

**MEMO**

**To:** Board of Commissioners  
**From:** Carol Ventura  
**Date:** May 19, 2022  
**Subject:** Monthly Update

**PROGRAM NEWS**

**HOMEOWNERSHIP**

| Product                      | 2021 Actual<br>(units) | 2022 Goals<br>(units) | 2022 Units<br>(at 4/30/22) | 2022 Funded<br>(at 4/30/22) |
|------------------------------|------------------------|-----------------------|----------------------------|-----------------------------|
|                              | <b>Closed/Funded</b>   |                       |                            |                             |
| <i>First Mortgage</i>        | 1,711                  | 1,400                 | 465                        | \$141.3 million             |
| <i>FirstHomes Tax Credit</i> | 136                    | 125                   | 34                         | -                           |

Homeownership is pleased to announce that its collaboration with the Rhode Island Association of Realtors (RIAR) continues to grow. In late April, the Department of Business Regulation approved a new continuing education course entitled “Make a Splash with RIHousing Mortgage Lending Programs.” The course will cover topics such as RIHousing’s lending impact in 2021, homeownership products, down payment assistant options and best practices.

This is the third course that has been delivered to RIAR professionals with the previous courses delivered from 2019 through 2021. The first course educates real estate agents on the challenges facing RI homebuyers and how RIHousing has responded by reducing barriers to homeownership. The second course focuses on expanding the knowledge base of our 203(k) programs. The new course will commence on June 22<sup>nd</sup>.

**LOAN SERVICING/ASSET MANAGEMENT**

| Program                            | As of<br>12/31/21 | 2021 Portfolio<br>value | As of 04/30/22 | Portfolio value as of<br>04/30/22 |
|------------------------------------|-------------------|-------------------------|----------------|-----------------------------------|
| <b>RIH Single-Family Portfolio</b> | 20,479 loans      | \$2.07 billion          | 20,249 loans   | \$2.10 billion *                  |
| <b>Multi-Family Portfolio</b>      | 677 loans         | \$940.99 million        | 686 loans      | \$936.86 million *                |
| <b>MSS Single-Family Portfolio</b> | 6,540 Loans       | \$584.05 million        | 6417 Loans     | \$578.22 million                  |
| <b>Madeline Walker Portfolio</b>   | 253 liens         | \$1.71 million          | 222 liens      | \$1.54 million                    |
| <b>REO Portfolio</b>               | 17 homes          | \$1.39 million          | 13 homes       | \$1.10 million                    |

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

**Delinquency Update:**

|                                 | April 2021    | April 2022  |
|---------------------------------|---------------|-------------|
| # Overall Delinquent Loans      | 1,531         | 1,200       |
| Total Active Portfolio          | 11,679        | 10,395      |
| Delinquency Rate                | 13.11%        | 11.54%      |
| Seriously Delinquent (90+ days) | 1,150 (9.85%) | 601 (5.78%) |

**Homeowner Assistance Fund:**

|                                  | As of 4/30/22  |
|----------------------------------|----------------|
| # applications received          | 2,934          |
| # applications approved          | 162            |
| # applications denied            | 256            |
| \$ amount of assistance provided | \$4,325,163.37 |

**DEVELOPMENT**

| Program   | 2021 Actual<br>(Firm Commitment)                | 2022 Goals                                      | 2022 YTD as of<br>4/30/2022<br>(Firm Commitment) |
|---|---|---|--|
| <b>9% LIHTC</b><br>(Rental Production)                            | 170 units<br>(3 deals)                          | 168 units<br>(3 deals)                          | 0 units<br>(0 deals)                             |
| <b>4% LIHTC</b><br>(Rental Production & Preservation)             | 270 units<br>4 deals                            | 630 units<br>(9 deals)                          | 120 units<br>(2 deals)                           |
| <b>Preservation Deals w/o LIHTCs</b>                              | 463 units<br>(5 deals)                          | 800 units<br>(7 deals)                          | 0 units<br>(0 deals)                             |
| <b>NOAH Deals</b>   | NA  | TBD   | 176 units<br>(1 deal)                            |
| <b>Workforce Housing Innovation<br/>Challenge Loan Program</b>    | 74 WFH units<br>(301 total<br>units)<br>4 deals | TBD   | TBD  |
| <b>Preservation Revitalization Loan<br/>Fund</b><br>(\$3 million) | 0   | Rolling Application<br>until funds are<br>spent | 0  |
| <b>Preservation Loan Fund</b><br>(\$10 million)                   | 241 units<br>(4 deals)                          | Rolling Application<br>until funds are<br>spent | 75 units<br>(1 deal)                             |

|  |                       |   |   |
|--|-----------------------|---|---|
| <b>2020 Capital Magnet Fund *<br/>(\$5.225 million over three years)</b> | Awarded April<br>2021 | Rolling Application<br>until funds are<br>spent | 0 |
|--|-----------------------|---|---|

*\*CMF 2020- Effective Date, April 15, 2021; RIH has 2-year commitment of 599 units, 3 years to disburse funds, 5 years to complete projects*

**Consolidated Application:** We received 52 applications under the Consolidated RFP for approximately \$60 million of funding through the Housing Production Fund (“HPF”), Housing Production Fund for Operating Support (“HPF-ELI”), RI Rebounds Production Fund (“RIRPF”), Capital Magnet Fund (“CMF”), the Preservation Loan Fund (“PLF”), tax-exempt bond financing and Building Homes Rhode Island (“BHRI”) funds from the Housing Resources Commission (“HRC”). Forty-seven (47) applications were for rental projects and 5 were for homeownership. We received 4 applications for HPF-ELI operating support. The funding requests total \$217,400,000. Staff is reviewing the applications and is hoping to bring some funding recommendations to the June board meeting.

**Qualified Allocation Plan (QAP):** We’ve kicked off the process for developing the 2023 QAP. An initial meeting was held with the Housing Network and we have a community meeting scheduled for later in May. We expect to bring the draft QAP to the June Board meeting.

**Site Acquisition Program:** Since the announcement of the program in mid-February, we have received 18 applications and approved the first 8 proposals subject to appraisal. Collectively, these initial 8 approvals have a gross acquisition cost of \$4.95 million and will produce 186 units. The committee reviewing these applications meets bi-weekly.

**LEASED HOUSING AND RENTAL SERVICES**

**RentReliefRI Update:** The RentReliefRI program will close to new applications on June 1, 2022. We have been undertaking extensive outreach to let all Rhode islanders know of the closing date and encourage any renters who have not applied to submit an application by 11:59 pm on June 1, 2022. Enough applications are currently in process and anticipated over the next month that we feel confident that all RentReliefRI funds will be depleted based on the volume of applications and rate of approvals.

Updated advertising materials, social media posts, website updates, and FAQs accompany outreach efforts to renters in various stages of the application process. We have reached out via email and hard copy mailing to applications currently under review as well as those who are currently in the recertification process. Based on our efforts, we have seen an increase in the number of calls to our Call Center and the number of applications submitted. We will continue these outreach efforts throughout May.

**Emergency Housing Voucher:** To date, 66 applicants have leased up, 7 are pending lease up and 44 continue to search for an apartment. The historically low rental vacancy rate is severely impacting participants in the program, but RIHousing’s Housing Navigator continues to assist participants by identifying apartments.

**COMMUNICATIONS**

**MEDIA COVERAGE**

- **Providence Business News (May 5):** Community support helps Land Trust’s new food hub grow

- **Warwick Beacon (May 5):** [CITY OF WARWICK COLLECTOR'S SALE OF ESTATES FOR TAXES AND/OR ASSESSMENTS DUE AND UNPAID](#)
- **What's Up Newport (May 4):** [RentReliefRI Clinic, Community Resource Fair to be held at CCRI's Newport Campus on May 14](#)
- **The Providence Journal (May 4):** [Can you afford to live in the 'Superman' building? Check out the rent eligibility guidelines](#)
- **WPRI-TV (May 3):** [RI rental assistance program closing applications in June](#)
- **STL NEWS News (May 2):** [Rhode Island Governor, Amos House – Landlord Challenge](#)
- **Providence Business News (May 2):** [R.I. aims to house 150 struggling families through landlord bonuses](#)
- **Yahoo! News News (May 2):** [Gov. McKee Challenging RI Landlords To Help House Homeless](#)
- **Providence Business News (Apr 27):** [Construction of affordable housing begins at Barbara Jordan II site](#)
- **WLNE-TV (Apr 25):** [Groundbreaking ceremony held for new affordable housing in South Providence](#)
- **The Boston Globe (Apr 22):** [Affordable housing developers to renovate South Providence's run down 'Clown Town'](#)
- **Providence Business News (Apr 21):** [Plans approved for 176-unit affordable housing tower in Providence](#)
- **Providence Business News (Apr 20):** [Beachwinds Apartments complex in Narragansett undergoes \\$9 million renovation](#)
- **Newport Buzz (Apr 20):** [Middletown's Affordable Housing Project Takes Major Step](#)
- **The Valley Breeze (Apr 20):** [Ruggerio to host rent relief event](#)
- **Dow Jones Institutional News (Apr 19):** [Moody's Assigns Aa1 to Ri Housing's Hob Series 77-A And 77-T](#)
- **WJAR-TV (Apr 18):** [Jack Reed attends ribbon cutting of 104 renovated affordable housing units in Narragansett](#)
- **Providence Business News (Apr 15):** [Taco's Merchant among 30 honorees for PBN's Business Women Awards program](#)
- **Providence Journal (Web Edition Article) (Apr 12):** [Saving the 'Superman Building': Breaking down the \\$220 million plan for a Providence icon](#)
- **KPVI-TV (Apr 12):** [Iconic 'Superman Building' in Rhode Island getting a major overhaul](#)
- **Newport Buzz (Apr 12):** [Governor McKee Announces Historic Rehabilitation of Providence's Superman Building](#)
- **Yahoo! News (Apr 12):** [Saving the 'Superman Building': Breaking down the \\$220 million plan for a Providence icon](#)
- **Providence Business News (Apr 11):** [Omni Development Corporation and Wingate Holdings acquire the former Barbara Jordan II Development](#)

## COMMUNICATIONS & OUTREACH

**2021 Annual Report:** We released our **2021 Annual Report: *Housing in the Spotlight*** last week. The report, available in electronic format, details how 2021 laid the groundwork for many exciting opportunities we now have to help our residents and our state as a whole to move forward from the effects of the pandemic and decades of underproduction in affordable housing. With the ongoing support of our Congressional Delegation and State leadership, RIHousing was able to successfully deliver our primary homeownership, development and renter programs in 2021. At the same time, we implemented an array of state and federally funded programs and initiatives which are designed to help change the housing landscape in Rhode Island.

## RECENT EVENTS

**RentReliefRI:** Staff and RentReliefRI partner agencies have continued to offer onsite application assistance events and activities across the state in partnership with elected officials and community partners.

- **St. Martin De Porres Senior Center, Cranston (April 23<sup>rd</sup>):** We partnered with Rep. Anastasia Williams and Rep. Scott Slater on an in-person informational and assistance event in Cranston.
- **North Providence High School (April 30<sup>th</sup>):** We partnered with Senate President Ruggerio and Senator Maryellen Goodwin on an in-person informational and assistance event in North Providence.
- **Newport CCRI (May 14<sup>th</sup>):** We partnered with Governor McKee, Rep. Cortvriend and Rep Rugeiro RIHousing on a statewide application assistance event in Newport. The event was similar to the December 2021 event we held at CCRI in Providence.
- **Tiverton Library (May 18<sup>th</sup>):** We partnered with East Bay CAP on an “after-hours” onsite application assistance event in Tiverton.
- **Ongoing RentReliefRI Assistance Activities:**
  - Central Falls Food Pantry Onsite Assistance
  - Central Falls City Hall Onsite Assistance
  - District Courthouse Onsite Application Assistance
  - Pawtucket School Administration Building

## Press Events:

**Landlord Challenge Kick Off Event (May 10<sup>th</sup>):** We worked with the Governor’s office and program partners to hold a kick-off event for the Landlord Challenge, a statewide effort to provide permanent housing for Rhode Islanders who have been experiencing homelessness and staying in hotels since the onset of the pandemic. Over 150 Rhode Island households have until June 30, 2022, to locate available apartments as the federal funding for hotel stays winds down. Building off of successful programs launched in 2020 and 2021, the state is calling on landlords with available units to help meet this urgent housing need.

## Groundbreakings and Ribbon Cuttings:

- **Joseph Caffey Apartments and Jordan Caffey Townhomes (aka Barbara Jordan II) Groundbreaking, Providence (April 25<sup>th</sup>):** In partnership with Omni Wingate, we celebrate the groundbreaking of the former Barbara Jordan II development which will be redeveloped into a 79-unit affordable housing development on two separate sites totaling 2.75 acres located in Upper South Providence. We were joined by Senator Reed, Governor McKee and Mayor Elorza as well as funding and community partners at the event.
- **South County Habitat Groundbreaking (April 27<sup>th</sup>):** We joined South County Habitat for a small groundbreaking ceremony at their next affordable housing build site in Kingston. The speaking program included a ground blessing and remarks from SCHH staff and the future homeowner.

## UPCOMING EVENTS

**RentReliefRI Onsite Assistance:** As the RentReliefRI program closes to new applications on June 1, 2022, we are partnering with elected officials and community organizations on several additional application assistance events.

- **East Bay CAP (May 21<sup>st</sup>):** We are partnering with Rep. Kazarian and East Bay CAP on an in-person informational and assistance event in East Providence.

**Groundbreakings and Ribbon Cuttings:** Staff are working with development partners on a number of groundbreakings and ribbon cuttings for the spring and summer months.

- **Arctic Mill Groundbreaking, West Warwick (May 27<sup>th</sup>)**: Senator Reed will join us for a groundbreaking at Artic Mill, an adaptive reuse of two separate historic textile mill buildings built in 1854. Located along the Pawtuxet River, the proposed 125,000 sq. ft. development will include 136 apartments, 15,000 square feet of commercial/retail/office space, a restaurant/brewery, recreational spaces, and water access. 105 of the units will be rented at market rate which are estimated at 98% AMI and 31 workforce units will be restricted to 80% AMI. Funding for the development includes: Workforce Housing Loan, Federal Historic Tax Credits and Rebuild RI.
- **Brookside Terrace I & II, Groundbreaking & Ribbon Cutting, East Greenwich (June 27<sup>th</sup>)**: Senator Reed will join us for a groundbreaking for Phase II and ribbon cutting for Phase I at Brookside Terrace in East Greenwich. Combined, both phases will provide 96 apartments. Phase II is being designed and built to Passive House standards, which utilizes super insulation, airtight building envelope and heat-recovery ventilation systems to reduce overall energy consumption. Six of the units will be subsidized with HUD Section 811 project-based vouchers and will serve extremely low-income disabled tenants.

## GOVERNMENT RELATIONS

### STATE

**Legislative Activity**: RIHousing continues to testify on a number of housing bills before the General Assembly, including legislation on Section 8 reporting requirements, Comprehensive Permits, State Housing Appeals Board reform and the foreclosure mediation program. Many of these measures are part of Speaker Shekarchi's housing package.

**May Revenue Estimating Conference**: The May Revenue Estimating Conference occurred on Monday, May 9<sup>th</sup>. The projected total general revenues are estimated at \$5.071 billion, approximately \$387 million above expectations. Earlier in the conference, economists predicted inflation will slow and housing prices will begin to cool, and construction is expected to slow as the Federal Reserve increases interest rates.

## FINANCE

On April 25<sup>th</sup>, Finance successfully executed a new bond issuance for the Homeownership Opportunity Bond Program, selling just under \$100 million in tax-exempt and \$20 million in taxable bonds.

The tax-exempt portion of the bond sale provides funding for new first-time homebuyer mortgage loans. The taxable portion provides funding that will allow us to temporarily step away from a dislocated TBA market to provide mortgages to non-MRB qualifying borrowers. In recent years, we have funded non-MRB-qualifying loans via the TBA market, pooling and selling these loans to investors. The TBA market has become more volatile, making it a challenging financing mechanism in which to hedge interest rate risk. This challenge has impacted many HFAs, RIHousing included. Through the issuance of \$20 million in taxable bonds we can continue to offer loans to this subset of borrowers while also mitigating the interest rate risk present in the market today.

As with previous issuances, the tax-exempt bonds were designated as Social Bonds. The sale was once again marketed on our new investor webpage, [rihousingbonds.com](http://rihousingbonds.com) and garnered significant retail investor

interest with over \$40 million in retail orders received. Twenty percent of retail orders were placed by Rhode Island specific retail investors.

As part of this transaction Standard & Poor's and Moody's Rating Services reaffirmed the ratings on the bonds at AA+/Aa1 respectively.