



Housing Affordability Commission

February 13, 2025

NEW ENGLAND INSTITUTE OF TECHNOLOGY



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The Market Alone Cannot Fix the ...Housing Crisis

HBR, Collaci an Vaheesan



It's going to take.....
Creativity and Innovation





The Imperative

- **It is in everyone's interest.**
- **Impacts:**
 - **State Economy / Revenue**
 - **Health and Wellness**
 - **Education Outcomes**
 - **Employment**
 - **Societal Wellbeing**
 - **More.....**

A lot Has Been Done

- **Legislative Leadership**
- **Legislative Actions**
- **State and Local Fiscal Recovery Funds – One Time Money**
- **9% LIHTC**

Figure 7
Selected Overlapping Responsibilities Between
Rhode Island State Housing Institutions

Statutory Power	RIHousing	Department of Housing	HRC
Coordinates housing-related activities across state agencies	☑	☑	☑
Allocates housing tax credits	☑	☑	☑
Supports municipal and state planning	☑	☑	☑
Administers homelessness support programs	☑	☑	☑
Administers community revitalization programs	☑	☑	☑
Responsible for conducting research on state housing policy	☑	☑	☑
Administers Rental Assistance Programs	☑	☐	☑
Acquires, holds, operates, rehabilitates, or leases housing projects	☑	☑	☐
Administers Various SFRF Programs	☑	☑	☐

Source: R.I. Gen. Laws; RIHousing; R.I. House Fiscal Advisory Staff

Progress, but Not Enough

Why?

Complicated and Overlapping

- Administrative Agencies
- Permitting Processes
- Funding Sources

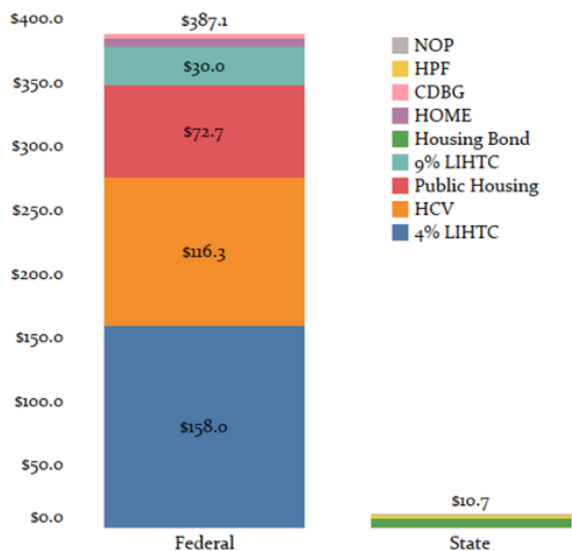
Costs

- Construction
 - Labor Shortage

Land Availability

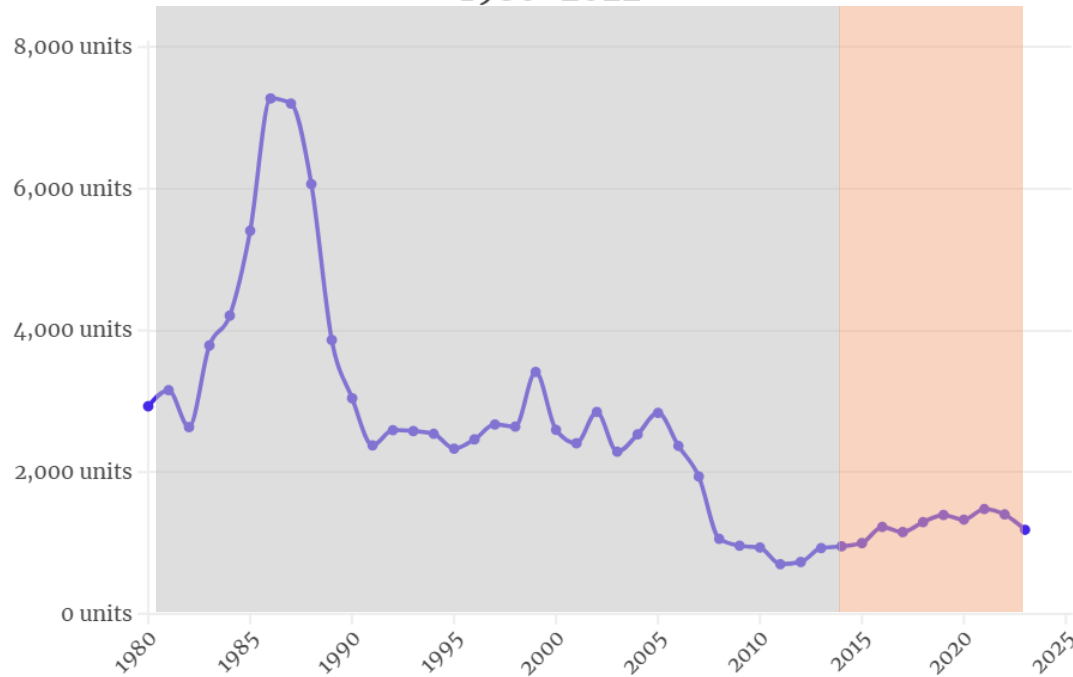
- NIMBYism

Federal vs. State Spending on
Housing in Rhode Island
2023 (\$ Millions)



Housing Production / Housing Costs

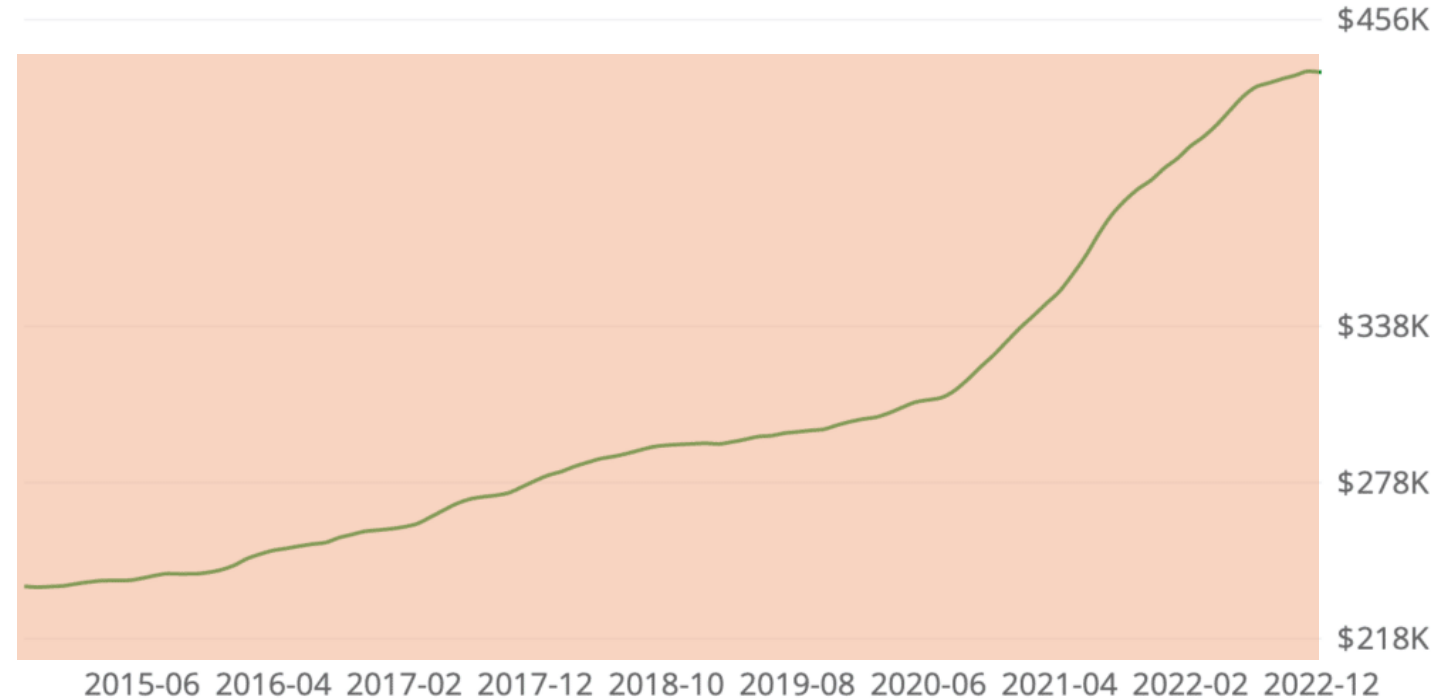
Rhode Island Building Permits
1980-2022



Source: U.S. Department of Housing and Urban Development • Digital graphic created by Target 12



RI



Source: Real Advisor, Ltd.

Rhode Island leaders have allocated more than \$300 million for housing programs recent years, yet the state issued the fewest building permits per capita in the nation in 2023.

According to a Target 12 analysis of data compiled by the U.S. Department of Housing and Urban Development.

Housing Production

	2024	Year to Date					Num of Structures With 5 Units or More
		Total	1 Unit	2 Units	3 and 4 Units	5 Units or More	
United States	1471367	981834	34568	19806	435159	17066	
Northeast Region	142319	59702	5080	3220	74317	3044	
New England Division	36047	17471	1534	926	16116	763	
Connecticut	6499	2116	112	171	4100	151	
Maine	5991	4612	252	113	1014	95	
Massachusetts	14212	5598	552	306	7756	362	
New Hampshire	5092	2991	198	191	1712	87	
Rhode Island	1681	810	308	49	514	15	
Vermont	2572	1344	112	96	1020	53	

Source: Census.gov.

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Moving Forward

**Affordable and Sustainable
Communities**

Pawtucket Central Falls Development

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An aerial photograph of a city, likely Providence, Rhode Island, showing a river, a highway interchange, and various urban buildings. The image is semi-transparent, serving as a background for the text.

Moving Forward

**Policy and Planning
Development Process
Finance
Design and Construction
Accelerated Initiatives**

Moving Forward **Housing**

Task Force

ACCELERATE POSITIVE OUTCOMES

On an Aggressive Schedule

Housing Task Force will have:

- **Responsibility, Authority, Accountability**
- **Reporting to:**
 - **Secretary of Housing**
 - **Legislature**
 - **Governor**

The Housing Task Force will focus on three initiatives simultaneously.

- 1. Initiate a Pilot Project**
- 2. Recommend Streamlining Agencies and Funding**
- 3. Create Actionable Housing Master Plan**

Housing Task Force

- **5 – 7 Potential Members**
 - **Urban/Town Planning and Design**
 - **Construction**
 - **Legal**
 - **Real Estate**
 - **Community Liaison**
 - **RI League of Cities and Towns**

Pilot Project

Utilize Appropriate State or City/Town Owned Land and Structures

- **Proximity to Transit, Schools, Retail, Recreation, Health and Other Services**

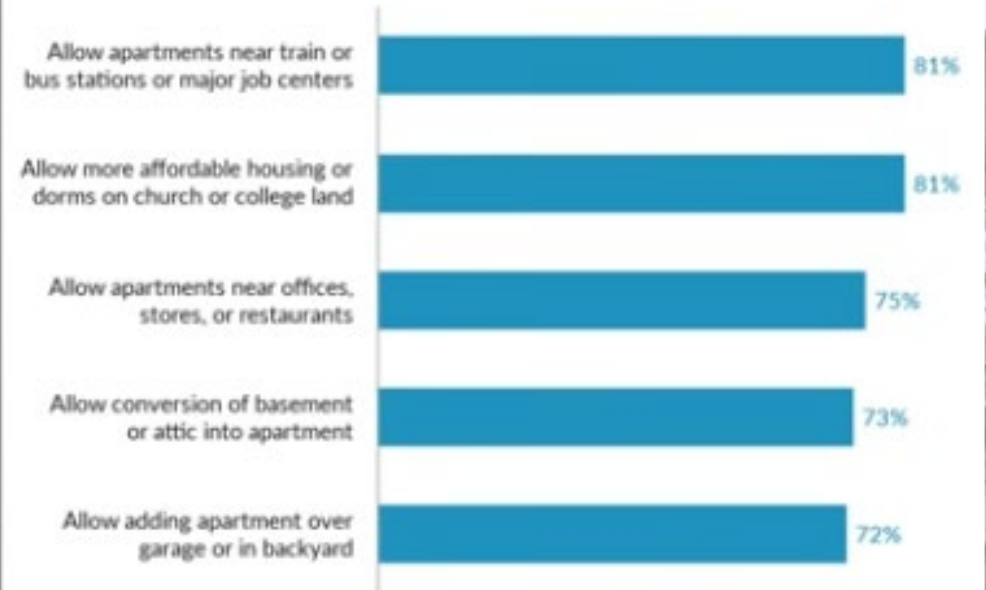
Collaborate with Cities and Towns

- **Transition NIMBY to YIMBY**
 - **Hear People's Thoughts**

Pilot Project

- Transition NIMBY to YIMBY
 - Hear People 's Thoughts

Figure 1
Large Majorities Favor Policies to Allow More Apartments
At least 7 in 10 favor each policy



Notes: See accompanying document for full question wording and methodology.

Source: Nationally representative survey done by Ipsos for The Pew Charitable Trusts, fielded among adults Sept. 8-17, 2023

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Housing Master Plan

Rhode Island Living Communities

- Young Adults
- Older People
- People who are Unhoused
- People with Disabilities
- First Responders
- Teachers
- Veterans

Price Point Ladder (Not Just Affordable)

- Affordable
- Moderate
- Market
- Mixed-use
- Rehabilitation
- ADU

It's going to take.....
Creativity and Innovation

*Examples from Around the
Country*

Finance
Policy

Design and Construction

HOUSING PRODUCTION FUND

**Creative
Financing Strategies**
Around the Country

Montgomery County, MD

HOUSING PRODUCTION FUND

Creative Financing Strategies *Around the Country*

\$100 million revolving fund that provides low-cost construction financing for the development of publicly owned, mixed-income housing.

- **County remains majority equity shareholder.**
- **Loans paid back in 5 years.**

Market priced living units subsidize affordably priced living units.



**Creative
Planning Strategies**
Around the Country

Bonuses

San Diego, CA

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A large-scale construction site featuring a multi-story building under construction. The structure is primarily composed of a steel framework with concrete walls. A prominent yellow tower crane stands in the center, and a white Link-Belt truck-mounted crane is positioned on the right. Several construction workers in high-visibility vests and hard hats are visible on the ground. The sky is clear and blue.

Creative Design & Construction Strategies

Around the Country

Modular Systems

Dimeo Construction

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**Creative
Design & Construction
Strategies**

Around the Country

Volumetric Modular Housing

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**Creative
Design & Construction
Strategies**

Around the Country

3D Printed Houses

24,000 L.U. Labor Shortage

Creative Training Strategies

Title	2022 Average Employment	2032 Projected Employment	Numeric Change	Total Openings Exits	Total Openings Transfers	Total Openings
Construction and Extraction Occupations	24,133	26,556	2,423	8,657	12,509	23,589
<i>Source: Department of Labor and Training</i>						

Even if all other barriers are removed, there is still the issue of elevated cost resulting from limited construction labor.

Increase Labor Pool Recruitment and Training
Assume 2,400 Living Units / Year X 10 Years
5,000 New Jobs
2,000 Indirect and Induced Jobs

Reference: National Association of Home Builders

How can NEIT Help?

- **Construction Labor Force**

- Traditional and Advanced Construction Methodologies
 - Modularization
 - Automation
 - Factory-built Components
 - 3D Printed Houses

- **Planner Technicians (Reduce Permitting Bottleneck)**

- Accelerated Certificates and/or Degrees

- **Reduce the Cost of Attendance**

**Creative
Training
Strategies**

How can Rhode Island Help?

Support

- Recruitment / Marketing
 - High School Programs
 - In-state
 - Out-of-state
 - MA, CT, NY, NJ

Creative Training Strategies

NEIT Laboratory for Affordable and Sustainable Communities

- Establish a Housing Task Force.
- Create an Aggressive Schedule
- Initiate a Pilot Project
- Streamline Agencies and Funding Sources
- Create Actionable Housing Master Plan
- Accelerate Construction Labor Training
- Accelerate Planner Technician Training

Recommendations