



March 28, 2024

The Honorable Stephen Casey
Chair, House Committee on Municipal Government and Housing
Rhode Island State House

Re: Support of H7977, H7978, H7980, H7981, and H7984

Dear Chairman Casey and Members of the House Municipal Government and Housing Committee:

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 strong support of **H7977, H7978, H7980, H7981, and H7984**. We applaud Speaker Shekarchi's sustained leadership on urgent housing issues and his continued focus on driving change to improve access to and affordability of homes for hundreds of thousands of Rhode Islanders. We thank the bill sponsors for their leadership in introducing these bills, which represent important steps forward in making our State a place where all Rhode Islanders have access to safe and decent homes that are affordable to them in the community of their choice.

During the last three legislative sessions, the high cost of housing and the growing need for more affordable housing in this state has 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. 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). The single best way alleviate some of the pressure on the housing market, reduce skyrocketing home prices, and house Rhode Islanders is to build more homes.

Greater clarity and specificity coupled with more streamlined procedures for all parties involved in the development process is a good thing. Time is money – in an environment where costs are escalating day by day, the more time it takes to get from concept to construction, the higher the costs are, which ultimately affects the financial feasibility of a development. **H7980 and H7981** seek to amend various provisions within law to make it clearer about what can be built and where. Manufactured housing can be a lower cost, more rapidly deployable construction style, but due to misinformation and stigma, is often overlooked as a viable housing type by municipalities. For developers who may be interested in utilizing this housing type, **H7980** provides a simple clarification that can reduce development process time by preventing the potential for any debate that may be driven by bias or stigma. If passed, **H7981** removes some of the existing ambiguity around the ability to co-locate residential and commercial uses. Not only would this clarification allow for us to adaptively repurpose existing underutilized space, but would allow us to build more cost effectively because in many instances the needed infrastructure is already in place. **H7981** is also complementary to legislation last year that seeks to promote transit-centered housing, as many commercial zones also are major transit corridors as well.

H7978 provides for modernization to the permitting process. We live in a digital age and the ability to transact business online can be beneficial to improving efficiency and reducing cost for housing development. Allowing for

online permitting also can help support our State's green goals, reducing paper consumption and waste, as well as allowing us to minimize our need for physical storage capacity.

Too often, we hear of the challenges that various sectors face in hiring and retaining talent, and municipalities have not been immune to this. **H7977** supports a much-needed effort to analyze and understand the educational opportunities that must exist locally to ensure that RI municipalities have access to the skilled labor force necessary to meet the complex challenges they face.

Lastly, **H7984** empowers mobile home owners to become cooperative landowners, supporting equity and generational wealth building, and redistributes decision-making power to the households living within the mobile home community. As proposed, **H7984** seeks to incentivize municipalities to support the conversion and development of mobile homes as Resident Owned Communities and allowing the community to receive partial credits towards their LMIH count for doing so. Resident owned communities is an emerging best practice across the country that seeks to support the owners of mobile homes to become landowners in a cooperative ownership structure. You can learn more about this model at www.roc.org. **H7984** encourages municipalities to explore tools they can leverage to assist mobile homeowners in their efforts to organize and become resident owned communities, and can improve housing quality standards, affordability, and stability for some of our lowest income homeowners. There are presently tools at a town's disposal (exp: fee in lieu of development revenue and Community Development Block Grant funds) which could be used to support such an activity by providing the upfront capital needed to purchase or finance the land and there are more tools that could be explored if Towns were motivated to do so. **H7984** provides this motivation. We believe there are some technical corrections needed to ensure this legislation functions as intended and we are happy to work with the bill sponsor to provide the edits needed.

In order to build more homes, Rhode Island must become more adept at identifying opportunities for redevelopment of existing sites, reducing barriers to production, streamline and clarify processes that delay production and drive cost increases and more deeply understand what resources are needed to be prepared to respond to the challenges ahead. **H7977, H7978, H7980, H7981, and H7984** all fulfill one of these functions.

Thank you for the opportunity to share my support of these important pieces of legislation with this Committee and for your consideration of **H7977, H7978, H7980, H7981, and H7984**. 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,



Melina Lodge
Executive Director