



**A partner in preserving & expanding deeply affordable housing**

**Presentation to the House of Representatives Special Legislative Commission to Study Housing Affordability**

**May 16, 2023**





# Overview



- Who We Are
- What We Do
- Who We Serve and Our Impact
- Challenges
- Our Future Role in Solving the Crisis



# Who We Are

- 24 municipal PHAs across the state
- RI Housing is voucher administrator for communities without voucher program
- Nonprofits - Gateway and Kent Center have voucher only PHAs serving special populations
- 9,049 public housing units, 10,955 Section 8 vouchers
- Primary source of funding is US Department of Housing and Urban Development (HUD)



Park Holm Apartments, Newport



# Who We Are - Governance



- Established by individual cities and towns under state law
  - RIGL 45-25 - City Housing Authorities
  - RIGL 45-26 Town Housing Authorities
- Most PHAs have five member boards appointed by municipal leaders
  - Cranston, East Providence, Newport, Pawtucket and Woonsocket have 7 members and Providence has 11 members
- Resident Voice – boards have seats reserved for residents (2-3 seats per board)
  - State law also establishes Resident/Tenant Advisory Boards
  - HUD Requires PHAs to consult with Resident Advisory Boards on Annual Plans
- Follow public procurement, open meetings, public record laws



# What We Do

- **Public housing program** – housing authorities own and operate apartments (with federal subsidy) for low-income families, elderly and disabled
- **Section 8 Rental Assistance programs** – housing authorities administer voucher subsidies for very low and extremely low-income tenants in privately owned properties
  - Tenant based and project-based vouchers
- **Special Programs** – Homeownership; Self Sufficiency Programs (education, workforce development); youth programs and health and wellness programs
- **Other Housing programs** - Tax Credit; Other Affordable Housing; Shelter



Meatball Challenge, West Warwick Housing Authority



# Programs

## PUBLIC HOUSING

- Residents pay 30% of their income toward rent and utilities, open to families at/below 80% AMI (but most below 50%)
- HUD provides subsidy for the day-to-day operation of properties and limited capital funding for major repairs
- 9,049 Units Across the State, from Westerly to Woonsocket
- PHAs are required to inspect all units each year
- HUD evaluates and rates PHAs' performance each year through the Public Housing Assessment System (PHAS).



Gallego Court, Pawtucket



# Housing Choice Voucher or Section 8 Program



- Vouchers allow low-income individuals and families to lease units in the private rental market. Families pay 30% of income towards rent & utilities; income limit at admission is 50% of AMI;  $\frac{3}{4}$  must be below 30% AMI.
- Special program vouchers such as VASH, Mainstream/NED, Emergency Housing Vouchers
- PHAs administer rental subsidies called Housing Assistance Payments (HAP) that are paid to landlords (average HAP payment \$907/month)
- PHAs inspect units every year or biannually
- 942 Project Based Vouchers (like tenant based, but they stay with the unit) contracted across the state



# Special Programs – Vary By Agency

- **Family Self-Sufficiency** – work with PH and S8 tenants on education, employment and financial goals. Increased rent payment goes towards escrow received at end of five-year program
- **ROSS** – Service coordination for families (self-sufficiency) and elderly/disabled (aging in place)
- **Homeownership**
  - HUD Homeownership Counseling
  - Section 32 – Public Housing Units
  - Section 8 – Voucher helps pay mortgage
- **Security** – On site security, municipal collaborations
- **Other** – Youth programs, broadband, food and meal programs, more





# Beyond Traditional Public Housing Programs

- **Tax Credit Housing**
  - Coventry
  - East Greenwich
  - Newport
  - Pawtucket
  - Smithfield
- **Project Based Section 8**
  - East Greenwich
  - Newport
  - Pawtucket
- **Shelter and Transitional Housing**
  - Newport
  - Pawtucket



Park Holm Apartments, Newport



# Our Impact

- 34,504 residents housed in Public Housing and Section 8 programs
- Among the most vulnerable in state with average family income \$18,475; 32% youth and 23% elderly
- 942 Project Based Voucher units supporting privately owned affordable housing
- \$88.9M in payments to landlords in 2022 to support Section 8 participants
- PILOT payments to two dozen communities across the state



Burns Court in Pawtucket

## Statewide data being gathered:

- Employment by PHAs
- Construction contracts
- Utility payments



# Our Public Housing Families

- 14,222 residents of public housing
  - 23% are under the age of 18
  - 38% are elderly
  - 42% have a disability
  - 82% White, 13% Black; 1% Asian, 1% Native American, 2% Other
  - 34% Hispanic (may be any race)
  - 17% of all households are female headed households with children
  - 23% of families have employment as a source of income
- Average annual family income is \$18,998
  - 56% of families have incomes below 30% AMI





# Our Section 8 Families



- 20,282 residents served
  - 38% are under 18 years
  - 13% are elderly
  - 45% have a disability
  - Residents identify as 75% White; 19% Black; 2% Native American, 1% Asian, 3% other;
  - 34% Hispanic (may be any race)
  - 39% of all households are female headed households with children
  - 36% of families have employment as a source of income
- Average annual family income is \$18,493
  - At least 75% of participants must have incomes below 30% AMI at admission



# Main Challenges

- Decades long waiting lists – 23,000+ on centralized waiting list
- PHAs don't have a “seat at the table” – but are providers of more than 20,000 housing units and subsidies in RI
- Eviction vs. Mission: Seeking to preserve housing for those who need it but needing to evict at times for matters of safety or unpaid rent
- Backlog of Capital Needs / Maintaining Properties with Insufficient Capital Funds
- Rent Collection Post-COVID
- HUD Oversight and Regulations
- Mental and Behavioral Health Challenges and Limited Supportive Services



# Evictions and Rent Collection

- With Rent Relief RI, many PHAs worked closely with RI Housing to provide support for as many tenants as possible.
- While majority of tenants do pay their rent, since pandemic programs have ended, some tenants have not returned to paying rent consistently
- PHAs programs reduce tenant's rent as soon as they are notified of income reductions
- HUD scores PHAs through PHAS system in part based on rent collection
- HUD now requires 30-day notice before taking tenants to court for nonpayment, as opposed to 14 day for private landlords in RI.
- Behavioral evictions: PHAs must address behavior that jeopardizes public safety – PHAs & Judges cannot require tenants to access services



# Public Housing Capital Needs

- Nationally- **\$23,365 per unit** capital needs backlog in 2011 (\$26 Billion)
  - \$3,155 per unit accrued additional needs each year
- **Public Housing Capital Need in Rhode Island would be \$290 million in 2023 dollars**
- **\$39 million in increased additional needs annually in RI far exceeds annual capital funding of \$26 million (average of just \$1M per PHA)**
- Needs may be higher in RI than national average due to age of housing and high construction costs
- PHAs required by HUD to have all contract work done at prevailing wage





# Our Future Role in Solving Crisis

- PHAs as providers of deeply affordable housing – this needs to be a bigger part of the state’s housing conversation.
- PHAs are dynamic, talented and collaborative and are very unique landlords
  - We can and do develop new affordable housing
  - We have strong connections to our residents and are well positioned to model supportive housing and cross sector planning initiatives with health and education
- PHAs need to preserve our 9,049 current public housing units to provide quality housing and dignity to the important population we serve
- Through Project Based Vouchers, PHAs can self-develop support and partner with CDCs and private developers to produce and preserve affordable housing
- PHAs are uniquely positioned to bring some new HUD resources to the State



# Deeply Affordable Housing

- Whereas tax credit housing primarily serves families at 60-80% of AMI, and workforce housing above that, PHA's are the predominant provider of housing that primarily serve families at the 30-50% AMI and below

Type of Affordable Housing	Income Levels Primarily Served	Incomes for a Family of 3
Public Housing Authorities	0-50% AMI	\$0-\$44,300
Tax Credit*	60-80% AMI	\$53,160-\$70,900
Workforce Housing	80-120% AMI	\$70,900-\$106,120



Arlington Manor, Cranston

\*Tax credit properties are required to serve very low income residents with public housing vouchers, but tax credit rents make these properties out of reach for those without vouchers



**Thank You  
Questions?**

