

**MEMO**

**To:** Board of Commissioners  
**From:** Carol Ventura  
**Date:** November 10, 2021  
**Subject:** Monthly Update

**PROGRAM NEWS**

**HOMEOWNERSHIP**

Product	2020 Actual (units)	2021 Goals (units)	2021 Units (as of 10/31/21)	2021 Funded (as of 10/31/21)
	<b>Closed/Funded</b>			
<i>First Mortgage</i>	1,593	1,500	1,382	\$387.4 million
<i>FirstHomes Tax Credit</i>	218	200	102	-

Despite low inventory and a slight increase in interest rates, Homeownership lending recorded its highest monthly dollar volume on record with volume of nearly fifty-one million dollars in October 2021. (The previous high came in at \$48.4 million in July 2018).

In terms of unit production, the 163 first mortgages closed represented the highest figure since December 2019.

**LOAN SERVICING/ASSET MANAGEMENT**

Program	As of 12/31/20	2020 Portfolio value	As of 10/31/21	Portfolio value as of 10/31/21
<b>RIH Single-Family Portfolio</b>	22,436 loans	\$2.12 billion	20,634 loans	\$2.06 billion *
<b>Multi-Family Portfolio</b>	661 loans	\$1.04 billion	678 loans	\$1.05 billion *
<b>MSS Single-Family Portfolio</b>	7,316 Loans	\$654.51 million	6683 Loans	\$594.78 million
<b>Madeline Walker Portfolio</b>	385 liens	\$2.85 million	266 liens	\$1.82 million
<b>REO Portfolio</b>	20 homes	\$1.67 million	18 homes	\$1.41 million

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

**Delinquency Update:** In October 2021, we saw a decrease in overall delinquency of 473 delinquent loans for a total of 1,402 delinquent loans out of our active portfolio of 11,171 loans. This is a delinquency rate of 12.55%. In October 2020, the active portfolio was 12,398 loans of which 1875 loans were delinquent. This is a delinquency rate of 15.12%. The **number of seriously delinquent loans** (90+ days) was 868 (7.77%) in October 2021, compared to 1143 (9.22%) in October 2020.

**Covid Impact:** Since March 18, 2020, 2,333 RIHousing borrowers have reached out to our Loan Servicing Division to request forbearance assistance due to financial hardship related to COVID-19. Of those borrowers, 1418 have decided they no longer need assistance due to stimulus relief or have resumed their payments using a loss mitigation option resulting in 915 active forbearance agreements as of October 31, 2021.

Approximately 66.8% of borrowers who have requested forbearance assistance have FHA insured mortgages. On April 1, 2020, FHA announced a new post forbearance home retention option for borrowers facing financial hardship resulting from COVID-19. Under the COVID-19 National Emergency Standalone Partial Claim (NESPC), HUD will advance deferred payments of principal, interest, taxes and insurance to reinstate borrowers at the end of their financial hardship. Most of the borrowers with FHA insured mortgages will qualify for this post forbearance home retention option. As of October 31st, 721 RIHousing borrowers have reinstated their mortgage using the NESPC.

**DEVELOPMENT**

Program	2020 Actual (Firm Commitment)	2021 Goals	2021 YTD as of 10/31/21 (Firm Commitment)
<b>9% LIHTC</b> (Rental Production)	158 units (3 deals)	180 units (3 deals)	131 units (2 deals)
<b>4% LIHTC</b> (Rental Preservation)	104 (1 deal)	400 units (6 deals)	131 units 2 deals
<b>Preservation Deals w/o LIHTCs</b>	579 units (5 deals)	900 units (8 deals)	150 units (3 deals)
<b>Workforce Housing Innovation Challenge Loan Program</b>	93 units, 38 of which will be workforce assisted (2 deals)	150 units (6 deals)	74 WFH units (301 total units) 4 deals
<b>Preservation Revitalization Loan Fund</b> (\$3 million)	0	Rolling Application until funds are spent	0
<b>Preservation Loan Fund</b> (\$10 million)	0	Rolling Application until funds are spent	241 units (4 deals)
<b>2018 Capital Magnet Fund</b> (\$6.4 million over three years)	\$1,544,493 (262 units)	Rolling Application until funds are spent	114 units (2 deals)
<b>2020 Capital Magnet Fund *</b> (\$5.225 million over three years)	Awarded April 2021	Rolling Application until funds are spent	91 units (1 deal)

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

**HIF:** On October 29<sup>th</sup> we received applications under the Homeownership Investment Fund (HIF) RFP. RIHousing received eight (8) applications covering seven (7) communities for 25 single family homeownership units and one rental unit. The total amount requested is approximately \$2.05MM. We hope to make funding recommendations in December.

**HOME/HTF:** Staff is preparing to release a RFP for HOME and Housing Trust Fund loans in mid-November with applications due in January.

**Capital Magnet Fund (CMF):** On November 9<sup>th</sup>, we submitted our Application for 2021 CMF. The final request was for \$14.5MM to fund 1,260 units of housing.

## LEASED HOUSING AND RENTAL SERVICES

**Family Self-Sufficiency:** During the pandemic the FSS program, which overwhelmingly engages participants in their homes, has had to re-imagine; switching to an entirely virtual process of maintaining connectedness with existing families, and developing connections with potential participants. We're proud to report that this has resulted in enrollment of 26 new participants with 11 graduations. Upon graduation participants received \$91,500, or an average of \$8,300 per participant. Graduates report that they will use these funds to buy a home, start a small business, and purchase a reliable vehicle.

**Housing Choice Voucher Program:** As you may recall in May 2021, HUD issued 70,000 Emergency Housing Vouchers to address homelessness and housing instability, across the nation. In July, RIHousing received 117 EHVs. Currently staff have issued 95 vouchers, leasing up 28 households. Voucher holders continue to struggle to identify available apartment homes. Most of the success comes from our Housing Navigator or families who are leasing in the apartment they currently have, which allows them a more permanent subsidy and a new family to be served by the Continuum of Care funds.

**CoC:** This year in the CoC competition RIHousing is eligible to receive bonus points because of the Emergency Housing Voucher (EHV) implementation success. RIHousing has innovatively leveraged a public housing authority subsidy in collaboration with CoC support for a new project application. In this instance, House of Hope is applying for CoC funds to support services and a small subsidy at the Rockville Mill development. Since the EHV is providing the balance of the subsidy at this time, the CoC is eligible for additional funding through the bonus point awards.

**Asset Management:** Low-Income Housing Tax Credit inspections resumed in October and Compliance staff visited Curtis Arms last week for their first in person UPCS inspection of a LIHTC development since the pandemic began. The inspection not only passed with flying colors, but staff commented on the amazing transformation that has occurred at this development. Kudos to the new owner, property manager and our development team for helping to revitalize this once troubled property. The development has quickly built a robust waiting list and RIHousing staff was encouraged by many interactions with long term residents who are incredibly proud of their newly renovated homes. One of our asset managers reported several residents standing outside their doors requesting that their unit be inspected so they could "show off". The residents were thrilled to have visitors from RIHousing.

## COMMUNICATIONS

### MEDIA COVERAGE

- **The Valley Breeze (Nov 4):** Kick off holiday season by shopping Main Street
- **Providence Journal (Nov 3):** Too many sleeping on the streets: McKee pledges \$5M more to shelter people without homes
- **WPRI (Oct 28):** RI attorney general taking action to protect kids from lead poisoning
- **Warwick Beacon (Oct 27):** Testing finds number of children with lead poisoning up 22% in RI
- **Cranston Herald (Oct 27):** With lead poisoning up in RI, Reed joins CCAP, others to highlight prevention efforts
- **Multifamily Executive (Oct 20):** Rhode Island Makes a Push for Workforce Housing
- **WPRI (Oct 19):** RI Foundation panel sees housing, mental health, training as best uses of \$1.1 billion federal windfall
- **Providence Journal (Oct 18):** Opinion/Ty: Providing housing aid can alleviate risks of COVID

### COMMUNICATIONS & OUTREACH

**Downtown Pawtucket RentReliefRI Onsite Application Assistance:** In partnership with the City of Pawtucket, we offered RentReliefRI onsite application assistance to Pawtucket residents at the city's downtown event on Saturday, November 6. Utilizing RIHousing staff as well as trained volunteers, we were able to assist applicants with completion of the application, provide updates to current applicants, and speak to members of the public about the rental and utility assistance available.

**AARP RentReliefRI Virtual Event:** Staff joined AARP RI for a "telephone town hall" informational session on the RentReliefRI program. The session provided an excellent opportunity to connect with older Rhode Island residents and discuss their concerns and provide them with important information to help them access the available assistance.

**Sutton Place, East Providence:** RIHousing joined Governor Dan McKee, state and local leadership, One Neighborhood Builders and community partners at an event last week to highlight the Governor's proposal to use 10% of American Rescue Plan funds to invest in families, workers and small businesses, including increasing housing production and access to affordable housing. Sutton Place is an existing market-rate development in East Providence currently being renovated to provide 36 deed-restricted affordable homes.

### UPCOMING EVENTS

**RentReliefRI Onsite Assistance:** We continue to participate in onsite informational and application assistance efforts across the state. We have several onsite application assistance events planned for the month of November:

- **Tuesday, November 16:** In partnership with Family Service of RI, we are offering onsite assistance to youth aging out of DCYF care.
- **Friday, November 19:** In partnership with the YMCA of Pawtucket we are offering onsite assistance to their members.
- **Saturday, November 20:** In partnership with the YMCA of Woonsocket we are offering onsite assistance to their members.
- **TBD:** In partnership with Sojourner House, we are offering onsite assistance to youth aging out of DCYF care.

**LISC RI Creole RentReliefRI Virtual Event:** Staff are partnering with LISC RI and the City of Pawtucket to offer a Facebook Live informational session on the RentReliefRI program. The session will be in both English and Creole (November 17 at 6pm).

## GOVERNMENT RELATIONS

### FEDERAL

- **Transportation, Housing, and Urban Development Committee Appropriations released:** On October 18, the Senate Appropriations Committee released the Transportation, Housing, and Urban Development (THUD) appropriations bill. In total, the bill would provide \$65.4 billion for HUD programs and activities, \$5.7 billion above the FY 2021 enacted level. The bill includes increases in funding to many HUD programs, including the HOME Investment Partnership program and Section 8 rental assistance over FY 2021 enacted levels, but in most cases funding levels are lower than those included in the House-passed omnibus appropriations bill. A continuing resolution (CR) is in effect until December 3. Congress must either approve final FY 2022 appropriations bills or pass another CR by then to avoid a government shutdown. For more information on individual program levels proposed by the Senate Committee and contained in the House-passed FY 2022 bill, see [NCSHA's Budget Chart](#).
- **Build Back Better Framework Released:** A new version of the Build Back Better Act has been released which includes a major expansion of the Housing Credit program including:
  - A cap increase of 10 percent plus inflation each year for three years from 2022 to 2024, amounting to approximately a 41 percent total increase over 2021 levels.
  - A reduction of the bond financing threshold from 50 percent to 25 percent for calendar years 2022 to 2026.
  - A basis boost of up to 50% for properties in which at least 20% of the units are restricted to households earning no more than the greater of 30% AMI or 100% of the federal poverty line.

The bill also includes a new Neighborhood Homes Credit and retains major investments in HUD programs, including \$9.925 billion for the HOME program, \$14.9 billion for the Housing Trust Fund, and \$10 billion for a new down payment assistance program.

### STATE

- **Rhode Island 2030 Plan Released:** The Governor released his Rhode Island 2030 plan after a series of listening events and discussions. The plan notes housing production and access to homeownership as a priority, with several other objectives mentioned, including a down-payment assistance program, preventing homelessness through eviction prevention and permanent rental assistance, and supporting healthy and accessible housing by increasing funds available for home improvements.
- **Rhode Island Foundation ARPA Plan Released:** The RI Foundation released their plan to spend the \$1.1 billion in federal funds disbursed to Rhode Island, with \$405 million earmarked for housing. The recommendations in this proposal include \$200 million for affordable rental housing production and preservation, \$50 million to build 500 units of permanent supportive housing and provide temporary housing for targeted populations, \$50 million to expand first-time home buyer programs to increase home ownership opportunities for BIPOC populations and/or in areas disproportionately impacted by COVID-19, \$100 million for healthy homes repairs, including the remediation of lead paint and assistance to low-income homeowners and qualifying landlords for renovations to substandard units to code compliance, and \$5 million to develop a strategic plan and to improve capacity and expedite processing of housing projects that are accessing ARPA funds.
- **House and Senate Finance Hearings on Governor McKee's "Down Payment" Proposal:** RI Housing testified at both the House and Senate Finance hearings in recent weeks in support of Governor

McKee’s “Down Payment” proposal for ARPA resources. The plan calls for \$15 million for the development and preservation of affordable housing, \$12 million for the acquisition of properties for redevelopment as affordable and supportive housing, \$1.5 million for expanding housing navigation and stabilization services and \$500k to expand staffing capacity at OHCD. RIHousing participated in an event with Governor McKee, Lieutenant Governor Matos, Secretary Pryor and other partners on November 3 at Sutton Place in East Providence to promote the proposal.