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AFFORDABLE HOUSING IS OUT OF REACH IN R.I. FOR LOW-WAGE WORKERS

PROVIDENCE – Full-time workers in Rhode Island need to earn \$27.78 per hour to afford a modest, two-bedroom apartment at fair market rent. This is Rhode Island’s 2023 “Housing Wage,” according to a [report](#) published today by the National Low Income Housing Coalition (NLIHC).

Released annually, the Out of Reach report calls attention to the gulf between wages and what people need to earn to afford their rents, showing that affordable rental homes are out of reach for millions of low-wage workers and other families. The report’s “Housing Wage” is an estimate of the hourly wage full-time workers must earn to afford a rental home at fair market rent without spending more than 30 percent of their incomes.

Working at the minimum wage of \$13 in R.I., a wage earner must have 1.8 full-time jobs or work 71 hours a week at minimum wage to afford a typical one-bedroom apartment. To afford a two-bedroom, they must have 2.1 full-time jobs or work 85 hours per week at minimum wage.

“Once again, the Out of Reach report supports what many of us operating in the housing and homelessness space already know to be true: housing remains deeply unaffordable for low and moderate income Rhode Islanders. Wages across a range of industries are too low for renters to afford a place to live without working multiple jobs or 71-85 hours each week at minimum wage,” said Housing Network of Rhode Island executive director Melina Lodge.

Lodge continued, “As housing costs skyrocket, low-income Rhode Islanders face increasing housing instability. Every Rhode Islander should have access to a safe, healthy and affordable place to live, and the Out of Reach report demonstrates how far we still have to go to realize that vision. We need to act now, on the local, state and federal level to enact policies that address Rhode Island’s urgent housing crisis.”

As housing instability increases, so has the number of unhoused individuals statewide.

“As our recent Point In Time Count data shows, 1,810 Rhode Islanders experienced homelessness on the night of Jan. 25th, 2023 – a nearly 65 percent increase since the 2020 count,” said Caitlin Frumerie, executive director of the Rhode Island Coalition to End Homelessness. “As this report shows, the pandemic continues to have a major impact on



slow wage growth (particularly among BIPOC Rhode Islanders) and rising housing costs. The result is more and more of our neighbors facing homelessness.”

Though rent inflation has moderated in most markets and is now at pre-pandemic or even lower levels, rents remain too high for low-wage workers and other low-income renters. At the same time, pandemic-era benefit programs – like emergency rental assistance (ERA), additional allocations from the Supplemental Nutrition Assistance Program (SNAP), and childcare tax benefits – have ended.

In consequence, the lowest-income renters are facing high rents without the support of those safety net programs that kept them stably housed during the pandemic, with the result that eviction filings are returning to or surpassing pre-pandemic levels in some communities.

“The 2022 Housing Fact Book shows that based on the average 2-bedroom apartment rent, a household earning the state’s median renter income of \$38,339 could affordably rent in only one of Rhode Island’s 39 cities and towns,” said Brenda Clement, HousingWorks RI at RWU’s Director.

“The rental market remains a challenge for many Rhode Islanders, with many being priced out, or becoming housing insecure by paying more than 50 percent of their income on housing costs in order to maintain a roof over their head. We must continue to work at the local, state, and federal levels to enact policies that ensure every Rhode Islander has a safe, secure, and affordable place to call home,” Clement added.

Workers making higher than minimum wage are still unable to afford housing. Nationally, over 25 million people work in the five most common lowest-paying occupations – retail sales, food and beverage services, food preparation, home health and personal care services, and building cleaning – whose median hourly wages are at least \$7.80 less than the one-bedroom Housing Wage.

And 13 of the nation’s 20 most common occupations pay median wages that are less than a full-time worker needs to earn to afford a modest two-bedroom apartment at the national average fair market rent.

For additional information, and to download the report, visit: <http://www.nlihc.org/oor>

About National Low Income Housing Coalition (NLIHC)

Founded in 1974 by Cushing N. Dolbeare, NLIHC educates, organizes and advocates to ensure decent, affordable housing for everyone. Our goals are to preserve existing federally assisted homes and housing resources, expand the supply of low income housing, and establish housing stability as the primary purpose of federal low income housing policy.



About Homes RI

Homes RI is a multi-sector coalition of organizations working together to increase the supply of safe, healthy and affordable homes throughout Rhode Island; coordinated by the Housing Network of Rhode Island. HousingWorks RI and the Rhode Island Coalition to End Homelessness are both partners of Homes RI. We believe Rhode Island can and should be a state where all residents are able to live in safe, healthy and sustainable homes in thriving communities.