

MEMO

To: Board of Commissioners
From: Carol Ventura
Date: April 20, 2023
Subject: Monthly Update

PROGRAM NEWS

HOMEOWNERSHIP

Product	2022 Actual (units)	2023 Goals (units)	2023 Units (at 3/31/23)	2023 Funded (at 3/31/23)
	Closed/Funded			
<i>First Mortgage</i>	1,365	1,400	269	\$90.4 million
<i>Statewide DPA</i>	-	510	145	\$2.5 million
<i>FirstGenHomeRI</i>	36	-	4	\$100,000

Homeownership’s Help Center department is pleased to have received word from Neighbor Works America of its successful Housing Stability Counseling Program (“HSCP”) Reallocation Round 1 request. The additional \$25,000 follows the initial \$112,000 which was granted in September 2021 to support the delivery of housing counseling services to households facing housing instability. The initial grant funded counseling for more than 100 Rhode Island families.

Homeowner Assistance Fund RI (As of 3/31/23)	
# of Applications Received	3,844
# Funded	1,484
\$ Amount Committed	\$38,597,017
\$ Amount Expended	\$33,885,461
\$ Amount Remaining	\$3,902,983

LOAN SERVICING/ASSET MANAGEMENT

Program	As of 3/31/23	Portfolio value as of 3/31/23
RIH Single-Family Portfolio	20,891 loans	\$2.33 billion *
Multi-Family Portfolio	714 loans	\$1.01 billion *
MSS Single-Family Portfolio	6515 Loans	\$650.92 million
Madeline Walker Portfolio	188 liens	\$1.29 million
REO Portfolio	11 homes	\$1.34 million

*Includes loans serviced for others i.e., loans sold TBA, Federal Program loans, Conduit loans

Delinquency Update:

	As of 3/31/23
# Overall Delinquent Loans	1,039
Total Active Portfolio	11,354
Delinquency Rate	9.15%
Seriously Delinquent (90+ days)	331 (2.92%)

DEVELOPMENT

Update on Implementation of State Appropriated Development Programs

Status of Previously Awarded State Fiscal Recovery Funds (SFRF)

PROGRAM	(As of 3/31/23)	\$ Available	\$ Committed	\$ Expended	Units Funded	Units Complete	Comments
Development of Affordable Housing (RI Rebounds - SFRF)		\$ 20,000,000	\$ 14,536,126	\$ 2,707,951	550	36	3 projects under construction
Site Acquisition (SFRF)		\$ 15,000,000	\$ 14,653,320	\$ 10,064,000	569	13	Program suspended until 7/1/2023

2nd Consolidated Funding Round: Staff has completed their reviews and are finalizing scoring. Staff anticipates multiple preliminary approvals for 9% and 4% developments as well as program awards for each of the SFRF production programs and HOME, HTF, CMF and ARP at the May Board Meeting.

Other SFRF Funded Programs:

- **PHA Pilot Program:** (\$10 million) Pilot program guidelines approved by PRO on 3/2/23.
- **Predevelopment:** (\$2.5 million available) \$2.25 million in loans approved as of 3/31/23.
- **Home Repair Program:** (\$5 million) Program is being designed and implemented by the Department of Housing

Housing Production Fund (\$25 million)

- **HPF:** (\$10 million) Fully obligated. Financing 7 developments which will include 360 affordable units and 32 market rate units. Two projects are under construction, another 4 projects have firm approval of financing and are scheduled to close by May.
- **HPF-ELI:** (\$10 million) \$1 million obligated to support 15 units for 15 years. \$9 million available in Consolidated Funding Round, awards to be made in May.
- **Municipal TA:** (\$5 million) RFP for consultant pool closed 2/28/23. Proposal were reviewed and approval of the engagement of consultants is to be presented at the April 20 Board meeting.

Other updates

- **Housing Investment Fund (HIF):** Staff is updating the HIF guidelines and are working on standardizing the methodology for the Purchase Prices of the affordable homes. We expect to issue the RFP in early July.
- **Design and Construction:** Staff has completed its review of the proposals to engage a consultant to revise our Design and Construction Guidelines and seek stakeholder input as part of the process.

LEASED HOUSING AND RENTAL SERVICES

ProLink: Staff continues ProLink implementation and several of our property management partners have volunteered to assist us by uploading tenant data from their individual software systems. Testing is going well and we anticipate opening the portal to all of our sites by mid-summer.

NEAHMA: Asset Management staff joined staff from HUD's Boston office of Multifamily Housing Management to present agency updates at a forum hosted by the New England Affordable Housing Management Association on March 30th. This annual event was well attended with nearly 100 of our local development and property management partners participating.

COMMUNICATIONS

- Newport Buzz: Governor McKee Present Keys to New Homeowners Under the RI Statewide Down Payment Assistance Grant Program (April 5)
- Newport Daily News: A look at three affordable housing projects planned in Newport County (April 4)
- Boston Globe: 'Bureaucratic blinders and lack of alignment with state housing goals' are derailing housing construction in R.I., developers say (March 23)
- WPRI: RI gets \$11M to support housing initiatives (March 23)
- The Providence Journal: Housing supply is 'critically low' going into spring, usually the hot selling season (March 21)
- The Publics Radio: They're gonna take my house. That's what went through my head' Why Woonsocket homeowners don't have access to tax sale protections (March 8)

COMMUNICATIONS & OUTREACH

General Assembly Statehouse Meet and Greet (April 18): RIHousing hosted a Meet and Greet for elected officials and partners at the Statehouse in celebration of the Agency's 50th anniversary. RIHousing's leadership team was joined by 10 developer partners who presented their developments, the resources currently available and our progress putting the State Fiscal Recovery Funds (SFRF) to use.

Residences at Riverside Square Groundbreaking, East Providence (April 10): We joined ONE Neighborhood Builders and project partners to celebrate the groundbreaking of the Residences at Riverside Square. Located at the former Vamco manufacturing site, the development will provide 16 affordable rental units for extremely low to moderate-income households between 30% and 80% of area median income (AMI). Three units will be reserved for youth aging out of the foster care system.

RI Statewide DPA Grant Press Event with Governor McKee and Secretary of Housing Pryor (April 5)

RIHousing joined Governor McKee and Secretary of Housing Pryor at an event at the home of the Cruz Family in West Warwick to celebrate the first 100 closings under the RI Statewide Down Payment Assistance (DPA) Grant program. The Cruz Family received help with down payment and closing costs assistance to purchase their new home under the statewide program, which addresses financial barriers to homeownership. Mr. Cruz, a first-generation immigrant, shared that he had lost 6 opportunities to purchase a home due to investors purchasing homes with cash. When this home came to market, he approached the owner and asked that she sell the house to him. This program allowed the Cruz Family to achieve their dream of owning a home. As of April 1st, around 150 homeowners have received the grant.

Request for Proposals for Green & Energy Efficient Housing Launched (March 15): RIHousing, the Rhode Island Office of Energy Resources and Rhode Island Energy joined together to release a Request for Proposals

for the 2023 Zero Energy for the Ocean State (ZEOS) Program. This program offers up to \$500,000 in grants to design and construct affordable, energy efficient housing to serve low- and moderate-income Rhode Islanders.

Michael S. Van Leesten Memorial Awards: For FY22 and FY23 we provided Michael S. Van Leesten Memorial Awards to the New England Institute of Technology (NEIT) and Rhode Island College (RIC) to administer on our behalf. The Michael S. Van Leesten Memorial Awards provides scholarships to students from diverse backgrounds to pursue academic fields or careers related to the housing industry. The awards program honors the life and work of Michael S. Van Leesten, who was dedicated to improving the lives of Rhode Islanders through his business leadership, civil rights activism, and public service. Van Leesten previously served as the Chairman of RIHousing, and also held leadership positions with the NAACP, Urban League, and the Black Heritage Society.

NEIT administered a scholarship program on our behalf to support students pursuing trade careers related to the housing industry. RIC administered a scholarship program on our behalf to support students pursuing academic fields that will support careers in the housing industry.

UPCOMING EVENTS

RIHousing Development Bus Tour (Newport: May 1, Providence: May 10): RIHousing will be hosting bus tours of our developments in Newport and Providence. Elected officials and municipal partners will join us as we highlight investments in affordable housing in their communities. Developer partners will also join us to share information on their developments.

GOVERNMENT RELATIONS

FEDERAL

Meetings with Federal Delegation: Amy Rainone, James Comer, and Carol Ventura attended NCSHA's annual Legislative Conference from March 27th – 29th in Washington D.C. They met with members of the RI federal delegation and their staff to discuss RIHousing's 2022 accomplishments and 2023 federal priorities. The meeting with Rep. Magaziner took place in Rhode Island on April 3rd. Much of what was discussed came from the [RIHousing 2023 Federal Brief](#).

STATE

Rhode Island Housing Testimony: Throughout March, the General Assembly held hearings on a number of bills that RIHousing has been tracking. We submitted testimony in support of bills in the Speaker's housing legislation package as well as a lead hazard mitigation bill. RIHousing submitted testimony in opposition to two bills that would make it easier for certain communities to meet their affordable housing goal without increasing the number of affordable homes.

FINANCE

Finance: On Wednesday March 8th, Finance successfully executed a new bond issuance for the Homeownership Opportunity Bond Program. The issuance provides \$113 million in funding for new first-time homebuyer mortgage loans, along with \$15 million of bond financing for previously modified loans.

While in recent years, fixed rate bonds have proven an optimal source of funding for our single-family mortgage pipeline, Finance issued roughly one-third of this deal in the form of variable rate bonds due to elevated interest rates in the current market. This was our first variable rate bonds issuance in many years.

In order to mitigate the risk associated with exposure to variable rates, Finance entered into RIHousing's first Interest Rate Swap, agreeing to exchange fixed payments for variable payments with the Bank of NY Mellon over the life of the variable rate bonds. Hedging our variable rate debt in this manner will ensure that we are not adversely affected by large increases in market rates over the life of the bonds. Structuring this issuance with the incorporation of hedged variable rate debt allowed us to lower our overall bond yield.

As part of this transaction Standard & Poor's and Moody's Rating Services reaffirmed the ratings on the bonds at AA+/Aa2 respectively.