

City of Providence
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 227

EFFECTIVE March 12, 2018

WHEREAS, In fiscal 2018, the General Assembly took one million dollars (\$1,000,000) from Rhode Island Housing to balance the budget; and

WHEREAS, Governor Raimondo's proposed fiscal 2019 budget is seeking an additional five million dollars (\$5,000,000) from the agency; and

WHEREAS, Previously, Rhode Island Housing has been ordered by the state to transfer funds to the state general fund; and

WHEREAS, In 1991, the agency was ordered to transfer ten million dollars (\$10,000,000) and in 1996, they transferred one million, five hundred thousand dollars (\$1,500,000); and

WHEREAS, Additionally, in 2008, the state requested a transfer of approximately twenty-six million dollars (\$26,000,000) from Rhode Island Housing over the span of two fiscal years, requiring the agency to take out a loan to pay the amount; and

WHEREAS, Continued transfer of these funds from Rhode Island Housing depletes the amount of funds the agency can utilize to support down-payment and closing-cost assistance programs for first-time buyers; and

WHEREAS, Rhode Island Housing plays a pivotal role in supporting affordable homeownership, especially for millennials and senior citizens; and

WHEREAS, According to HousingWorksRI, Rhode Island has the lowest rate of homeownership among the six New England states at 60% and ranks 46th nationally; and

WHEREAS, The number of U.S. households that spend more than half of their income on rent has grown roughly 25% since 2007, according to an analysis by the Joint Center for Housing Studies of Harvard University; and

WHEREAS, HousingWorksRI found that 32% of Rhode Island's homeowners and 51% of its renters spend more than 30% of their income on housing and are considered "housing cost burdened"; and

WHEREAS, In Providence, the situation is even more dire, as data provided by the Office of Healthy Communities shows that in 14 of Providence's 25 neighborhoods, at least 40% of residents face "excessive housing cost burdens"; and

WHEREAS, Funding at a national level is expected to shrink in 2018 as well, with President Trump's fiscal 2019 budget request proposing to cut HUD funding by eight billion eight hundred million dollars (\$8.8 billion), which could lead to a loss of at least 200,000 housing vouchers and "the elimination of public housing resources and funding utilized by state and local governments to address pressing housing needs";

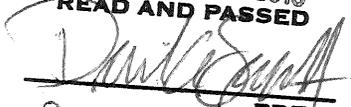
WHEREAS, Depleting Rhode Island Housing funds to balance the state's fiscal 2019 budget impacts the agency's ability to address the dire need for more affordable housing for Rhode Island residents, especially in a period when there are looming cuts at the national level; and

WHEREAS, By finding alternative solutions to balance the budget, Rhode Island Housing will remain able to support Rhode Island homeowners, renters, and landlords afford their homes.

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Providence does hereby respectfully request that the Governor's Office and General Assembly not transfer money from Rhode Island Housing to address projected deficits in the fiscal 2019 budget, but rather seek alternative options to balance the budget.

BE IT FURTHER RESOLVED, That upon passage, copies of this resolution be sent to the Governor and the Providence delegation to the General Assembly.

IN CITY COUNCIL

MAR 01 2018
READ AND PASSED

PRES.

CLERK

Effective without the
Mayor's Signature


Lori L. Hagen
City Clerk