

2023 LEGISLATIVE WRAP UP

MAKING PROGRESS TOWARDS MEETING RI'S HOUSING NEEDS

Rhode Island's Fiscal Year 2024 state budget demonstrates a commitment to respond to our housing crisis by our elected officials. The Administration and General Assembly authorized an additional investment of \$71.5 million in ARPA State Fiscal Recovery Funds, bringing the total ARPA investment in housing and homelessness services to \$321.5 million, up from \$250 million approved in FY23.

The SFR funds must be expended by December 31, 2026. Permanent investments in housing should remain a top priority in future budget years as our state confronts the impacts of under-building and under-investing in residential housing, combined with lagging wages.

Overall, the housing investments in the FY24 budget coupled with the slate of land use and housing stability legislation approved by lawmakers this session will help make housing more equitable and accessible for all Rhode Islanders.

Safe, healthy, and affordable homes are essential to our collective quality of life and economic prosperity. Homes RI will continue to advocate for investments and policy tools that will prioritize the housing needs of low and moderate income Rhode Islanders and enhance the communities that make Rhode Island our home.

FOR PRESS INQUIRIES:

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OTHER QUESTIONS?

Visit homesri.org or email info@homesri.org

BUDGET HIGHLIGHTS



An additional \$71.5 million of American Rescue Plan State Fiscal Recovery Funds, including:

- \$30 million for “homeless infrastructure” programs to respond to and prevent homelessness, including shelter and housing stabilization.
- \$27 million to establish a program for “Targeted Housing Development,” including homes for extremely low-income Rhode Islanders.
- \$4 million for transit-oriented development.
- \$2.5 million to award grants to cities and towns for municipal services that support people experiencing homelessness.
- \$2.3 million to establish a “Municipal Fellows” program to support planning and development activities at the local level as well as grants for cities and towns to work on zoning changes that promote residential development.
- \$1.4 million to create, staff, and support initial activities of a Proactive Housing Development entity, which will operate as a subsidiary of RIHousing.
- \$4.3 million to support physical infrastructure that is needed to build additional homes, to be administered by the RI Infrastructure Bank.
- \$30 million (annually, through June 30, 2028) to create a State Low Income Housing Tax Credit (LIHTC) program. The program offers tax incentives to expand the development of housing for low-income households.

See the next page for a complete breakdown of funds.

BUDGET BREAKDOWN

FY24 RHODE ISLAND STATE BUDGET HOUSING PROVISIONS



**Rhode Island was awarded \$1.13 billion in Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the federal American Rescue Plan Act (ARPA). These are one-time funds that must be spent by Dec. 31, 2026.*

RI lawmakers have allocated a total of \$321.5 million of SFRF to housing and homelessness to date (\$250 million in 2022 and \$71.5 million in 2023). Some municipalities also invested their Local Fiscal Recovery Funds on housing.

Many SFRF items in the FY24 budget were introduced and approved in FY23. Certain funds that were allocated over multiple fiscal years were also consolidated into FY24.

INVESTMENT OF ARPA STATE FISCAL RECOVERY FUNDS*

\$7.5 million for affordable predevelopment



Combines FY24, FY25, and FY26 allocation. Predevelopment activities include things like applying for financing, legal work, architectural and engineering assessments, and other work needed to help prepare for construction.

\$55 million to develop homes for low-income households



Combines FY24 and FY25 allocation. \$10 million of these funds are to be invested in a pilot to provide financing for construction and project-based rental assistance for public housing.

\$9.5 million investment in community revitalization



RIHousing's Acquisition & Revitalization Program provides financing to redevelop properties that are vacant, foreclosed, and/or in need of rehabilitation to be used for commercial or community space or development of homes for low-income households (80% AMI and below).

\$10 million to acquire sites that can be used for affordable homes



These funds, administered by RIHousing, are used to help builders acquire property for redevelopment as homes for very-low and low-income households (site acquisition).

\$8 million to build homes for moderate-income households



This program focuses on increasing housing for households earning up to 120% AMI. In the state budget, this program is referred to as "workforce housing."

\$1.4 million for Proactive Housing Development



These funds will support the creation, staffing, and initial activities of a Proactive Housing Development entity, which will operate as a subsidiary of RIHousing.

\$31 million for Targeted Housing Development



\$27 million of these funds are allocated to projects that advance the creation of homes for extremely low income and vulnerable Rhode Islanders. \$4 million will be allocated to support transit-oriented development.

\$2.5 million† for the Municipal Homelessness Support Initiative



\$1.5 million from SFRF† and \$1 million from general revenues to award grants to cities and towns for services provided, such as outreach or emergency services, to help people experiencing homelessness.

\$20 million for down-payment assistance to help people purchase their first home



Combines FY24 and FY25 allocation and increased the cap from \$17,500 to \$20,000 in assistance to eligible first-time buyers. RIHousing administers this program.

\$13 million towards programs to prevent and end homelessness



The funds support programs that provide housing navigation, behavioral healthcare, housing stabilization, supportive services, and operating subsidies for homes built for extremely-low income households (\leq 30% AMI).

\$30 million to acquire or build shelters and/or fund other homeless-related services



This investment doubles the FY23 allocation of \$15 million and can be used to fund programs that respond to and prevent homelessness.

\$500 thousand to preserve at-risk affordable homes



\$500,000 was reallocated from the Home Repair program to a new program focused on preserving affordable homes at risk of foreclosure or blight.

BUDGET BREAKDOWN

ADDITIONAL FY24 STATE BUDGET HOUSING PROVISIONS

DEPARTMENT OF HOUSING

\$2.7 million to support 21 new state staff



The FY24 budget authorizes funds for 21 full-time positions for the Department of Housing. This is in addition to 17 existing staff, for a total authorization of 38 Full Time Equivalent employees.

\$500 thousand to increase administrative capacity at the Department of Housing



\$500,000 will support contract staffing capacity to administer housing projects.

The budget also includes clarifying language about the role and powers and duties of the Department, and transfers various housing reporting obligations from other state agencies to the Department of Housing.

NEW STATE LOW INCOME HOUSING TAX CREDIT PROGRAM

\$30 million† authorized to create a new State Low Income Housing Tax Credit

The FY24 budget establishes a new statewide Low Income Housing Tax Credit (LIHTC) program to help increase the supply of long-term affordable homes. The program will be administered by the Department of Housing and utilized in conjunction with the federal LIHTC program.



The federal program works by allocating states a certain number of tax credits, which are then awarded by state housing finance agencies to housing developers through a competitive process.

Developers then sell the tax credits to investors to help finance the production of affordable rental homes. The investors can claim the credit for a period of 10 years.



†The State program authorizes the state to provide tax credits for a period of five years in equal installments to developers who are selected through a competitive process. Subject to annual appropriation, the program may obligate up to \$30 million in tax credits annually† for a period of five years. The program sunsets June 30, 2028.

HOMES RI ADVOCACY REVIEW

JANUARY- JULY 2023



80+

Partners & Supporters



259

Bills Tracked



2

Advocacy Events



4

Press Releases



15

Call to Action Emails

25

letters sent urging leaders to take action to prevent child lead poisoning

45

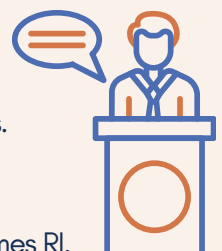
letters sent urging legislators to take action to increase housing stability, fairness and equity by moving bills out of committee.

TESTIMONY PROVIDED

- Held formal positions on **97** bills.
- Provided oral or written testimony on **83** bills.

NEWS MENTIONS

- **14** news articles mentioning Homes RI.
- **130+** news articles mentioning Homes RI partners.



POLICY UPDATES

2023 LEGISLATION TO SUPPORT AFFORDABLE, HEALTHY HOMES



In March, House Speaker K. Joseph Shekarchi presented a package of bills to address R.I.'s housing needs

PRODUCE, PROTECT & PRESERVE AFFORDABLE HOMES

Legislation included in Speaker K. Joseph Shekarchi's housing policy package and signed into law by Gov. Dan McKee:

- H6081A (Shekarchi) & S1037A (Ruggerio) provide amendments relative to low- and moderate-income housing and modifies and clarifies the procedure for review of applications to build such housing.
- H6061A (Craven) & S1034 (Pearson) amend the provisions relative to the subdivision of land and the application process requesting relief from zoning ordinances and the review process.
- H6085A (Casey) & S1033A (Pearson) amend requirements for municipal comprehensive plans.
- H6084B (Felix) & S1052A (Kallman) create a transit-oriented development pilot to encourage residential housing near convenient public transportation.
- H6059A (Craven) & S1032A (Lombardi) amend zoning standards and make changes to dimensional variance regulations.
- H6083A (Batista) & S1050A (McKenney) make changes to Rhode Island's State Housing Appeals Board (SHAB).
- H6060A (Shekarchi) & S1053A (McKenney) create a housing/land use court calendar within the Superior Court.

- H6058A (Abney) & S1051A (Tikoian) amends the inclusionary zoning statute to require base level density bonus and turnover of fees in lieu of not being utilized by the municipality within two years.
- H6086A (Corvese) & S1038A (Ruggerio) standardizes the type of notice and advertisements required for all land use permitting.
- H6090A (Alzate) & S1035A (Kallman) allows for adaptive reuse of commercial structures (such as factories, hospitals, offices, malls, religious facilities, and schools) into high density residential developments

Additional legislation that passed this session:

- H6090 (Alzate) & S1035 (Burke) provide for the adaptive reuse of the conversion of commercial property into residential or mixed-use developments.
- H6016 (Speakman) extends the historic tax credit to June 30, 2024

Legislation that passed via House resolution:

- HR6088 (Speakman) extended the Special Legislative Commission to Study the Low and Moderate Income Housing Act (Housing Affordability Commission) to June 28, 2025.
- HR6089 (Giraldo) extended the Special Legislative Commission to Study the Entire Area of Land Use to June 30, 2025.

Legislation that was introduced, but did not move out of committee for a vote:

- H6082AAA (Speakman) & S1036 (Kallman) would streamline requirements for developing accessory dwelling units (ADUs).
- H5941 & S588 would have provided another method for municipalities to identify and calculate private residences as low and moderate income housing.
- H5749 (Speakman) & S316 (Kallman) would grant a right of first refusal to qualified nonprofits for the purchase of certain multi-family residential properties.

VOTING RIGHTS

Legislation that was introduced, but did not move out of committee for a vote:

- HJR5770 (Alzate) & SJR608 (DiMario) would enable a state constitutional amendment to be put forward to voters regarding same-day voter registration.

POLICY UPDATES

(CONTINUED)



Deputy Attorney General Adi Goldstein speaks during Lead Poisoning Prevention Day, May 2023.

HOUSING ACCESS & STABILITY

Legislation included in Speaker K. Joseph Shekarchi's housing policy package and signed into law by Gov. Dan McKee:

- H6087aa (Cruz) & S311A (Murray) prohibits landlords/property managers from charging rental application fees and allows tenants to provide their own state background check and/or current credit report.

Legislation that was introduced, but did not move out of committee for a vote:

- H5760 (Speakman) & S593 (Kallman) would limit background checks for non-violent offenses and set up a system for landlords to conduct individualized assessments of prospective tenants.
- H5225 (Kislak) & S315 (Kallman) would have required landlords to file with the secretary of state notice of their name, address, phone number, email and other information (note: different legislation to establish a statewide rental registry did pass and was signed into law).
- H6062 (Speakman) & S911 (Mack) would have created a Tenant Bill of Rights / updated Landlord/Tenant Handbook with various provisions designed to ensure housing stability for tenants and landlords.
- H6129 (Cruz) would have established a new division of civil representation for tenants in eviction proceedings.

Legislation passed and became law:

- H6323AA (Tanzi) & S912 (Mack) allow Rhode Islanders to seal an eviction court record every five years upon request.
- H5761AAA (Felix) & S163 (Euer) preserve the right to a mortgage mediation process before a lender can proceed to foreclosure

Legislation that passed in the House, but not Senate:

- H5362A (Stewart) & S365 (Mack) would require more notice to tenants in advance of a rent increase.

SAFE & HEALTHY HOMES

Healthy housing and lead poisoning prevention legislation that passed:

- H6239A (Ackerman) & S804aa (Euer) establish a statewide rental registry where landlords of non-exempt buildings built before 1978 would be required to file lead conformance certificates.
- H62381 (Morales) & S729aa (Mack) allow tenants to pay their rent into an escrow account when there are unaddressed lead hazards in their homes.
- H6201 (Dawson) & S739 (Lawson) allow families affected by childhood lead poisoning to recover up to three times their actual damages (known as treble damages) if their landlord is found to have violated lead safety laws.
- H5007A (O'Brien) & S002B (Ruggerio) address lead pipes in Rhode Island's water supply system.
- H5946A (Voas) & S656A (Acosta) expand lead protections to 2-3 unit owner-occupied multi-family dwellings.

ECONOMIC WELLBEING

Legislation that was introduced, but did not move out of committee for a vote:

- H5644 (Handy) & S227 (Murray) would have amended the Rhode Island Works program to expand and increase benefits.