

H O U S I N G



N E T W O R K

May 14, 2024

The Honorable Marvin Abney
Chair, House Committee on Finance
Rhode Island State House
Providence, RI

Re: Support H7776

Dear Chairman Abney and Members of the House Committee on Finance:

On behalf of the Housing Network of Rhode Island, our member agencies, and the low income Rhode Islanders we serve, I write to offer our support of **H7776**. We applaud the General Assembly's sustained attention on urgent housing issues and driving change to improve access to and affordability of homes for hundreds of thousands of Rhode Islanders. We thank Rep. Kislak and the bill's co-sponsors for their introduction of this bill.

During the last three legislative sessions, the high cost of housing and the growing need for more affordable homes have taken center stage. Historically low inventory of homes for sale and for rent coupled with exploding demand for housing have driven costs out of reach for many Rhode Islanders, particularly our lowest income households. Decades long reductions in building permit activity, restrictive land use policies, low vacancy rates, the state's chronic underinvestment in affordable housing and inadequate worker wages have all been major contributing factors to the lack of available homes, and ultimately, housing unaffordability.

Homes for purchase prices are escalating beyond what typical wages can support, increasingly pushing the dream of homeownership out of reach for low and middle-income earners. Roughly 80 percent of Rhode Island households earn less than \$150,000 annually and 64% of Rhode Island households have incomes that would qualify them for "low and moderate income" housing in our state. In January 2024, the RI Realtors Association reported the median priced single family home was \$441,750 (increase of 12.87% from 1-2023), which to afford, a household would require an annual household income of approximately \$134,000. Multi-family homes are even more out of reach with a median price of \$475,000 in January 2024 (increase of 7.95% from 1-2023), requiring an even higher annual income to support. There is a need to create more mechanisms to help households who are ready to become homeowners access to resources to do so, and **H7776** provides such a tool. I appreciate Senator Mack and the bill's co-sponsors recognition of the need for this critical resource and refunding this activity.

Thank you for the opportunity to share my support of **H7776**. I am available to answer any questions you might have and can be reached at 401-721-5680 ext. 104 or mlodge@housingnetworkri.org.

Respectfully submitted

A handwritten signature in black ink that reads "Melina Lodge". The signature is written in a cursive, flowing style.

Melina Lodge, Executive Director