

April 2, 2025

Representative Stephen M. Casey
Chair, House Municipal Government and Housing Committee
State House
Providence, RI 02903

Dear Chair Casey,

On behalf of HousingWorks RI at Roger Williams University, I write to express our concern for **H5956**- proposed legislation that amend the definition of affordable housing to create separate categories for housing using private or state financing as opposed to financing from the federal government.

HousingWorks RI at Roger Williams University (HWRI) is a respected source of information about housing in Rhode Island. We conduct research and analyze data to inform public policy, develop communications strategies, and promote dialogue about the relationship between housing and the state's economic future and improved health and educational outcomes.

Evidence of Rhode Island's housing affordability crisis takes many forms, including nearly half of renters paying more than 30 percent of their income for housing, significant gaps between wages for the state's growth occupations and the cost of housing, and lower rates of homeownership for Black, Hispanic, and Asian households than the national rates. Another factor HWRI has identified is the lack of substantial state investment, especially as compared to our neighbors of Connecticut and Massachusetts. So, while it is understandable that H5956 seeks to spread out the scarce subsidies that are available to the production of affordable housing, by increasing the ratio of the price of those homes to the buyer's income might exacerbate the very crisis we seek to alleviate.

By increasing the "front-end" ratio of these homes, it would result in an estimated price of \$529,000, which exceeds the 2024 median single family home price in 20 of Rhode Island's 39 municipalities, and would suggest the need for a household income of more than \$150,000. The US Census Bureau's latest Five-Year American Community Survey (2019-2023) shows the median household income for Rhode Island as \$86,372. Moreover, the median renter income is \$48,434. If one of our goals is to grow the assets of low- and moderate-income Rhode Islanders through homeownership, this amendment to the definition of affordable housing would greatly reduce those opportunities.

For these reasons, I urge you to hold H5956 for further study and ask the Department of Housing to convene a group to address concerns and seeks solutions. Thank you for your consideration, and should you have any questions, please feel free to contact me at 401.276.4815.

Respectfully,



Brenda Clement
Executive Director