

MEMO

To: Board of Commissioners
From: Carol Ventura
Date: June 16, 2022
Subject: Monthly Update

PROGRAM NEWS

HOMEOWNERSHIP

Product	2021 Actual (units)	2022 Goals (units)	2022 Units (at 5/31/22)	2022 Funded (at 5/31/22)
	Closed/Funded			
<i>First Mortgage</i>	1,711	1,400	563	\$171.7 million
<i>FirstHomes Tax Credit</i>	136	125	40	-

Mortgage closings experienced a slight increase month over month with 98 units recorded in May 2022 versus 96 in April 2022. Compared to May 2021, unit closings fell 12.5% and 1.8% in volume.

First mortgage closings are down 5.9% for the five months ended May 31, 2022 with \$171.7 million funded vs. \$182.5 million for the same period in 2021.

LOAN SERVICING/ASSET MANAGEMENT

Program	As of 12/31/21	2021 Portfolio value	As of 05/31/22	Portfolio value as of 05/31/22
RIH Single-Family Portfolio	20,479 loans	\$2.07 billion	20,258 loans	\$2.11 billion *
Multi-Family Portfolio	677 loans	\$940.99 million	690 loans	\$946.19 million *
MSS Single-Family Portfolio	6,540 Loans	\$584.05 million	6404 Loans	\$580.43 million
Madeline Walker Portfolio	253 liens	\$1.71 million	212 liens	\$1.50 million
REO Portfolio	17 homes	\$1.39 million	13 homes	\$1.25 million

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

Delinquency Update:

	May 2021	May 2022
# Overall Delinquent Loans	1,568	1,208
Total Active Portfolio	11,568	10,853
Delinquency Rate	13.55%	11.13%

Seriously Delinquent (90+ days)	1,125 (9.73%)	569 (5.24%)
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Homeowner Assistance Fund:

	As of 5/31/22
# applications received	2,945
# applications approved	287
# applications denied	316
\$ amount of assistance provided	\$7,392,472

DEVELOPMENT

Program	2021 Actual (Firm Commitment)	2022 Goals	2022 YTD as of 5/31/2022 (Firm Commitment)
9% LIHTC (Rental Production)	170 units (3 deals)	168 units (3 deals)	0 units (0 deals)
4% LIHTC (Rental Production & Preservation)	270 units 4 deals	630 units (9 deals)	120 units (2 deals)
Preservation Deals w/o LIHTCs	463 units (5 deals)	800 units (7 deals)	2 units (211 deals)
NOAH Deals	NA	TBD	176 units (1 deal)
Workforce Housing Innovation Challenge Loan Program	74 WFH units (301 total units) 4 deals	TBD	TBD
Preservation Revitalization Loan Fund (\$3 million)	0	Rolling Application until funds are spent	0
Preservation Loan Fund (\$10 million)	241 units (4 deals)	Rolling Application until funds are spent	75 units (1 deal)
2020 Capital Magnet Fund * (\$5.225 million over three years)	Awarded April 2021	Rolling Application until funds are spent	140 units (1 deal)

**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: Review of the 52 applications seeking \$217 MM of funding under the Consolidated RFP was a primary staff focus over the past 6 weeks. Funding requests outpaced the available funds 4:1. Staff were able to complete its review and bring recommendations for the Housing Production Fund (“HPF”) and RI Rebounds Production Fund (“RIRPF”) to this month’s board. They also reviewed, and prepared summaries and recommendations for Building Homes Rhode Island (“BHRI”) funds from the Housing Resources Commission. Several of the funding awards allowed stalled projects to move to firm commitment or closing.

Construction Costs: Construction costs continue to be volatile, and this has exacerbated certain supply chain challenges. In addition, rising fuel costs are impacting contractor bottom lines. Staff continues to monitor the issue and work with both borrowers and general contractors to work through cost increases on a case-by-case basis.

Site Acquisition Program (SAP): The first several SAP closings are scheduled for this month. Copley Chambers II and III in Providence have closed. PCFDC’s 305 Owen Avenue and 160 Beachwood Avenue in Pawtucket projects are slated to close by the end of month. Additionally, staff is waiting for appraisals on various other SAP approved developments and anticipates those closings to occur in July.

Closings: Through the first 5 months of the year, 7 multifamily transactions with a total of 652 units have closed, financing 495 affordable units; 2 new production, 2 preservation, 2 workforce and 1 NOAH deal.

LEASED HOUSING AND RENTAL SERVICES

RentReliefRI Update: The RentReliefRI program closed to new applications on June 1, 2022. In preparation for the closure, staff undertook an extensive outreach effort 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. Given the number of applications in the pipeline we are confident that all RentReliefRI funds will be depleted.

COMMUNICATIONS

MEDIA COVERAGE

- **STL NEWS (June 6):** [Rhode Island – Start of Construction at Historic Arctic Mill](#)
- **Providence Business News (June 6):** [Groundbreaking held for \\$32.7M redevelopment of Arctic Mill](#)
- **The Providence Journal (June 3):** [High interest, but slow process for first-generation homebuyers receiving \\$25,000 grants](#)
- **WLNE-TV (June 2):** [Rental Relief program comes to a close in RI](#)
- **Providence Business News (May 25):** [Merchant, Hughes among 30 top businesswomen honored by PBN](#)
- **Bankrate.com (May 24):** [2022 Rhode Island first-time homebuyer assistance programs](#)
- **Providence Business News (May 23):** [RentReliefRI to close to new applications June 1](#)
- **Real Estate Weekly (May 18):** [Standard Communities leads public-private partnership to convert 176-unit providence community to affordable from market rate](#)
- **New England Real Estate Journal (May 13):** [McKee administration and RIHousing support creation of 431 homes in East Greenwich, Lincoln, Middletown, and Providence](#)
- **New England Real Estate Journal (May 13):** [Omni Development, Wingate Cos., and RIHousing break ground on 79-units at Joseph Caffey Apartments and Jordan Caffey Townhomes](#)

- **Providence Business News (May 12):** R.I. Commerce board approves \$21M in ‘Superman’ building financing
- **Mangalore Mirror (May 11):** New program to benefit Rhode Island landlords, people facing homelessness
- **The Valley Breeze (May 11):** CF looks to close 'handshake' deal for future community center site
- **Targeted News Service (Print Edition) (May 11):** R.I. Gov. McKee and Housing Partners Kick Off Landlord Challenge
- **WLNE-TV (May 10):** McKee kicks off ‘Landlord Challenge’ to help Rhode Islander’s experiencing homelessness
- **WJAR-TV (May 10):** McKee plans statewide 'landlord challenge' to help house the homeless
- **WPRI-TV (May 10):** McKee to launch ‘landlord challenge’ to help house homeless
- **pv magazine US (May 9):** 50 states of solar policy: Rhode Island
- **Providence Business News (May 5):** Community support helps Land Trust’s new food hub grow

COMMUNICATIONS & OUTREACH

RECOGNITION

Providence Business News Best Places to Work: RIHousing was selected as one of Rhode Island’s Best Places to Work by the Providence Business News (PBN). The award is important as it’s partially based on our employees’ responses to a survey about their work experience at RIHousing. Staff attended an event held by PBN to celebrate the award.

Providence Business News Women in Business Awards: Kara Lachapelle has been awarded the Providence Business News 2022 Women’s Award in the Government and Quasi-Government Industry. Kara joined RIHousing in 2001 and became our Chief Financial Officer in 2016. Kara’s strong accounting background along with her significant knowledge of public finance has catapulted our agency to be one of the strongest Housing Finance Agencies in the country. Our financial strength is due in large part to her competent leadership.

Housing Network of Rhode Island: Christine Hunsinger, our Chief Strategy & Innovation Officer, was recently honored by the Housing Network of Rhode Island at their annual event. Christine was selected as this year’s “Friend of the Network” award recipient for her exemplary leadership in the design and implementation of the RentReliefRI program. Under Christine’s leadership, the RentReliefRI program has been able to assist over 30,000 Rhode Island renter households.

RECENT EVENTS

Landlord Mixer, Warwick: Leased Housing staff held a landlord networking and appreciation event to thank existing Housing Choice Voucher landlords and also recruit new landlords to the program. The event provided an opportunity for staff to meet landlords and share important information about the program, including incentives for landlords. Rhode Island Energy joined us at the event.

Press Events:

Groundbreakings and Ribbon Cuttings:

- **Arctic Mill Groundbreaking, West Warwick (June 6):** In partnership with Knight Street Capital, we celebrated the groundbreaking of the historic Arctic Mill in West Warwick. The redevelopment of the Arctic Mill will produce a total of 136 rental units, 105 which will be market rate and 31 for households earning between 80% and 100% of Area Median Income (AMI). We were joined by Senator Reed and Congressman Langevin, as well as funding and community partners.

UPCOMING EVENTS

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

- **Middle Street Ribbon Cutting, Pawtucket (June 17):** We will join PCFDC for their ribbon cutting to celebrate the creation of new homeownership opportunities in Pawtucket. The project will help to revitalize what was once a large vacant, underutilized and blighted area of land adjacent to downtown Pawtucket. The Pawtucket Redevelopment Agency owned the property and selected PCFDC to develop it. The event is being held in June in recognition of National Homeownership Month.
- **Southside Community Land Trust Ribbon Cutting, Providence (June 24):** We will be joining Southside Community Land Trust (SCLT) as they celebrate and thank supporters of their new facility in Providence. SCLT will give tours of the three healthy food retail spaces, the Farm-to-Market Center, community kitchen and their program and administrative offices. The project received funding from the state Acquisition and Revitalization Program (ARP).
- **Brookside Terrace I & II Ribbon Cutting, East Greenwich (June 27):** Senator Reed and Governor McKee will join us for a ribbon cutting for Phases I and II 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

- **Josh Saal receives advice and consent from Senate Finance:** On June 7th, Josh Saal, Deputy Secretary of Commerce for Housing, received the consent of the Senate Finance Committee to serve on the RIHousing board. The appointment now goes to the Senate floor on Tuesday, June 14th, for a vote by the entire chamber.
- **Kyle Bennett receives advice and consent from Senate Housing and Municipal Government:** On June 7th, Kyle Bennett, Director of Policy and Equity for United Way of Rhode Island, received consent from the Senate Housing and Municipal Government Committee to be the Chair of the Housing Resource Commission. The appointment now goes to the Senate floor on Tuesday, June 14th, for a vote by the entire chamber.
- **FY 2023 Budget Released:** On Thursday, June 9th, the House Finance Committee met to consider the FY 2023 budget. The budget contains an historic \$250 million investment of ARPA resources in housing, including the following programs which will be administered by RIHousing:
 - **\$100 million for affordable housing development:** These funds will expand a RIHousing program to provide additional investments in developing affordable housing units. \$10 million of these funds will establish a pilot program that will support low-income and public housing through project-based vouchers and financing for pre-development, improvement, and housing production costs.

- **\$30 million for down payment assistance:** These funds will provide \$17,500 in down payment assistance to eligible first-time homebuyers.
 - **\$20 million for middle-income housing:** Funds for a program to increase the housing supply for families earning up to 120 percent AMI.
 - **\$25 million for site acquisition:** Funds to acquire properties for redevelopment as affordable and supportive housing.
 - **\$25 million for home repairs and community revitalization:** These funds expand a program at RIHousing for the acquisition/redevelopment of blighted properties to increase the number of commercial and community spaces in disproportionately impacted communities and/or increase the development of affordable housing.
 - **\$10 million for an affordable housing pre-development program:** This program will support predevelopment work for proposed affordable housing developments to build a pipeline of new projects and build the capacity of affordable housing developers in the state to expand affordable housing production.
 - **OHCD** will administer over \$36 million in ARPA resources for homeless assistance and homeless infrastructure programs as well as \$2 million for the development of a statewide housing plan. A vote on the budget by the full House chamber is expected on June 16th.
- **Speaker Shekarchi’s legislative package on housing:** This package has passed the House and will now be vetted by the Senate. The package includes measures to incentivize the production of low-income housing, identify sites for redevelopment, streamline processes such as the SHAB appeal, comprehensive permit, and accessory dwelling unit approval processes, and provide additional transparency to identify future areas of improvement through reports on information such as comprehensive permit approvals and the development of Accessory Dwelling Units.

HUMAN RESOURCES

RIHousing is advancing Diversity, Equity, Inclusion and Belonging efforts. Recent actions include the formation of an internal Project Team, on-boarding meetings with consultant, The Exeter Group, and a presentation to staff by Brown University scholars on Providence’s Chinatown celebrating American Asian and Pacific Islanders’ month. Upcoming events will include an all-staff presentation to highlight the history and legacy of Juneteenth.