

Draft RIHousing 2024 State and Federal Legislative Priorities

State:

1. **RIHousing statewide jurisdiction to administer Project Based Section 8 Rental Assistance (PBRA) contracts:** RIHousing has been administering PBRA contracts in Rhode Island on behalf of the Department of Housing and Urban Development (HUD) since 2000. We currently oversee 16,000 units in 154 developments located in 27 of Rhode Island's 39 cities and towns. We know the developments (commonly known as Section 8 developments), the property managers and the tenants and are able to respond quickly to tenant concerns. Our relationship with these developments has also facilitated the long-term preservation of these units as affordable housing. In the last 10 years alone, RIHousing has financed the preservation of 53 Section 8 developments covered by our PBRA contract (over 1/3 of our PBRA portfolio).

Since 2011 HUD has made several attempts to rebid these contracts and allow out of state entities to oversee these developments. This includes a draft solicitation in 2022 that would have regionalized these services. The Housing Act of 1937 explicitly requires HUD to partner with PHAs for the administration of federal rental assistance. Since participating developments are located across the state, they are generally administered by a PHA with statewide authority. Nationally, 33 state Housing Finance Agencies (HFAs) serving as their states' Public Housing Authority (PHA) administer these contracts, including RIHousing.

In an effort to ensure that oversight of Section 8 developments continues to be carried out at the state level by PHAs familiar with the developments and their tenants, some states, including Vermont, have clarified the language in their state laws to make it clear that only PHAs with statutory authority to operate statewide may administer PBRA contracts. RIHousing is proposing similar language, modeled off the Vermont statute, which would clarify that in Rhode Island, RIHousing is the only PHA authorized to administer PBRA contracts.

2. **RIHousing option of second refusal to purchase state owned property:** At a time when available land and buildings are scarce and expensive, state-owned property that is no longer needed represents an important opportunity for potential redevelopment as affordable housing. RIHousing has already partnered with municipalities and developers on similar efforts to redevelop state-owned property including the Frenchtown Road development in East Greenwich which will create 63 units of affordable housing on land previously owned by the RI Department of Transportation. RIHousing is proposing to update and reintroduce legislation that was proposed in 2022 that would give RIHousing the option to purchase, at its appraised value, state owned land for redevelopment as affordable housing after the existing right of first refusal has been offered to the municipality where the property is located.
3. **Addressing barriers to maximizing utilization of renewable energy in affordable housing:** RIHousing is interested in promoting the utilization of renewable energy resources

in affordable housing projects. However, there are a number of statutory, regulatory, and logistical barriers to doing that. Those challenges include a statutory prohibition on family developments of more than 10 units utilizing a master meter ([RIGL 39-3-7.1](#)), which, combined with requirements that onsite or virtual net metering runs through a single meter, makes it difficult for the benefits of renewable energy savings to be shared with residents of these developments. It also creates challenges with being able to size renewable resources to the needs of the entire development rather than just the needs served by a common area meter.

Through a Request for proposals (RFP), RIHousing sought proposals from qualified firms to identify barriers to maximizing the utilization of solar and other renewable energy resources in affordable housing in Rhode Island, develop statutory and/or regulatory language to remove or mitigate those barriers, and provide support to RIHousing as needed in moving these statutory and/or regulatory recommendations forward. At its November 20, 2023 meeting, the Board of Commissioners approved contracting with the National Trust in partnership with the National Consumer Law Center to carry out that work. We anticipate that recommendations for statutory changes from the consultant will be completed in time for consideration during the 2024 session, and propose introducing bill language to implement those recommendations as appropriate.

Federal:

1. **Performance Based Contract Administration (PBCA):** Continue to work with Senator Reed's office, HUD and NCSHA to ensure that any new HUD solicitation for PBCA functions preserves the role of state based public housing authorities.
2. **Affordable Housing Credit Improvement Act (AHCIA):** Advocate for the passage of the AHCIA which would increase funding for LIHTC, lower the bond financing threshold and make other important improvements to the program.
3. **Risk Share/ Federal Financing Bank (FFB):** After a four-year hiatus, the FFB restarted its partnership with the FHA Risk Share program in 2022, providing low-cost financing for the development and preservation of affordable apartments. This program has been a very effective tool in Rhode Island, particularly for housing preservation. Advocate to make this program or something similar, permanent.
4. **Federal Appropriations:** Continue to advocate for strong appropriations levels for HUD programs that RIHousing administers and that are important to increasing affordable housing production and access in Rhode Island and nationally. This includes HOME, Project-Based Section 8 and the Housing Choice Voucher Program (HCVP), 202/811.