

MEMO

To: Board of Commissioners
From: Carol Ventura
Date: December 17, 2020
Subject: Monthly Update

PROGRAM NEWS

HOMEOWNERSHIP

Product	2019 Actual (units)	2020 Goals (units)	2020 Units (as of 11/30/20)	2020 Funded (as of 11/30/20)
	Closed/Funded			
<i>First Mortgage</i>	1,726	1,700	1,456	\$358.5 million
<i>FirstHomes Tax Credit</i>	449	340	153	-

For the eleven months ending November 30, 2020, Homeownership funded first mortgage volume of \$358.5 million, an increase of 4.5 % over the same period in 2019. The 10kDPA program, launched in late August 2020, has started to gain steam in the market with 37% of November borrowers opting for the down payment assistance.

LOAN SERVICING/ASSET MANAGEMENT

Program	As of 12/31/19	2019 Portfolio value	As of 11/30/20	Portfolio value as of 11/30/20
RIH Single-Family Portfolio	23,373 loans	\$2.14 billion	22,567 loans	\$2.13 billion
Multi-Family Portfolio	635 loans	\$964.21 million	658 loans	\$1.04 billion
MSS Single-Family Portfolio	7,587 Loans	\$654.58 million	7,363 Loans	\$648.79 million
Madeline Walker Portfolio	516 liens	\$4.00 million	398 liens	\$2.93 million
REO Portfolio	33 homes	\$4.19 million	25 homes	\$2.45 million

Delinquency Update: In November 2020, we saw an increase in overall delinquency of 655 delinquent loans for a total of 1,919 delinquent loans out of our active portfolio of 12,284 loans. This is a delinquency rate of 15.62%. In November 2019, the active portfolio was 12,688 loans of which 1264 loans were delinquent. This is a delinquency rate of 9.96%. The **number of seriously delinquent loans** (90+ days) was 1192 (9.70%) in November 2020, compared to 302 (2.38%) in November 2019.

Covid Impact: Since March 18, 2020, 1,920 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, 656 have

decided they no longer need assistance due to stimulus relief or have resumed their payments using a loss mitigation option resulting in 1,264 active forbearance agreements as of November 30, 2020.

Approximately 67% 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 November 30th, 212 RIHousing borrowers have reinstated their mortgage using the NESPC.

DEVELOPMENT

Program	2019 Actual (Firm Commitment)	2020 Goals	2020 YTD (Firm Commitment)
9% LIHTC (Rental Production)	85 units (2 deals)	150 units (3 deals)	158 units (3 deals)
4% LIHTC (Rental Preservation)	829 units (5 deals)	600 units (5 deals)	104 (1 deal)
Preservation Deals w/o LIHTCs	235 units (5 deals)	900 units (9 deals)	579 units (5 deals)
Workforce Housing Innovation Challenge Loan Program	N/A	90 units (3 deals)	93 units, 38 of which will be workforce assisted (2 deals)
Preservation Revitalization Loan Fund (\$3 million)	\$2,096,218 (153 units)	Rolling Application until money is spent	0
Preservation Loan Fund (\$10 million)	\$4,920,000 (199 units)	Rolling Application until money is spent	0
2017 Capital Magnet Fund (\$4.7 million over three years)	\$3,099,000 (637 units)	N/A	675 units; Funds fully committed
2018 Capital Magnet Fund * (\$6.4 million over three years)	\$1,544,493 (262 units)	Rolling Application until money is spent	0

**CMF 2018- Effective Date, March 7, 2019; RIH has 2-year commitment of 1,042 units, 3 years to disburse funds, 5 years to complete projects*

Multifamily:

RIHousing released a request for proposals (“RFP”) for 2021 Low-Income Housing Tax Credits (“LIHTC”). Proposals are due on Friday, December 18, 2020.

RIHousing announced the availability of approximately \$8.9 million in financing through the Workforce Housing Innovation Challenge Loan Program financing for the development of Workforce Housing. Applications are due January 31, 2021.

Development staff submitted a submission package to U.S. Department of Housing and Urban Development (“HUD”) to remain a full MAP lender and retain all of the rights and privileges therein.

LEASED HOUSING AND RENTAL SERVICES

CARES Act Rental Assistance Programs: The Leased Housing Division has made a commitment to assist as many families as possible that are impacted by the pandemic and as a result have accumulated rental arrearages. RIHousing has committed our own funds through the Home Safe program and we are also administering rental assistance through the federally funded CARES program with an expiration date of December 30th. Some key programs currently being worked on in the Division are:

Home Safe: Through partners, RIHousing has launched the HomeSafe Initiative, which provides one-time temporary financial assistance to eligible Rhode Island residents facing a short-term housing crisis. Assistance is available for COVID-19 and non-COVID-19 emergencies. As of today, we have assisted 186 households with utilities and past due rent or mortgages and have spent over \$280,000.

Housing Help RI: The Housing Help RI program is funded through the CARES Act and has an expiration date of December 30th, 2020. RIHousing staff has processed 34 tenant applications under this program and has spent over \$193,000 in funding. Staff is committed to reviewing an additional 231 applications for payments before the deadline.

On December 1, 2020, we expanded the application portal to property owners/managers with tenants in income-restricted housing. Housing assistance is now available through a streamlined, property owner/manager driven process for income-restricted developments whose tenants have rental arrearages as a result of the COVID-19 health crisis.

Staff Recognition: The New England Affordable Housing Management Association (NEAHMA) has awarded our Director of Leased Housing, Claribel Shavers, the Agency Staff Person of the Year Award. This award recognized housing finance agency staff that provide support and resources to the association who in turn share with the affordable housing industry.

COMMUNICATIONS

MEDIA COVERAGE

- **Providence Business News (Dec. 7):** First R.I. community solar project at affordable-housing complex marks completion
- **Providence Business News (Nov. 30):** PACE-RI board of directors announces 3 new members
- **The Valley Breeze (Nov. 24):** Crossroads opens emergency homeless shelter as COVID-19 cases increase
- **The Register Citizen (Nov. 22):** Grant will help prevent youth homelessness in Rhode Island
- **United States Senate (Nov. 20):** Reed Delivers \$1.83M to Help RI Renters Who Lost Income Due to COVID
- **Providence Business News (Nov. 18):** Sale of Parcel 6 in I-195 Redevelopment District closes for \$100K

UPCOMING EVENTS

Constituent Services Training (Dec. 15): RIHousing hosted a Constituent Services training for Congressional Staff, municipal staff and external partners to review RIHousing's programs and discuss the most common

inquiries we receive from constituent services staff, including new resources and programs developed in response to Covid-19.

GOVERNMENT RELATIONS

FEDERAL

Appropriations: Congress has extended the current Continuing Resolution until December 18th in order to have time to finalize an omnibus appropriations bill for FY21. The federal government has been operating under a Continuing Resolution since September 30th.

COVID Relief: Congress has continued negotiations for a second coronavirus relief package. Last week, a bipartisan group released a proposal for a \$908 billion package. The proposal includes \$25 billion for rental assistance, \$161 million for state and local government aid, and provides \$300 per week in supplemental unemployment insurance. It also extends the current eviction moratorium through January, 2021. It is unclear at this time if an agreement can be reached in time to attach a new COVID relief package to the FY21 Omnibus Appropriations bill.

Biden Administration Transition: President-elect Biden has formed agency review teams for different issue areas and begun to nominate Cabinet heads and other key positions. Biden has announced the nomination of Congresswoman Marcia Fudge for HUD Secretary, Janet Yellen for Treasury Secretary, and Adewale Adeyemo as Deputy Treasury Secretary. His agency review team for HUD included Oregon HFA Executive Director Margaret Salazar. The Treasury review team includes Helen Kanovsky with the Mortgage Bankers Association and Buzz Roberts from the National Association of Affordable Housing Lenders. For more details on the Biden Transition click [here](#).

Foreclosure moratorium: FHFA announced that the foreclosure moratorium for GSE-backed single-family properties will be extended to at least January 31st. The moratorium was originally set to expire on December 31st.

STATE

Coronavirus Relief Fund: On December 3rd, the House Oversight Committee met to review Coronavirus Relief Fund spending. Christine Hunsinger gave an update on rental assistance programs funded through the CRF.

Budget: The House Finance Committee released a revised FY21 budget on December 9th. The House is scheduled to vote on the revised budget on December 16th.

- The revised budget includes \$400 million in bond proposals, including a \$65 million bond for affordable housing and community development. The special election to vote on bonds would take place on March 2, 2021.
- The revised budget does not include many of the housing-related initiatives originally proposed in the Governor's FY21 budget, including changes to the real estate transfer tax and restructuring of the Housing Resources Commission.
- The budget does not include any transfers from state agencies and quasi-publics, reversing the originally proposed \$1.1 million scoop from RIHousing.

HUMAN RESOURCES

In response to the state-wide Pause, in-office personnel have been scaled back to under 25% of total staff. The annual benefits open enrollment ran through December 4th with 143 employees going online to complete the process. Virtual seminars and trainings happening this month: safety training, wellness incentive rewards

program, exercise classes and an informational Medicare and Medigap (Supplemental) plan presentations are scheduled.