

**MEMO**

**To:** Board of Commissioners  
**From:** Carol Ventura  
**Date:** October 20, 2022  
**Subject:** Monthly Update

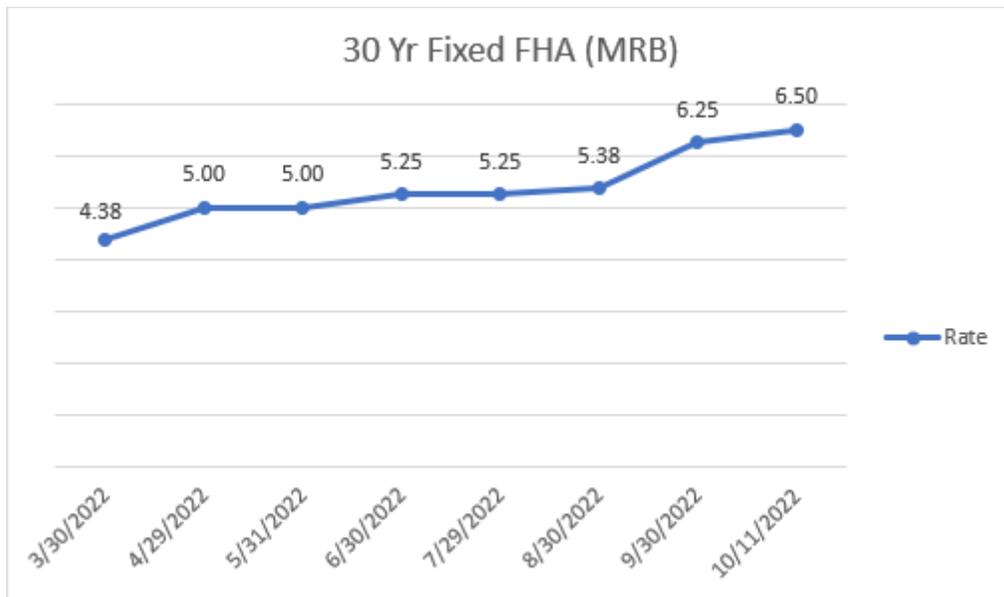
**PROGRAM NEWS**

**HOMEOWNERSHIP**

Product	2021 Actual (units)	2022 Goals (units)	2022 Units (at 9/30/22)	2022 Funded (at 9/30/22)
	<b>Closed/Funded</b>			
<i>First Mortgage</i>	1,711	1,400	1,027	\$326.7 million
<i>FirstHomes Tax Credit</i>	136	125	72	-
<i>FirstGenHomeRI</i>	-	-	28	\$700,000

September 2022 represented the strongest production month since December 2021 with 130 first mortgages closed or funded on volume of \$44.4 million. Despite soaring mortgage rates, registrations were solid with 159 in September.

As illustrated below, RIHousing’s FHA rates have increased 212 basis points over the last six months.



**Homeowner Assistance Fund Rhode Island:**

On October 3, 2022, HAF-RI reopened its application portal to Rhode Islanders who started their application but did not complete their application prior to the March 14, 2022 suspension date. 2,846 applications were eligible for review and grant funding.

	As of 9/30/22
# applications received	2,950
# applications approved	948
# applications denied	791
\$ amount of assistance provided	\$24,265,579.16

**LOAN SERVICING/ASSET MANAGEMENT**

Program	As of 12/31/21	2021 Portfolio value	As of 08/31/22	Portfolio value as of 09/30/22
<b>RIH Single-Family Portfolio</b>	20,479 loans	\$2.07 billion	20,507 loans	\$2.20 billion *
<b>Multi-Family Portfolio</b>	677 loans	\$940.99 million	695 loans	\$985.26 million *
<b>MSS Single-Family Portfolio</b>	6,540 Loans	\$584.05 million	6416 Loans	\$609.56 million
<b>Madeline Walker Portfolio</b>	253 liens	\$1.71 million	203 liens	\$1.40 million
<b>REO Portfolio</b>	17 homes	\$1.39 million	10 homes	\$.63 million

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

**Delinquency Update:**

	September 2021	September 2022
# Overall Delinquent Loans	1,437	1,297
Total Active Portfolio	11,214	11,063
Delinquency Rate	12.81%	11.72%
Seriously Delinquent (90+ days)	923 (8.23%)	478 (4.32%)

**DEVELOPMENT**

Program	2021 Actual (Firm Commitment)	2022 Goals	2022 YTD as of 9/30/2022 (Firm Commitment)
<b>9% LIHTC</b> (Rental Production)	170 units (3 deals)	168 units (3 deals)	129 units (2 deals)
<b>4% LIHTC</b> (Rental Production & Preservation)	270 units 4 deals	630 units (9 deals)	120 units (2 deals)
<b>Preservation Deals w/o LIHTCs</b>	463 units (5 deals)	800 units (7 deals)	345 units (3 deals)

<b>New Production w/o LIHTC</b>			26 units (1 deal)
<b>NOAH Deals</b>	NA	TBD	176 units (1 deal)
<b>Workforce Housing Innovation Challenge Loan Program</b>	74 WFH units (301 total units) 4 deals	TBD	57 WFH units (285 total units) (1 deal)
<b>Preservation Revitalization Loan Fund</b> (\$3 million)	0	Rolling Application until funds are spent	0
<b>Preservation Loan Fund</b> (\$10 million)	241 units (4 deals)	Rolling Application until funds are spent	143 units (3 deals)
<b>2020 Capital Magnet Fund *</b> <b>(\$5.225 million over three years)</b>	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*

**Lead Program Update:** The RIHousing Lead Program has been recognized by HUD’s Office of Lead Hazard Control and Healthy Homes for its continuous success at making homes healthy and safe for Rhode Islanders. RIHousing is receiving one of the 2022 HUD Secretary’s Awards for Healthy Homes. Carinel LeGrand, Program Manager, will be attending the event in Baltimore for the agency on Wednesday, October 19<sup>th</sup>. Other LeadSafe events to note:

- **2022 Summit to End Lead Poisoning, Providence (September 30):** Representatives from the LeadSafe Homes Program participated in 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. The event was planned to educate the broader Rhode Island community on the health risks of lead hazards and highlight the available programs and resources to combat lead poisoning.
- **Healthy Homes Fair II, Central Falls (October 22):** 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. The event kicks off National Lead Poisoning Prevention Week (October 23-29).

**Pipeline:** Staff continues to work 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.

**Next Funding Rounds:** Staff continues to prepare to release the next Consolidated Application for up to 12 sources of financing pending the State’s final approval of the new SLFRF programs.

**LEASED HOUSING AND RENTAL SERVICES**

**HUD PBCA Draft Solicitation:** Senator Reed and Congressman Langevin took the lead on sign-on letters in the Senate and House requesting that HUD withdraw the draft solicitation and work with key partners to develop a proposal that recognizes the value of state-based program administration. We continue to work with our regional partners in framing a response to a procurement if HUD issues a solicitation.

**Trainings:** Our multifamily compliance staff conducted two recent in person trainings for our property management partners. The team addressed a group of approximately forty-five members of the New England Affordable Housing Management Association (NEAHMA) at Centerdale Manor in North Providence, one of our PBCA properties, and provided an overview of common findings that we often see when conducting file audits. We also provided a Low-Income Housing Tax Credit compliance training to 140 attendees at Twelve Acres in Smithfield. The LIHTC training was hosted by the RI Chapter of the Institute of Real Estate Management (IREM) and focused on best practices for initially qualifying households and ensuring compliance in properties.

**ProLink:** Trainers from ProLink were on site during the week of October 3<sup>rd</sup> to provide an overview of their software system and a comprehensive training to both Development and Leased Housing staff. Staff will continue to train and perform data validation testing in preparation for an internal “Go Live” date of November 14<sup>th</sup> and anticipated roll out to our development and property management partners in the second quarter of 2023.

**Staffing:** We are pleased to announce that Hope Lanphear was promoted to Assistant Director of Leased Housing and Rental Services. Hope will be leading the asset management and compliance teams, ensuring that our extensive portfolio of rental properties continue to serve the needs of residents and remain compliant with Federal, State and RIHousing program guidelines.

**Housing, Health, and Equity Partnership:** In May 2022, RIHousing was awarded a planning and technical assistance opportunity through a partnership with NCSHA and the Robert Wood Johnson Foundation known as H3C to work with stakeholders to develop a Housing, Health, and Equity Partnership Plan over the next 18 months. The Initiative leverages health system investments in the housing sector including a newly negotiated \$4 million capital investment secured by LISC from Blue Cross Blue Shield of Rhode Island (“BCBSRI”) to which RIHousing has provided a \$1 million matching contribution. These resources will be used to develop a pipeline of new affordable and service enriched housing developments that address the specific healthcare and affordable housing needs of Rhode Islanders.

**RentReliefRI Update:** The RentReliefRI program closed on September 30, 2022. All applications in process were reviewed and decided prior to the closing. Remaining funds will be transferred to the state Housing Department.

*(data reflects 10/11/22)*

<b>Funding Source</b>	<b>ERA 1</b>	<b>ERA 2</b>	<b>Both Programs</b>
<b># Households Assisted</b>	29,130	15,664	37,090
<b>\$\$ Funds Approved</b>	187,717,214	86,604,804	\$274,322,018
<b>Rent</b>	163,077,875	78,780,406	\$241,858,281
<b>Utilities</b>	18,873,708	5,018,386	\$23,892,094
<b>Other</b>	5,765,631	2,806,012	\$8,571,643
<b># Applications Remaining</b>			0

## COMMUNICATIONS

### MEDIA COVERAGE

- **The Providence Journal (October 11):** How to know if your house or apartment in RI contains lead, and what you can do about it
- **GoLocalProv (October 6):** Lawsuit Filed in Federal Court Alleges Illegal Foreclosures in RI
- **The Valley Breeze (October 6):** Low-interest loans available to residents to repair septic systems
- **Convergence RI (October 3):** Finding common ground to create shelter for the unhoused
- **Providence Journal (September 30):** Growing number of homeless in Rhode Island are Senior Citizens
- **WPRI-TV (September 29):** City tax break for 'Superman' building would total \$29 million
- **Providence Business News (September 14):** 32 apartments planned after former Woonsocket church and rectory sell for \$510K
- **The Valley Breeze (September 7):** Democratic Candidates face off in District 18 primary
- **PopularResistance.Org (September 5):** 'Affordable' for whom? Providence community protests plan to turn Superman Building into luxury apartments

### COMMUNICATIONS & OUTREACH

#### RECENT EVENTS

**Operation Stand Down RI Veteran Assistance Event, Johnston (September 15-16):** Last month, representatives of RI Housing's HCVP team attended Operation Stand Down Rhode Island's 31st Veteran assistance event. Staff shared housing resources with several hundred veterans and their family members. Many inquiries from attendees centered around accessing affordable housing.

#### UPCOMING EVENTS

**Rhode Island Association of REALTORS® New Member Orientation, Lincoln (October 20):** Loan Center staff will participate in the RI Association of REALTORS® new member orientation, hosted by the Greater Providence Board of REALTORS and Northern Rhode Island Board of REALTORS. Attending staff will share information with attendees on programs to support prospective first-time homebuyers in Rhode Island and resources on the homebuying process.

**YHDP Launch Event, Providence (October 27):** Leased Housing staff members will attend a community resource event hosted by the Rhode Island Continuum of Care Youth Action Board in collaboration with the Council of Churches' Justice and Advocacy Committee. This event is intended to celebrate the creation of the newly developed Coordinated Community Plan to Eradicate Youth Homelessness. It also aims to connect youth and young adults up to age 24 with services, activities, leadership opportunities and community resources.

#### PRESS EVENTS

**Sutton Place, Ribbon Cutting, East Providence (October 17):** ONE Neighborhood Builders held a ribbon cutting at Sutton Place, which consists of 2 buildings constructed in 1970, that have recently been rehabilitated. Both buildings underwent moderate exterior and interior upgrades. Sutton Place will provide 22 one-bedroom and 14 studio apartments for low- and moderate-income individuals and families. With the completion of this project, East Providence has become the seventh Rhode Island community to meet the state's 10% goal.

**Manton Heights Pathway Press Event, Providence (October 19):** We joined our partner, the Providence Housing Authority, to celebrate the completion of the Manton Heights Pathway. The project included the clearing of debris and overgrowth on a parcel of Providence Housing Authority land adjacent to the Manton Heights housing development. This work has created a safe, functional connection for Olneyville residents living in Manton Heights, King Street and the surrounding neighborhood access to the Fred Lippitt Woonasquatucket River Greenway.

**Fernwood III Ribbon Cutting, Fernwood IV Groundbreaking, Burrillville (October 27):** We will join Neighborworks Blackstone River Valley as they cut the ribbon on 8 new homeownership properties at Fernwood III and break ground on Fernwood Phase IV. When complete, Fernwood will include 30 single family homes across four phases in the Village of Pascoag. Twenty-two of the 30 homes have been constructed to date. A significant portion of the financing for the project is being provided through the United States Department of Agriculture's (USDA) Mutual Self-Help Housing program, which is one of their primary tools to provide rural homeownership opportunities. The USDA Program requires NWBRV to supervise groups of very-low- and low-income individuals and families as they construct their own homes and assist others to build their homes.

## GOVERNMENT RELATIONS

### FEDERAL

**Continuing Resolution:** On September 30<sup>th</sup>, the President signed a Continuing Resolution (CR) that will keep the federal government operating until December 16<sup>th</sup>.

**IRS Releases Regulations:** On October 7<sup>th</sup>, the IRS released two important documents about the LIHTC program. The Low-Income Housing Credit Average Income Test Regulations finalizes rules that will allow owners of Housing Credit properties to serve households earning up to 80% AMI as long as the average unit designation in each building is no more than 60% AMI. The new rule addresses many of the obstacles to implementation originally proposed by the IRS.

The IRS also released a notice extending waivers for certain LIHTC program requirements including placed-in-service deadlines.

### STATE

**2022 Primary Election Results:** The Rhode Island Primary Election was held on September 13<sup>th</sup>. Governor McKee won the Democratic primary for Governor and will face Republican primary winner Ashley Kalus and several Independent candidates in the General Election. Sabina Matos won the Democratic primary for Lieutenant Governor and will face Aaron Guckian, the winner of the Republican primary, and an Independent candidate in the General Election. Gregg Amore won the Democratic primary for Secretary of State and will face Pat Cortellessa (R) in the General Election. James Diossa won the Democratic primary for General Treasurer and will face James Lathrop (R) in the General Election. Seth Magaziner won the Democratic primary for the 2<sup>nd</sup> Congressional District and will face Alan Fung (R) and an Independent candidate in the General Election.

At the General Assembly the results of the primary did not significantly alter the make-up of either the House or Senate. Of the 38 Senate seats, 17 involved primary races. The only incumbent in the Senate to lose their primary race was Jeanine Calkin (D-Warwick) who lost to Mark McKenney in District 30. He will face Marjorie Ann Tudino (R) in the General Election. Of the 75 House seats, 24 involved primary races.

Three incumbents lost their primary races in the House:

- In District 9 (Providence) Anastasia Williams lost to Enrique Sanchez in the Democratic primary. He will face Kevin Vines (I) in the General Election.
- In District 57 (Central Falls, Cumberland) James McLaughlin lost to Brandon Voas in the Democratic primary. He will face Republican Dennis Huard in the General Election.
- In District 59 (Pawtucket) Jean Barros lost to Jennifer Stewart in the Democratic primary. She has no opponent in the General Election.

The General Election will take place on November 8<sup>th</sup>.

## HUMAN RESOURCES

**Hunger Action Day:** On September 23, the RIHousing legal team participated in Hunger Action Day by boxing up 9 pallets of food for distribution under The Emergency Food Assistance Program (TEFAP) at the Rhode Island Food Bank. That amounts to 378 cartons built, loaded, labeled, taped, stacked and wrapped!

**DEIB:** RIHousing's Diversity, Equity, Inclusion, and Belonging (DEIB) efforts continue with our consultant, the Exeter Group. Exeter is currently conducting an organizational assessment using various methods including surveys, stakeholder interviews, focus groups, and data review. The assessment will provide insight into the perspectives of staff, partners, and customers on diversity, equity, inclusion, and belonging at RIHousing. We also have ongoing internally led training and cultural competency activities for staff.