established RIHousing to address Rhode Island's widespread, critical housing issues, in part through the issuance of tax-exempt bonds to finance affordable apartment development and mortgages at rates more affordable than those available through conventional sources.

In the decades since its inception, RIHousing has evolved into the state's primary housing agency. We are a self-sustaining agency that generates revenue solely through our business lines and provides technical and administrative support to the Rhode Island Housing Resources Commission.

At the direction of the Governor or General Assembly, RIHousing has and continues to assume administration of several significant state and federal housing initiatives, including:

- Building Homes Rhode Island (BHRI)
- National Housing Trust Fund
- LeadSafe Homes Program
- Low Income Housing Tax Credit (LIHTC) Program
- Performance Based Contract Administration
- Housing Choice Voucher Program
- Septic and Sewer Loan Programs



- 1988**
FEDERAL LOW INCOME HOUSING
TAX CREDIT (LIHTC) PROGRAM
- 1991**
HOUSING CHOICE VOUCHER PROGRAM
- 1996**
LEADSAFE HOMES PROGRAM
- 1998**
SEPTIC AND SEWER LOAN PROGRAMS
- 2000**
PERFORMANCE BASED
CONTRACT ADMINISTRATION
- 2006**
BUILDING HOMES RHODE
ISLAND (BHRI) PROGRAM
- 2015**
NATIONAL HOUSING TRUST FUND





Where we are

Since 1974, RIHousing has provided more than \$8 billion in mortgage financing to more than 81,000 homeowners. Today, nearly 24,000 affordable apartments have been created in agency-financed developments.

We are proud of the collective positive impact RIHousing has made on Rhode Island since 1973. Yet we know that our continued ability to effect change for the next generation of Rhode Islanders requires careful planning.

To focus our strategic efforts, RIHousing launched an initiative to gather feedback and direction on the agency's goals and priorities from internal and external stakeholders.

In January 2021, we engaged a consulting firm to conduct twenty nine key informant interviews with board members, state and community officials, real estate industry experts, and development and financial partners.

These interviews focused on:

- General impressions of RIHousing
- RIHousing's role in Rhode Island's housing market
- Framing the agency's key priorities during the next five years

Our consultant also conducted seven key informant interviews with assistant- and deputy director-level staff at RIHousing.

Additionally, twenty three members of the RIHousing leadership team participated in a series of workshops in Q1 and Q2 of 2021 to develop goals, make recommendations and establish priorities to guide the agency's work.

Through these key informant interviews, external stakeholders identified a need to:

- Finance housing opportunities in Rhode Island at all price points
- Preserve naturally occurring affordable housing (NOAH) to address an overall lack of housing supply
- Boost developer and contractor capacity to enable additional housing development
- Recognize how current housing market forces could negatively impact key segments of RIHousing's operations, including mortgage financing and development activity



Where we want to go

After completing this stakeholder engagement and reflection work, RIHousing leadership convened to craft a strategic vision for the agency's next five years. This strategic plan reflects the critical themes and concerns identified by our stakeholders and partners, as well as by RIHousing team members.

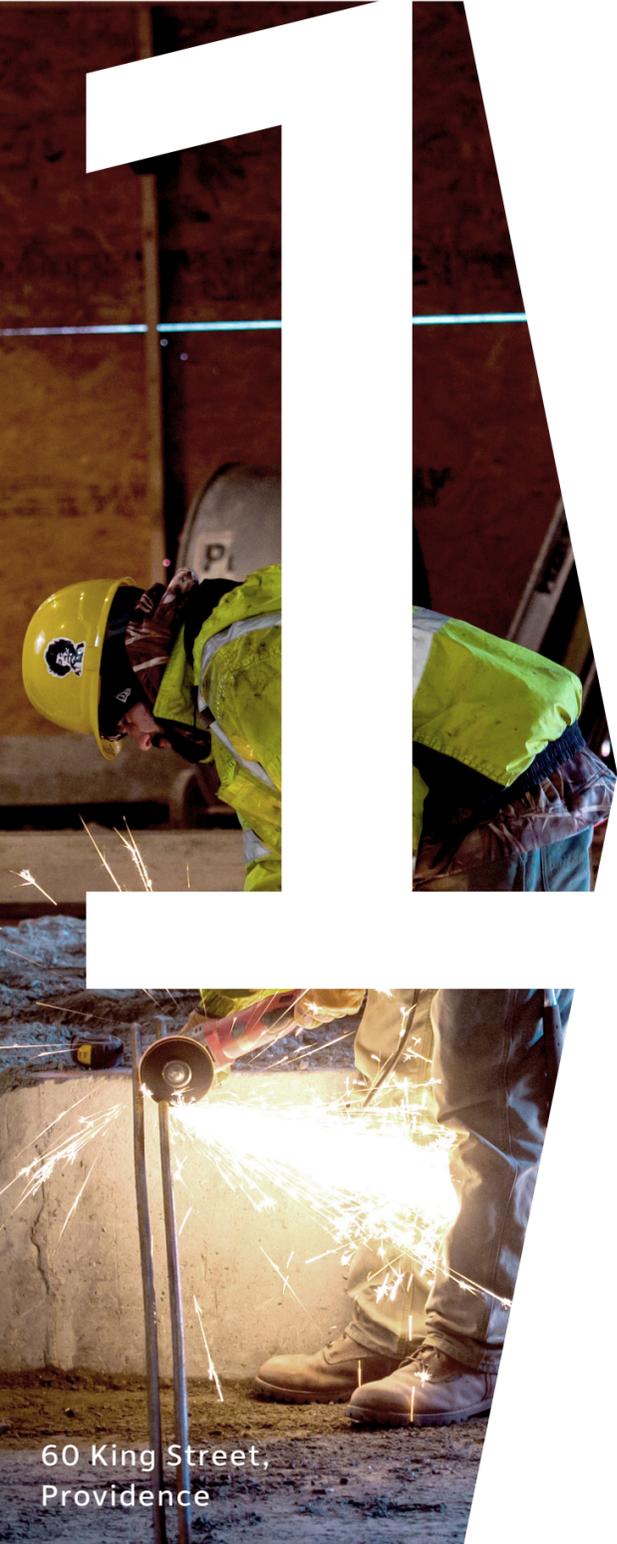
We will use this roadmap to guide our focus and work as we move forward in addressing those areas where the agency can make an immediate difference. We will also use the themes and concerns that emerged from this engagement process to further explore how RIHousing can align its resources with those of our partners to meet the current and future needs of Rhode Islanders.

Georgiaville Village Green, Smithfield

Goals and Strategies

The RIHousing leadership team used the information gathered to develop five strategic goals that will guide the agency's work during the next five years. These goals reflect a comprehensive approach to addressing the housing issues identified through stakeholder interviews, as well as through existing and emerging research.

We began by defining opportunities where overlaps in strategy would allow us to maximize existing resources in achieving our goals. The RIHousing team focused on those areas where the priorities and interests of stakeholders best aligned with agency resources. The strategic goals outlined here reflect a mix of more immediately achievable initiatives, as well as longer-term goals.



GOAL 1

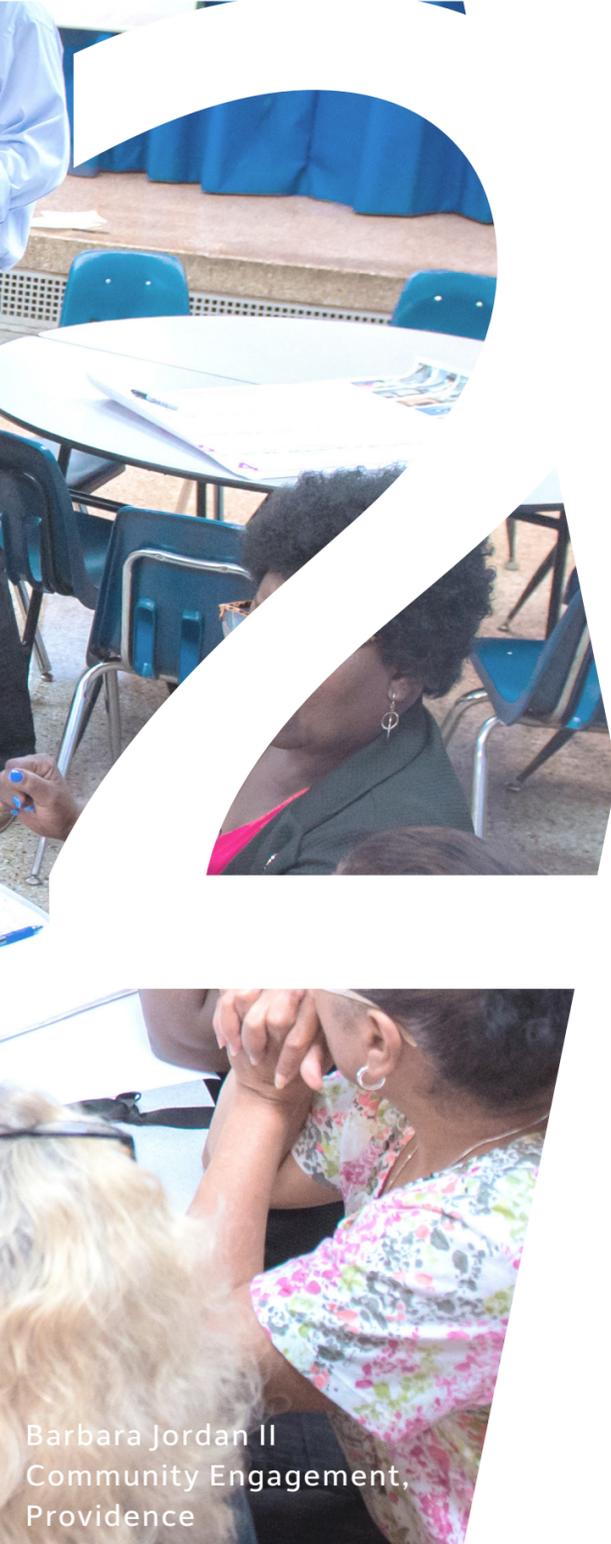
Increase housing production for low- and middle-income Rhode Islanders

To accomplish this goal, RIHousing will:

- Establish an agency five-year production plan integrated with a capital finance plan
- Explore the feasibility of a starter home production program
- Support opportunities to finance a mix of housing and commercial/community space to respond to the needs of communities and their residents
- Promote RIHousing’s Land Bank program and strategically acquire properties for future (re)development opportunities

Achieving this goal will provide additional access to housing options for Rhode Islanders who have traditionally been excluded from homeownership and rental options in many communities.

This goal aligns with RIHousing’s focus on providing access to communities rich in quality education and housing choices.



GOAL 2

Expand partnerships to increase the creation and preservation of affordable homes for Rhode Islanders

To accomplish this goal, we will:

- Increase brand awareness of RIHousing, its unique value proposition and opportunities created by its products and programs
- Expand coordination with federal, state, municipal and community partners to leverage funding opportunities to rehabilitate existing housing stock and to advance the development of new affordable homes
- Engage with our partners and developers of market rate housing in creating an acquisition and rehabilitation program for naturally occurring affordable housing (NOAH)
- Through research and analysis, produce data-driven materials that inform and support decision makers in making policy choices that help achieve the state's housing goals

Achieving this goal will highlight RIHousing's role as the central resource for community partners and developers in creating and preserving affordable housing options for Rhode Islanders.

This work will expand RIHousing's position as the leader in research and innovation on housing policy issues and the expansion of housing choices throughout the state.

GOAL 3

Drive innovation and accessibility in housing development, mortgage financing and leasing services

To accomplish this goal, we will:

- Incentivize innovative building techniques to help lower the cost of construction and rehabilitation
- Adopt development strategies designed to reduce living costs by addressing considerations such as a home's energy efficiency, access to public transportation, commute times and expected home maintenance expenses
- Explore non-traditional mortgage underwriting processes and products to address historical barriers to homeownership
- Enhance programs and services for partners and participants in our leased housing programs

RIHousing intends to build on ongoing efforts to fund and promote environmentally and socially responsible housing, incorporate innovative materials and methods in our design requirements, finance zero-energy developments and lead efforts to provide affordable broadband to low and moderate-income Rhode Islanders.



Sheridan Small Homes,
Providence



Branch Blackstone,
Pawtucket

GOAL 4

Invest in the expansion of partner technical expertise and capacity to develop, preserve and manage affordable housing across the state

To accomplish this goal, we will:

- Invest in technical training opportunities for community development corporations, public housing authorities and other non-profit partners
- Support public housing authorities (PHAs) in evaluating opportunities to reposition their housing assets
- Collaborate with state and local agencies, trade organizations and financial institutions to address obstacles created by bonding capacity, insurance requirements and lack of working capital for under- and unrepresented contractor groups
- Provide communities with planning support to develop and implement affordable housing strategies that meet the needs of their residents

Achieving this goal will highlight RIHousing’s position as a resource to community organizations and other partners in creating and preserving housing opportunities throughout Rhode Island.

Partners can be confident that they can rely upon the agency’s expertise when they seek to strengthen and broaden their capabilities and leverage their resources.

GOAL 5

Transform RIHousing into a flexible, dynamic, top-performing housing finance agency

To accomplish this goal, we will:

- **Develop leadership and professional development plans for our workforce to prepare the next generation of management leaders**
- **Provide a flexible work environment that represents the changing nature of HFA business and aligns with other industry employers**
- **Create an agile workforce committed to improving agency processes and adapting to changing market conditions and technology advances**

Achieving this goal will strengthen RIHousing’s ability to attract and retain a talented and dedicated workforce committed to identifying and creating housing opportunities for the people of Rhode Island.

Continuous professional development for team members will bring new energy and ideas into programs and services and ensure continuity of operations and sharing of institutional knowledge during staff transitions.



Greenridge Commons,
Pascoag

Developing products, programs, resources and services that meet the needs of our customers — and doing so in a way that seeks and honors differing perspectives — requires a commitment to self-reflection and ongoing assessment.

RIHousing considers the strategic planning process to be critical in setting the agency's priorities and aligning our resources with these priorities.

Throughout this process, we have relied not only on data and research, but also on the experiences and perspectives of our customers, colleagues and partners. We have listened and reflected on varying points of view regarding where we should focus our efforts during the next five years.

We are confident that the goals outlined here honor these perspectives in both their intended outcomes and the strategies RIHousing will employ to achieve them. We look forward to working with our partners, colleagues and friends in providing housing opportunities for Rhode Islanders in the future.

Reflecting on our past,
guiding our future.



STRATEGIC PLAN

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Affordable housing

Housing that costs 30 percent or less of a household's gross income, including rent or mortgage payments and utilities.

Affordable housing

(statutory definition per R.I.G.L. 42-128-8.1(d)(1))

Residential housing that has a sales price or rental amount within the means of a household that is moderate income or less. In the case of dwelling units for sale, housing that is affordable means housing in which principal, interest, taxes, which may be adjusted by state and local programs for property tax relief, and insurance constitute no more than thirty percent (30%) of the gross household income for a household with less than one hundred and twenty percent (120%) of area median income, adjusted for family size. In the case of dwelling units for rent, housing that is affordable means housing for which the rent, heat, and utilities other than telephone constitute no more than thirty percent (30%) of the gross annual household income for a household with eighty percent (80%) or less of area median income, adjusted for family size.

Area median income (AMI)

The estimated median income, adjusted for family size, by metropolitan area (or county, in non-metropolitan areas). AMI is updated annually by HUD and used as the basis of eligibility for most housing assistance programs.¹

Housing finance agency (HFA)

State-chartered agencies established to help meet the affordable housing needs of state residents.²

Low income

A household whose income does not exceed 80 percent of the area median income (AMI). In Providence, an annual household income of \$69,200 is 80% of the area median income for a family of four.

Low- and moderate-income housing

(statutory definition per R.I.G.L. 45-53-3(5))

Any housing whether built or operated by any public agency or any nonprofit organization or by any limited equity housing cooperative or any private developer, that is subsidized by the federal, state, or municipal government under any program to assist the construction or rehabilitation of housing affordable to low or moderate income households, as defined in the applicable federal or state statute, or local ordinance and that will remain affordable through a land lease and/or deed restriction for ninety-nine (99) years or such other period that is either agreed to by the applicant and town or prescribed by the federal, state, or municipal subsidy program but that is not less than thirty (30) years from initial occupancy.

Naturally occurring affordable housing (NOAH)

Refers to residential rental properties with affordable rents that are not subsidized by federal, state or municipal programs.³

Public housing authorities

Authorities created by local government which administer HUD's Public Housing Program and other HUD programs, including the Housing Choice Voucher Program (HCVP).

Subsidy

Financial assistance that helps fill the gap between the cost of affordable housing development and/or operations and the rent, mortgage or sales income generated by income-restricted rentals or homeownership sales. Local municipal programs, such as density bonuses, may also be used as subsidies.¹

Very low income

Households whose incomes do not exceed 50 percent of the area median income (AMI).

1 Adapted from <https://www.mhp.net/writable/resources/documents/Affordable-Housing-Glossary.pdf>

2 Adapted from the National Council of State Housing Agencies (<https://www.ncsha.org/about-us/about-hfas/>)

3 Adapted from the Greater Minnesota Housing Fund (<https://gmhf.com/finance/noah-impact-fund/>)