

# Issue Brief



## Building Homes Rhode Island The Housing Bond: Year Four Status Report

Building Homes Rhode Island (BHRI), the program established by the State's Housing Resources Commission (HRC) to distribute Rhode Island's housing bond, has just awarded its final year of funds. Approved in 2006 by a majority of voters in every city and town, BHRI has made it possible for low- and moderate-income families—many of whom represent critical occupations—to rent or buy a home in Rhode Island.

**In its four years, BHRI helped create 1,255 affordable homes in 30 Rhode Island communities.\*** Since the first funds were distributed in July 2007, \$50 million have been awarded to affordable housing developers through a highly competitive process. This Issue Brief provides detailed information about the homes being built with funds received during the fourth—and final year—of the program (2010).

**As of June 2011, no other funds have been committed by the State to continue funding affordable homes in Rhode Island.**

\* Many BHRI developments are still under construction.



## BHRI and Long-Term Affordable Homes: An Economic Engine

BHRI is a well-designed program that has yielded significant economic benefits to our families and local economies. BHRI developments have allowed the rehabilitation of neglected and foreclosed properties, and encouraged sustainable design and construction, strengthening Rhode Island's green economy while revitalizing neighborhoods blighted by foreclosures.

In April 2010, HousingWorks RI commissioned an econometric impact study that allowed the estimation of the multiplier, or "ripple," effect of BHRI investments. The results were notable. **\$50 million of BHRI investments in Rhode Island have generated about \$800 million in total economic activity, multiplying nearly 16 times throughout our state's economy.<sup>1</sup>** In addition to offering a return of \$16 per \$1 invested, **BHRI has also supported nearly 6,100 jobs in Rhode Island, generating about \$300 million in wages,** which workers use to purchase local goods and services and contribute to municipal and state economies.

Construction activity supported by **BHRI has accounted for 53 percent of the total value of residential construction permitted in Rhode Island from 2007 to 2010.<sup>2</sup>** In Rhode Island, construction and real estate industries have consistently accounted for about one fifth of our gross state product, and one in every 10 jobs in the state belongs to one of these two industries. It is evident that BHRI and affordable home development are key to Rhode Island's economic future.

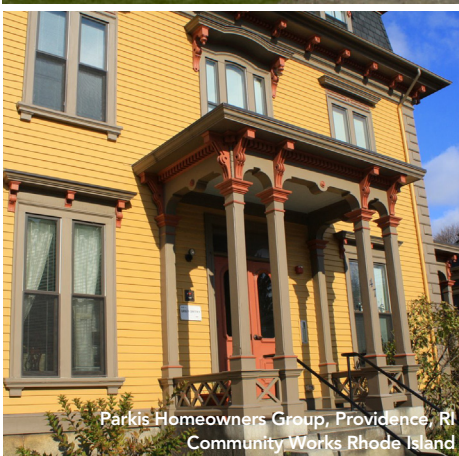
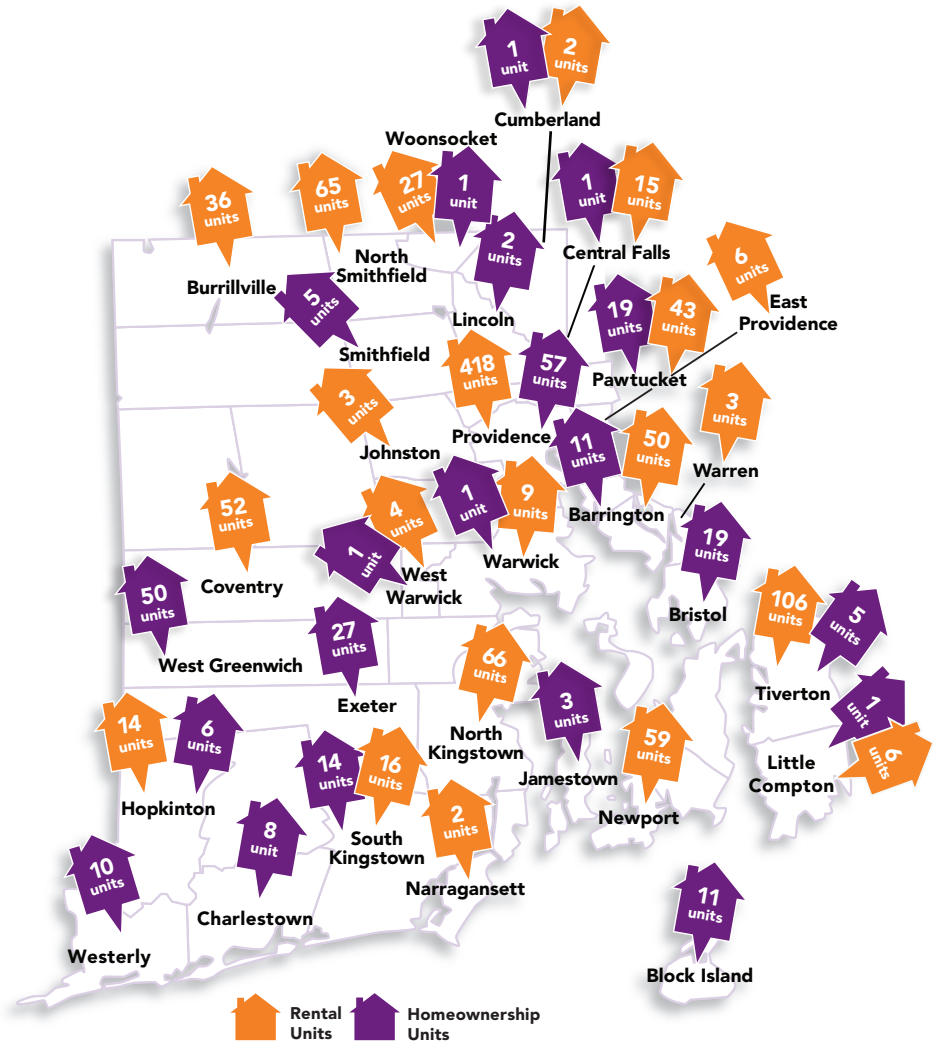
### Funded in 2010: 333 Affordable Apartments

| City/Town        | Description  | Amount of Bond Funding | Number of Bond-Funded Homes                     |
|------------------|--|------------------------|---|
| Central Falls    | <b>11-13 and 15-17 Ledge Street – REACH, Inc.</b><br>Two vacant buildings will be rehabilitated to provide six three-bedroom homes for lease to very low-and low-income households. <sup>3</sup>   | \$390,000              | 6 homes   |
| Central Falls    | <b>112 Cowden Street – REACH, Inc.</b><br>REACH will rehabilitate a vacant, foreclosed three-family property for lease to very low-income households.  | \$195,000              | 3 homes   |
| Central Falls    | <b>43 Garfield Street – REACH, Inc.</b><br>Acquired with a Rhode Island Housing bridge loan, two existing garages will be demolished to construct a new duplex containing two three-bedroom apartments for low-income households.  | \$130,000              | 2 homes   |
| Coventry         | <b>Coventry Meadows – Coventry Housing Associates Corporation</b><br>On four acres of vacant land, the developer will construct eight one-bedroom homes, 20 two-bedroom homes, and 16 three-bedroom homes for lease to low-income households.  | \$2,360,000            | 44 homes  |
| Cumberland       | <b>26 Carpenter Street – Cumberland Housing Authority</b><br>Two vacant, foreclosed properties will be demolished to construct two three-bedroom homes for lease to very low-income households. REACH, Inc. will develop these homes for the Cumberland Housing Authority.   | \$130,000              | 2 homes   |
| Hopkinton        | <b>Rockville Mill – Rockville Mill, LLC</b><br>A historic rope factory and its auxiliary building will be rehabilitated into 14 apartments for low-income households. The Portsmouth Housing Authority is providing 14 project-based vouchers.   | \$129,213              | Additional funds for 14 homes previously funded |
| North Kingstown  | <b>Belleville House – Church Community Housing Corporation</b><br>This is the first phase of a planned 40-home development for very low-income elderly. A former church will be rehabilitated for the first 20 homes.  | \$800,000              | 20 homes  |
| North Smithfield | <b>Marshfield Commons – NeighborWorks® Blackstone River Valley</b><br>One 1-bedroom, 17 two-bedroom, and 20 three-bedroom apartments will be built for low and very low-income households on an infill site in a residential neighborhood. A historic property will also be rehabilitated.   | \$716,529              | 38 homes  |
| Pawtucket        | <b>Belmont Commons – The ARC of Blackstone Valley</b><br>Five one-bedroom and five two-bedroom homes will be built for developmentally disabled, chronically mentally ill, and/or physically challenged very low-income households.  | \$200,000              | 10 homes  |
| Providence       | <b>26 Goddard Street – Smith Hill Community Development Corporation</b><br>A foreclosed three-family property will be rehabilitated to provide three two-bedroom homes for lease to low-income households.   | \$150,000              | 3 homes   |
| Providence       | <b>32 Yale Avenue – Build Green, LLC</b><br>A foreclosed, vacant property will be rehabilitated to provide two two-bedroom and one one-bedroom apartments for lease to very low-income households.   | \$140,000              | 3 homes   |
| Providence       | <b>43 Violet Street – Smith Hill Community Development Corporation</b><br>A foreclosed two-family property will be rehabilitated to provide two two-bedroom homes for lease to low-income households.  | \$100,000              | 2 homes   |
| Providence       | <b>57 Brownell Street – Amos House</b><br>Amos House acquired a fully furnished 14-bedroom rooming house in the Smith Hill area using a short-term Rhode Island Housing bridge loan and State HOME funds. Amos House will provide permanent supportive housing to 13 single adults with one to two children, and one low-income house manager. | \$560,000              | 14 homes  |
| Providence       | <b>Around Public and Friendship – Stop Wasting Abandoned Property (SWAP), Inc.</b><br>SWAP will rehabilitate eight vacant properties, of which three are historic, and construct two new buildings with six new apartments to provide 31 one, two, three, and four-bedroom apartments for very low and low-income households.                  | \$2,190,000            | 37 homes  |
| Providence       | <b>Medina Village Apartments – Omni Development Corp. and Winn Development</b><br>This scattered site development was acquired by Rhode Island Housing and will be sold to the developer to redevelop vacant, deteriorated buildings into 83 one, two, three, and four-bedroom apartments for low and very low-income households.              | \$774,003              | 83 homes  |



## What Has Been Funded from 2007 to 2010?

In its four years, the Building Homes Rhode Island program awarded \$50 million to 110 developments to create 1,255 affordable homes in 30 communities, helping to leverage over \$460 million from private and federal supplementary sources. Of the 1,255 affordable units financed, 1,002 will be rental homes, while 253 will be for homeownership. Bond funds for 2010 (fourth and last year of Building Homes Rhode Island) amount to another \$12.5 million for economic revitalization of our state and its communities through the development of affordable homes.



### Funded in 2010: 333 Affordable Apartments

| City/Town       | Description  | Amount of Bond Funding | Number of Bond-Funded Homes |
|-----------------|--|------------------------|-----------------------------|
| Providence      | <b>Olney Village Apartments – Olneyville Housing Corporation</b><br>OHC will rehabilitate seven foreclosed and abandoned buildings and three other properties. Five new buildings will be built and contain 12 rental units and a food bank. In total, 39 one, two, three and four-bedroom apartments will be provided to low and very low-income households.  | \$163,315              | 39 homes                    |
| South Kingstown | <b>Kenyon Terrace Apartments – Opportunities Unlimited</b><br>A vacant two-building development will be rehabilitated to provide five one-bedroom units and one two-bedroom unit for very low-income households with at least one disabled member. House of Hope CDC will serve as the developer.  | \$250,000              | 6 homes                     |
| Warwick         | <b>34-36 West Street – House of Hope Community Development Corporation</b><br>In this rehabilitation and new-construction development, 11 one-bedroom and three two-bedroom homes will be leased to very low-income veterans who are homeless. A two-story building with two commercial spaces, a police substation, and 12 homes will be constructed. An existing two-family property will be rehabilitated into two one-bedroom homes. | \$130,000              | 2 homes                     |
| Woonsocket      | <b>96 Burnside – NeighborWorks® Blackstone River Valley</b><br>Two vacant foreclosed properties will be rehabilitated to provide 21 one-bedroom and one two-bedroom units of permanent supportive housing for homeless men, including young men aging out of DCYF supervision.   | \$360,000              | 9 homes                     |
| Woonsocket      | <b>Ballou Harris Housing – Ocean State Consortium</b><br>A historic property acquired from the State, this development will provide 10 single-room-occupancy units for homeless veterans. Formerly a group home, this property has been vacant and boarded for over six years.   | \$400,000              | 10 homes                    |

### Funded in 2010: 86 Affordable Ownership Homes

| City/Town   | Description   | Amount of Bond Funding | Number of Bond-Funded Homes |
|-------------|---|------------------------|-----------------------------|
| Charlestown | <b>Edwards Lane – Narragansett Affordable Housing Corporation</b><br>Narragansett AHC will build seven single family three-bedroom homes for sale to moderate-income households. Intended sales price is \$200,000.                                     | \$455,000              | 7 homes                     |
| Cumberland  | <b>39 Duchess Road – Habitat for Humanity, West Bay</b><br>A property will be rehabilitated into a home affordable for 99 years. The home will be sold for \$75,000 to a very low-income family.  | \$65,000               | 1 home                      |
| Jamestown   | <b>Jamestown Ownership – Church Community Housing Corporation</b><br>A house will be rehabilitated and a garage will be demolished to build three three-bedroom homes, which will be sold to low-income families for \$150,000.                         | \$195,000              | 3 homes                     |
| Providence  | <b>10 Tobey Street – Providence Revolving Fund</b><br>A foreclosed single family three-bedroom home will be rehabilitated and sold to a low-income household for \$140,000.   | \$65,000               | 1 home                      |
| Providence  | <b>20 Newcomb Street – Habitat for Humanity, Greater Providence</b><br>A single family four-bedroom home will be built and sold to a very low-income first-time homebuyer for \$125,000.  | \$52,750               | 1 homes                     |
| Providence  | <b>30 and 34 Seabury Street – Habitat for Humanity, Greater Providence</b><br>On a lot acquired from the Providence Redevelopment Agency, two single family four-bedroom homes will be built and sold to very low-income households for \$125,000 each. | \$105,500              | 2 homes                     |
| Providence  | <b>38 Burnside Street – Habitat for Humanity, Greater Providence</b><br>A single family four-bedroom home will be built and sold to a very low-income first-time homebuyer. Sales price is \$125,000.   | \$52,750               | 1 home                      |
| Providence  | <b>38-44 Veazie Street – Habitat for Humanity, Greater Providence</b><br>Two three-bedroom homes will be built and sold for \$125,000 to low-income families.   | \$69,100               | 2 homes                     |



### Funded in 2010: 86 Affordable Ownership Homes

| City/Town       | Description   | Amount of Bond Funding | Number of Bond-Funded Homes                     |
|-----------------|---|------------------------|---|
| Providence      | <b>41 Whitmarsh Street – Providence Revolving Fund</b><br>A single family 3-bedroom home will be rehabilitated and sold to a moderate-income household. This home will be listed with a local realtor.  | \$52,291               | 1 home  |
| Providence      | <b>173 Petteys Avenue – Olneyville Housing Corporation</b><br>OHC will acquire this NSP land-banked foreclosed property and demolish it through the Providence Deconstruction Job Training Program. A single family three-bedroom home will be built and sold to a low-income household for \$140,000.  | \$65,000               | 1 home  |
| Providence      | <b>301 Swan Street – Habitat for Humanity, Greater Providence</b><br>A single family four-bedroom home will be built for sale to a first-time very low-income family for \$125,000.   | \$52,500               | 1 home  |
| Providence      | <b>485 Pine Street – Stop Wasting Abandoned Property (SWAP), Inc.</b><br>A two-family home will be rehabilitated and sold to a low-income household for \$159,000. A rental unit will be included for a very low-income household.  | \$115,000              | 1 home  |
| Providence      | <b>531 Union Avenue – Habitat for Humanity, Greater Providence</b><br>A single family four-bedroom home will be built for sale to a first-time very low-income family. Intended sales price is \$125,000.   | \$37,500               | 1 home  |
| Providence      | <b>669 Public Street – Providence Revolving Fund</b><br>A historic foreclosed duplex will be rehabilitated to provide a home for a low-income household for a sales price of \$122,617. The property will be listed with a local realtor.   | \$50,000               | 1 home  |
| Providence      | <b>Audrey Street Sites – Olneyville Housing Corporation</b><br>Three dilapidated structures will be demolished and a two-bedroom single family home will be rehabilitated. On other lots on Audrey Street, OHC will construct five three-bedroom homes. These homes will be sold to low and very low-income families for prices ranging from \$76,000 to \$115,000. | \$260,000              | 6 homes   |
| Providence      | <b>Townhomes at Trinity Place – Stop Wasting Abandoned Property (SWAP), Inc.</b><br>SWAP was awarded additional funds to maximize the amount regulations will allow for 11 three-bedroom homes. Sales prices will range from \$129,000 to \$139,000 for moderate-income households.   | \$15,000               | Additional funds for 11 homes previously funded |
| South Kingstown | <b>Old North Village – Habitat for Humanity, South County</b><br>A property will be acquired through a property exchange with the University of Rhode Island and four single family homes will be built and sold to low-income households. Prices will range from \$110,000 to \$112,500.   | \$170,000              | 4 homes   |
| Warwick         | <b>101 Shamrock Drive – House of Hope Community Development Corporation</b><br>A vacant single family three-bedroom home will be rehabilitated for sale to a low-income household, with a proposed sales price of \$155,000. The developer intends to list the property with a realtor.   | \$36,453               | 1 home  |
| West Greenwich  | <b>Victory Woods – Stop Wasting Abandoned Property (SWAP), Inc.</b><br>Three-bedroom homes will be built and sold to low and moderate-income households. Prices will range from \$139,900 to \$229,000.   | \$936,160              | 50 homes  |
| West Warwick    | <b>70 Pond Street – Pawtuxet Valley Elderly/Community Housing Corporation</b><br>A vacant, foreclosed three-bedroom single family home will be rehabilitated and sold to a low-income household for \$115,000.  | \$65,000               | 1 home  |



### References

- <sup>1</sup> For detailed information on BHRI's economic impact, see HousingWorks RI's *Special Report: Measuring the Economic Impact of Affordable Housing in Rhode Island*, available at [www.HousingWorksRI.org](http://www.HousingWorksRI.org).
- <sup>2</sup> HousingWorks RI's analysis of U.S. Census Bureau's Manufacturing, Mining, and Construction Statistics building permit data for Rhode Island.
- <sup>3</sup> For a complete table of Area Median Incomes and income limits in Rhode Island, visit [www.RhodeIslandHousing.org](http://www.RhodeIslandHousing.org) or retrieve the PDF from [www.rhodeislandhousing.org/filelibrary/HUD\\_incomes\\_2010.pdf](http://www.rhodeislandhousing.org/filelibrary/HUD_incomes_2010.pdf).

Quality affordable homes for all



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