

STATE OF RHODE ISLAND



ROUND 1 AWARD: \$3,831,200

Overview: To expand housing supply and lower housing costs, HUD's Office of Community Planning and Development awarded **\$3.8 million to the State of Rhode Island**. This grant funding will be used to identify and remove barriers to affordable housing production and preservation.

Over the past decade, Rhode Island ranked last in the nation for housing production. The State has taken considerable actions to advance housing supply through regulatory reform, housing tax credits, development financing, and housing bonds.

PRO Housing funding will enable Rhode Island to expand its technical assistance, create consistent regulations statewide, and support nonprofit developer capacity.

Inconsistent Regulations and High Costs

- Inconsistent regulations and permitting processes across the State make affordable housing development challenging.
- High land acquisition and construction costs can make it financially challenging for developers to build affordable homes for low- and moderate-income individuals and families.

Aging Housing Stock

- 31% of homes were built in 1939 or earlier, making the State's housing stock some of the oldest in the country.
- 73% of children 5 years old and younger are living in units built prior to 1980, leaving them at an increased risk of lead exposure.

LOCAL BARRIERS TO HOUSING IDENTIFIED BY RHODE ISLAND

RECENT ACTIONS TO BOOST HOUSING SUPPLY LOCALLY

The State of Rhode Island

- Approved a \$65 million housing bond to support the development and preservation of affordable housing and revitalization of blighted properties.
- Established a new annual \$30 million State Housing Tax Credit to complement the federal Low Income Housing Tax Credit.
- In the 2022, passed a package of 10 bills aimed at supporting municipalities in meeting their affordable housing goals — including initiatives to streamline the approval process for developers proposing to build affordable housing and the approval process for building Accessory Dwelling Units.
- Launched the Municipal Technical Assistance Program to support cities and towns increase their local housing production.
- Established a Housing Production Fund, which is expected to generate \$5.7 million annually through restricted receipts.



ANTICIPATED IMPACT OF PRO HOUSING FUNDING

as contemplated in grant application

Expand Rhode Island’s Health Equity Zone Housing Pilot

- Through PRO Housing funding, the State will extend its Health Equity Zone (HEZ) Housing pilot to Bristol and Washington Counties. Through HEZ, community leaders come together to advance equitable, community owned solutions to eliminating existing inequities and improving the social, environmental, and economic barriers that drive persistent poverty and inequality.
- HEZ is a grassroots advocacy and engagement program supported by training and technical assistance to advance the expansion of affordable and permanent supportive housing.

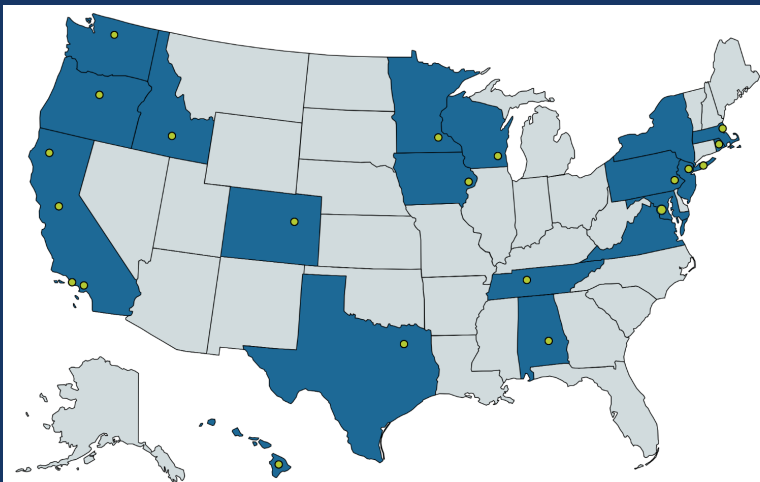
Assess Opportunities for Statewide Regulatory and Building Permit Improvements

- The State will gather experts in land use, planning, and design to provide recommended best practices in regulatory reforms, amend the existing land use toolkits, and create a housing design toolkit for stakeholders.
- Experts will produce findings on successful regulatory reforms to support the State’s Special Housing Commission work to create consistent statewide regulations.

Spur Affordable Housing Development

- The State will provide funding for land acquisition to spur affordable housing development in Bristol and Washington Counties — mitigating two key barriers to housing production: high land acquisition and development costs and lack of resources to incentivize the construction of affordable housing.
- The land acquisition fund will be an important incentive to attract affordable housing developers and to secure properties for redevelopment as affordable housing in an extremely competitive housing market.

HUD AWARDED \$85 MILLION TO 21 APPLICANTS THROUGH ROUND 1 OF THE PRO HOUSING COMPETITION



- PRO Housing provides first-of-its-kind funding to identify and remove barriers to housing production and preservation.
- The competition prioritizes communities that demonstrate an acute need for affordable housing.
- Successful applications demonstrated local actions — such as updates to land use policies, developer incentives, financing, and innovative strategies — to address barriers and boost housing supply.

For more information on CPD’s PRO Housing competition and a complete list of round 1 winners, please visit:
https://www.hud.gov/program_offices/comm_planning/pro_housing

