

MEMO

To: Board of Commissioners
From: Carol Ventura
Date: September 15, 2022
Subject: Monthly Update

PROGRAM NEWS

HOMEOWNERSHIP

Product	2021 Actual (units)	2022 Goals (units)	2022 Units (at 8/31/22)	2022 Funded (at 8/31/22)
	Closed/Funded			
<i>First Mortgage</i>	1,711	1,400	898	\$282.7 million
<i>FirstHomes Tax Credit</i>	136	125	62	-
<i>FirstGenHomeRI</i>	-	-	23	\$575,000

FirstGenHomesRI: The *FirstGenHomeRI* continues to provide down payment and closing cost assistance funds to income eligible first-generation homebuyers who live in one of six eligible Rhode Island communities. The Pilot Program, offered through the Loan Center, has closed 23 grants since inception.

Geographic representation (at application)

Providence	9	39%
Pawtucket	11	48%
Woonsocket	2	9%
East Providence	1	4%

Race

Black-African American	12	52%
Asian	1	5%
White	9	39%
Did not provide	1	4%

Homeowner Assistance Fund Rhode Island: HAF-RI continues to help struggling RI homeowners avoid foreclosure. As of September 2nd, the fund has approved and funded approximately 800 grants totaling more than \$20 million. The team is working diligently with applicants and loan servicers to deploy the funds. After review and funding of all eligible applications, we expect to have additional HAF funds available to help homeowners. In the coming weeks, we will determine when to reopen the Program to permit additional existing applications to exhaust the Program’s allocation.

	As of 8/31/22
# applications received	2,950
# applications approved	783
# applications denied	707
\$ amount of assistance provided	\$20,705,655

LOAN SERVICING/ASSET MANAGEMENT

Program	As of 12/31/21	2021 Portfolio value	As of 08/31/22	Portfolio value as of 08/31/22
RIH Single-Family Portfolio	20,479 loans	\$2.07 billion	20,413 loans	\$2.17 billion *
Multi-Family Portfolio	677 loans	\$940.99 million	691 loans	\$976.46 million *
MSS Single-Family Portfolio	6,540 Loans	\$584.05 million	6389 Loans	\$598.27 million
Madeline Walker Portfolio	253 liens	\$1.71 million	211 liens	\$1.42 million
REO Portfolio	17 homes	\$1.39 million	10 homes	\$.75 million

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

Delinquency Update:

	August 2021	August 2022
# Overall Delinquent Loans	1,479	1,317
Total Active Portfolio	11,292	10,996
Delinquency Rate	13.10%	11.98%
Seriously Delinquent (90+ days)	978 (8.66%)	509 (4.63%)

DEVELOPMENT

Program	2021 Actual (Firm Commitment)	2022 Goals	2022 YTD as of 8/31/2022 (Firm Commitment)
9% LIHTC (Rental Production)	170 units (3 deals)	168 units (3 deals)	129 units (2 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)	345 units (3 deals)
New Production w/o LIHTC			26 units (1 deal)
NOAH Deals	NA	TBD	176 units (1 deal)

Workforce Housing Innovation Challenge Loan Program	74 WFH units (301 total units) 4 deals	TBD	57 WFH units (285 total units) (1 deal)
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	143 units (3 deals)
2020 Capital Magnet Fund * (\$5.225 million over three years)	Awarded April 2021	Fully committed as of August 2022	463 units (5 deals)

**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*

Pipeline: Staff is working with our developer partners to move projects through the pre-development and due diligence stages. Construction cost increases and interest rate fluctuations continue to be a challenge. Syndication pricing appears to be holding steady. Four of the 5 projects that received allocations of 9% are on target for Firm Approval in the December 2022, January 2023 timeframe.

Next Funding Rounds: Pending final approval from the state on various SLFRF programs, we are aiming to release the next Consolidated Application in the first week of October. The primary funding sources to be included in the funding round are 9% LIHTC, bonds and 4% LIHTC, HOME, Housing Trust Fund, Capital Magnet Funds, ARP, Community Revitalization Program and the remaining BHRI funds.

Site Acquisition Program (SAP): To date, 15 projects have been awarded SAP funds, 4 have closed, 9 will close in the next 30-60 days and 2 are waiting appraisal and remaining due diligence before moving to closing. Based on discussions with our partners, we are expecting several new applications in the next 2 months.

LEASED HOUSING AND RENTAL SERVICES

HUD PBCA Draft Solicitation: On July 27th, HUD released a draft solicitation for Housing Assistance Payments Contract Support Services (HAPSS), which will substantially replace the Performance-Based Contract Administrator (PBCA) Program. The release originally opened for a 30-day comment period on a proposed solicitation for service-providers to carry various HAP contract administrative responsibilities across five regions, each with three sub-regions, while bringing critical contract administration services in-house at HUD. The RI delegation did a joint letter to HUD requesting that the comment period be extended. The comment period has since been extended until September 28, 2022.

Emergency Housing Vouchers: All 117 awarded vouchers have been issued. To date 83 applicants have leased up, leaving 34 applicants still searching for an available unit.

RentReliefRI Update: We are on track to wind down the program for September 30, 2022. (data reflects 9/9/22)

Funding Source	ERA 1	ERA 2	Both Programs
# Households Assisted	28,190	14,596	35,752
\$\$ Funds Approved	182,246,082	82,172,809	\$264,418,890
<i>Rent</i>	158,309,345	74,597,672	\$232,907,017
<i>Utilities</i>	18,183,226	4,780,194	\$22,963,420
<i>Other</i>	5,753,510	2,794,943	\$8,548,453
# Applications Remaining			2335

COMMUNICATIONS

MEDIA COVERAGE

- **GoLocalProv (August 30):** [Political Profile: Stefan Pryor, Candidate for General Treasurer](#)
- **The Providence Journal – Powered by Dow Jones (August 26):** [How Diossa, Pryor envision treasurer's job](#)
- **The Valley Breeze (August 17):** [In House District 55, Corvese and Hardy differ on communication, other issues](#)
- **New England Real Estate Journal (August 12):** [Redevelopment of Arctic Mill property to add housing options](#)
- **Targeted News Service (Print Edition) (August 12):** [R.I. Gov. McKee Joined by Lt. Gov. Matos, U.S. Sen. Reed, Speaker Shekarchi Highlights Historic \\$250M Investment in Housing](#)
- **The Boston Globe (August 11):** [McKee signs legislation dedicating \\$250m to affordable housing for low-income R.I. residents](#)

COMMUNICATIONS & OUTREACH

RECENT EVENTS

Rhode Island Association of REALTORS® New Member Orientation, Providence (August 30th): Loan Center staff participated in an event to welcome new members of the RI Association of REALTORS®, hosted by the Greater Providence Board of REALTORS and Northern Rhode Island Board of REALTORS. Staff members were able to share information with attendees on programs to support prospective first-time homebuyers in Rhode Island and resources on the homebuying process.

Presentation to Roger Williams University Construction Management Club, Bristol (September 7th): A member of RIHousing’s Development team presented information on the role of a Design & Construction Specialist to Roger Williams University Construction Management Club students. The goal of the presentation was to familiarize students with RIHousing’s development projects, the role of a Design and Construction Specialist and recruit students for a fall internship position.

Operation Stand Down RI Veteran Assistance Event, Johnston (September 15th-16th): Representatives of RIHousing’s HCVP teams will be attending Operation Stand Down Rhode Island’s 31st Veteran Assistance Event on September 15th and September 16th. Staff will share housing resources with several hundred veterans that are expected to be in attendance. While the final roster of organizations has not been released, the event aims to host health, substance use, employment, legal, and housing service providers.

UPCOMING EVENTS

2022 Summit to End Lead Poisoning, Providence (September 30th): Representatives from the LeadSafe Homes Program will attend the 2022 Summit to End Lead Poisoning, hosted by the Rhode Island Department of Health and Office of the Attorney General at Rhode Island College. This community event aims to educate the broader Rhode Island community on health risks of lead hazards, improving the availability of safe housing, and preventing childhood lead poisoning.

Annual LIHTC Training, Smithfield (October 5th): A representative of Asset Management will present information on the Low-Income Housing Tax Credits program to members of the Rhode Island Chapter of Institute of Real Estate Management as part of an annual training at the Twelve Acres in Smithfield, RI.

Health7 Homes Fair II, Central Falls (October 22nd): RIHousing's LeadSafe team will attend a community fair in Veteran's Memorial Park hosted by the City of Central Falls. Staff will share resources on lead poisoning prevention and lead remediation available through the LeadSafe Homes Program with attending community members. More details on attending organization are to follow. This event is timely as it is occurring just before National Lead Poisoning Prevention Week.

PRESS EVENTS

Ivy Place Groundbreaking, East Providence (Sept 6th): We joined the city of East Providence, Neighborworks Blackstone River Valley, Senators Reed and Whitehouse, Congressman Cicilline, Governor McKee, Lt. Governor Matos, Representative Liana Cassar and housing partners to celebrate the start of construction for 13 new affordable homes in three mixed-use buildings. Three homes will be live/work for small entrepreneurs fronting on Taunton Avenue. The homes will be available to households at or below 100% of area median income.

UPCOMING EVENTS

Fernwood III Ribbon Cutting, Burrillville (Date TBD): We will join Neighborworks Blackstone River Valley (NWBRV) as they cut the ribbon on 8 new homeownership properties at Fernwood. When complete, Fernwood will provide 30 affordable homes in the Village of Pascoag. Twenty-two homes have been built to date. The property was acquired through RIHousing's land bank years ago and much of the financing for the development is being provided through the United States Department of Agriculture's ("USDA") Mutual Self-Help Housing program (the "USDA Program"). The USDA Program requires NWBRV to supervise groups of very-low- and low-income individuals and families as they construct their own homes. The group members provide most of the construction labor on each other's homes, with technical assistance provided by NWBRV. In exchange, families commit to 30- 35 hours of work building the homes per week until completion.

Parcel 6 Ribbon Cutting, Providence (Date TBD): We will join project developers, elected officials and housing partners to celebrate the completion of a mixed-use and mixed-income development on Parcel 6 of the I-195 land. The housing component will consist of 62 units of which 31 will be workforce units for households with incomes between 80% and 120% of AMI. The balance of the units will be market rate. The developer received funds from our "middle income housing" program (formerly "workforce housing program") and will also include a 13,000 square foot grocery store.

Sutton Place, Ribbon Cutting, East Providence (October 17th): ONE Neighborhood Builders is holding a ribbon cutting at Sutton Place, which consists of 2 nearly identical buildings constructed in 1970. The property is undergoing exterior and interior upgrades/updates, including new roofs, all new windows, new landscaping, the installation of a ramp with modifications to doors to allow for ADA accessibility as well as new kitchens and bathrooms in the apartments along with new flooring, doors and painting.

GOVERNMENT RELATIONS

FEDERAL

Inflation Reduction Act: On August 16th, the President signed into law the Inflation Reduction Act, a streamlined version of reconciliation legislation which ultimately focused on health and climate priorities. The bill does include several climate-related provisions that could have a significant impact on the use of renewable energy technologies and energy efficiency in affordable housing. Specifically, the Investment Tax Credit (ITC), which is used to finance renewable energy technologies such as solar panels, and the Section 45L new energy-efficient home credit were improved to work better with Low-Income Housing Tax Credits. The bill also appropriates \$837.5 million through HUD to provide direct loans and grants to improve the energy and water efficiency and climate resilience of HUD-financed affordable housing properties.

STATE

2022 Primary Election Results: TBD- Primary is on the 13th

FINANCE

On August 29th, staff and members of the Board were joined by the Corporation's three Senior Bond Underwriters (JP Morgan, RBC and Morgan Stanley), quantitative analytics firm (cfX) and swap advisory firm (Swap Financial Group) for a day long, on-site Financial Planning Session to discuss financing challenges and opportunities in the current market and economic climates. RIHousing's active bond indentures were reviewed and directors from both the Multi-family and Single-family business lines discussed the goals and challenges that are currently being addressed within their areas. Our partners presented opportunities for best utilizing state-allocated volume cap along with ways to reduce borrowing costs via variable rate bond financing. In the recent rising-rate and, at times, volatile market, the timing of the Planning Session was apropos, and the resulting conversations will be invaluable as the corporation works through managing business volumes and the administration of federal subsidy in the coming years.