

**Rhode Island Housing
Affirmative Action and
Fair Housing Policy Report
2012-2013**

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Introduction

In accordance with Chapter 42-55-22.2, Rhode Island Housing submits this report to the General Assembly on the measures the agency has taken in 2013 to affirmatively further the policies of Chapter 37 of Title 34 of Rhode Island General Laws (Rhode Island Fair Housing Practices Act), and on the extent of minority participation in Rhode Island Housing's programs in 2012 and 2013.

Rhode Island Housing administers all of its programs and activities related to housing and community development in a manner that affirmatively furthers the policies of the Rhode Island Fair Housing Practices Act. Over time, the specific programs offered by Rhode Island Housing have changed, and some of the programs cited in the statute no longer exist. This report speaks to the current Rhode Island Housing programs and practices.

Recognizing the importance of affirmatively furthering fair housing, Rhode Island Housing plays a leadership role in the state to increase the rates of minority homeownership, and to ensure that minority households have fair access to all affordable homeownership and rental housing programs. Rhode Island Housing has an Affirmative Action Plan that requires it to meet affirmative action guidelines for minority participation in programs as well as in contracts for goods, services, and housing development.

Rhode Island Housing also collaborates with partners across the state to implement the strategies developed to affirmatively further fair housing that are defined in the Analysis of Impediments to Fair Housing report that is required by HUD. In 2009, Rhode Island Housing and the state's Office of Housing and Community Development issued a policy statement asserting the requirement that all housing that meets the state's definition of Low- and Moderate-Income Housing must be affirmatively marketed, including listing on the statewide housing locator website and listings in minority newspapers as well as one of general circulation.

The first section of this report provides an overview of the minority distribution of Rhode Island's population and minority participation in Rhode Island Housing programs. This is followed by a report on the programs and initiatives Rhode Island Housing has developed to increase minority participation in programs and contracting and affirmatively further the policies of Chapter 37 of Title 34. The report concludes with a section that highlights the impediments and barriers to fair housing in Rhode Island.

I. Minority Population in Rhode Island

As illustrated in the table below, Rhode Island’s minority (non-white) population increased 31% from 2000 to 2008-2012, according to the American Community Survey, and now stands at 23.6% of the state’s population. The state’s Hispanic population accounts for more than half of the total minority population, and comprises 12.5% of the state’s total population—over 131,000 persons. The state’s other minority groups also experienced slight increases, but each still comprise significantly fewer persons—African-Americans with 54,595 (5.2%) and Asians with 31,673 (3%). Minority persons in the “Other” category –over 31,000 - were the only minority group to experience a decrease (of 7%) during the same time period.

Table 1: Minority Population in Rhode Island, 2000, 2006-2010 and 2008-2012

Race	2000		2006-2010		2008-2012		Percent Change Since 2000
	Number	Percent	Estimate	Percent	Estimate	Percent	
Non-Hispanic White	858,433	81.9%	818,087	77.4%	803,802	76.4%	-6.4%
Minority Population	189,886	18.1%	238,302	22.6%	248,669	23.6%	31.0%
Hispanic or Latino	90,820	8.7%	124,432	11.8%	131,316	12.5%	44.6%
Black (non-Hispanic)	41,922	4.0%	54,648	5.2%	54,595	5.2%	30.2%
Asian (non-Hispanic)	23,736	2.3%	30,810	2.9%	31,673	3.0%	33.4%
Other (non-Hispanic)	33,408	3.2%	28,412	2.7%	31,085	2.9%	-7.0%

Source: US Census Bureau; 5-year American Community Survey

As in many parts of the nation, the majority of minorities live in the state’s more urban communities. Aggregate racial data is available for all Rhode Island cities and towns using the most recent 5-year American Community Survey estimates. The top three include Central Falls (73.5% minority), Providence (62.6% minority), and Pawtucket (42% minority).

Table 2: Ten Highest Minority Populations in RI Municipalities, 2000 and 2008-2012

RI Municipalities	2000 Minority Population	2008-2012 Minority Population Estimate	Change
Central Falls	60.0%	73.5%	23%
Providence	54.2%	62.6%	15%
Pawtucket	30.9%	42.0%	36%
Woonsocket	20.2%	25.3%	25%
Cranston	12.8%	23.0%	80%
Middletown	12.4%	21.3%	71%
Newport	18.3%	18.8%	3%
East Providence	14.5%	18.5%	28%
North Providence	10.2%	16.8%	65%
Johnston	4.5%	14.7%	224%

Source: US Census Bureau; American Community Survey. See Appendix Table A for all RI Municipalities.

Minority Owners and Renters

Minority households in Rhode Island continue to be under-represented as homeowners and over-represented as renters. In 2000, of the state’s minority population 28% were owners and 72% were renters. By 2012, 33.7% were homeowners and 66.3% were renters. Although there was a period of modest gains during the housing boom years, minority homeownership rates are still roughly half that of non-Hispanic Whites, whose homeownership rate was 67% in 2008-2012.

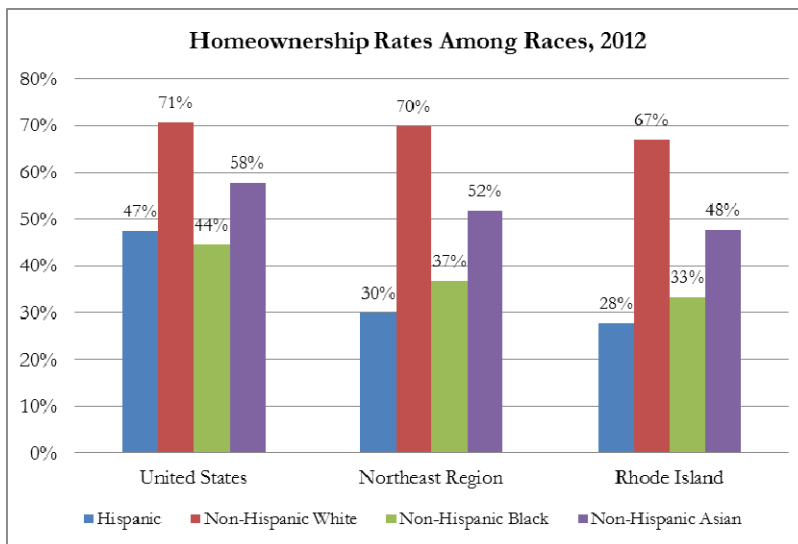
Table 3: Percent of Minorities That Are Renters and Homeowners, 2008-2012
(Municipalities with % Minorities that Rent higher than that of the State are shown).

	% Minorities that Own	% Minorities that Rent
<i>State of Rhode Island</i>	33.7%	66.3%
Woonsocket	19.6%	80.4%
Central Falls	19.7%	80.3%
Newport	21.6%	78.4%
Middletown	21.7%	78.3%
Tiverton town	26.9%	73.1%
Providence	27.1%	72.9%
Pawtucket	29.2%	70.8%
West Warwick	32.1%	67.9%
South Kingstown	32.5%	67.5%

Source: 2008-2012 American Community Survey

Homeownership rates for the state’s major racial or ethnic groups are slightly lower than the Northeast, and also lag behind national rates of homeownership by race, as seen in Figure 1 below. Overall, minority households are less likely to own their own homes in Rhode Island, compared to the non-Hispanic White population. Only 28% of Hispanic households in the state owned their own home in 2012, compared to 33% of African-American households, 48% of Asian households and 67% of Non-Hispanic Whites. Still, rates of homeownership for minority groups have improved over the last decade.

Figure 1: Comparison of Homeownership Rates by Race, 2012

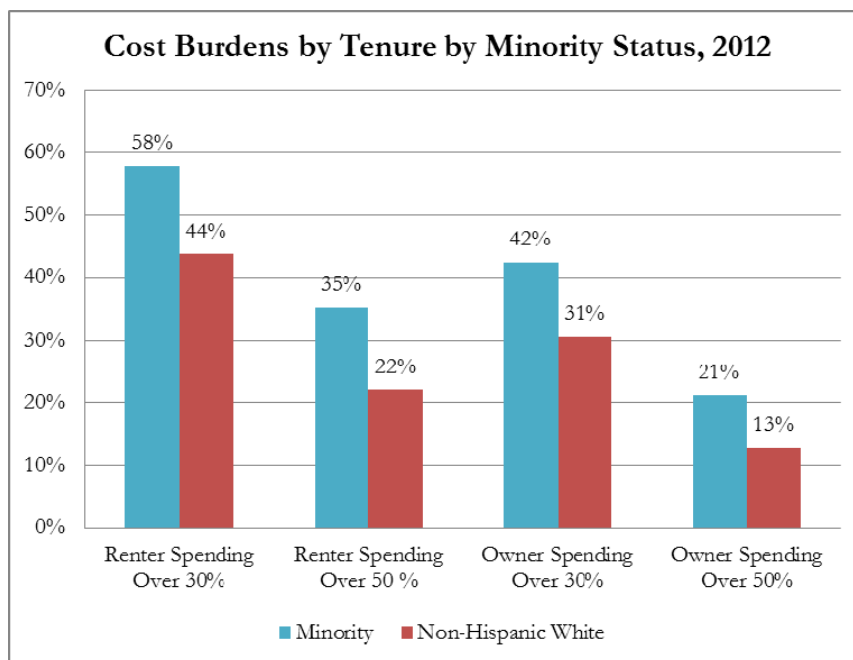


Source: 08-12 ACS

The disparity between minority and white homeownership has been a persistent problem in the United States. A number of federal programs and administrations have sought to address this issue. Some gains made in the earlier part of the decade were lost as a result of the foreclosure crisis, which disproportionately impacted the highest minority Census Tracts. Further compounding the problem of homeownership gains for minorities is the long-term economic downturn, including unemployment. In Rhode Island, the unemployment rate has been persistently high, ranking among the highest states for the past several years. Unemployment rates for minority groups outpace those of the non-Hispanic White population.

At the root of these differences are disparities of income and access to jobs, which in turn creates a disproportionate housing cost burden on minority households. As can be seen in Figure 2 below, minority persons in Rhode Island have higher housing cost burdens than non-Hispanic White Rhode Islanders. In 2012, 58% of minority renters paid over 30% of their income for rent as compared to 44% of non-Hispanic White renters. Likewise, 42% of minority owners paid over 30% of their income on housing costs, compared to 31% of non-Hispanic White owners. Severe housing cost burden, characterized by housing costs measuring half or more of a household's gross monthly income, is also higher for minority renters and owners. As of 2012, there are eight cost-burdened minority households for every five cost-burdened non-Hispanic White households in Rhode Island.

Figure 2: Minority vs. White Rental Cost Burdens in Rhode Island, 2012



Source: HousingWorksRI Analysis of 2012 American Community Survey PUMS files

II. Minority Participation in Rhode Island Housing Programs

Rhode Island Housing's mission encompasses a wide range of housing assistance, from homeowner lending programs and services, to the development and financing of affordable homes, to the administration of programs for homeless and disabled individuals. Rates of minority participation are influenced by the disproportionate representation of minorities in the state's lower income populations. This contributes to an over-representation of minorities in rental subsidy programs and a lower percent of minorities in homeownership programs.

Table 4 shows the rate of minority participation in Rhode Island Housing programs during the years 2012 and 2013. Consistent with their over-representation in the state's lowest income households, the programs that serve the lower income and most vulnerable population's needs (e.g., HOME, Continuum of Care, Housing Choice Vouchers, State Rental Subsidy/RoadHome, Housing Choice Vouchers, HOPWA) also served the largest percentage of minorities.

Table 4: Minority Participation in Rhode Island Housing Programs, 2012-2013

Program	2012			2013		
	Total Households	Number Minority	Percent Minority	Total Households	Number Minority	Percent Minority
HOME	90	54	60%	74	56	75%
Continuum of Care Rental Assistance	173	77	44%	193	46	24%
HOPWA	74	43	59%	71	43	61%
State Rental Subsidy / Road Home	693	505	73%	425	304	72%
Housing Choice Vouchers	1,594	933	59%	1,727	1,011	59%
Continuum of Care - Supportive Housing	741	333	45%	811	414	51%
Home Purchase Mortgages	436	83	19%	489	122	25%

Source: Rhode Island Housing

III. Efforts to Increase Participation

A. HOUSING PROGRAMS

Recognizing the under-representation of minorities as homeowners as well as the concentration of minority groups in certain municipalities and areas of the state, Rhode Island Housing actively promotes minority participation in all its programs and an equitable geographic distribution of affordable homes throughout the state. In addition to an equitable provision of and participation in housing programs, however, Rhode Island Housing continues to promote a diverse staff that is reflective of the state. Twenty-seven percent of its staff is minority and 35 percent is bilingual, which greatly helps in serving those residents with Limited English Proficiency.

Rhode Island Housing's programs include the following:

First Homes/Second Mortgages. Rhode Island Housing's homeownership division provides first-time homebuyer loans, home-equity loans, loans for repair and renovation, and a wide range of homebuyer education programs. Services and programs geared towards potential homeowners who may be more likely to be minority includes: Section 8 to homeownership loans, assistance with purchasing of foreclosed homes by first-time homebuyers, and multi-family homebuyer education classes. In 2013, 119 minority households became first-time homebuyers through Rhode Island Housing, representing 24% of RIH's home originations, up from 18% in 2012 and 19% in 2011. According to data available through the Home Mortgage Disclosure Act, 12% of all new home purchases in the state were to minority households (as of 2012, most recent available data).

HOME In the administration of the HOME Program, Rhode Island Housing encourages an equitable distribution of affordable housing opportunities throughout the state through its application scoring system. Those communities with the lowest percentage of affordable homes receive the highest score in one category. Not only does this increase affordable housing opportunities in those areas with a limited stock of affordable homes, but also it addresses concentrations of affordable housing in inner city neighborhoods. As units are completed, owners are required to advertise the homes in statewide publications as well as minority and ethnic newspapers. All developments containing five or more units must develop an affirmative marketing plan to attract eligible persons from all ethnic, racial, and gender groups. In 2013, Rhode Island Housing completed the development of one affordable home for sale and 73 affordable apartments through HOME. Of the 74 homes created through HOME funds, 75% were occupied by minority households and 15 were built to assure disabled resident access.

Housing Credits/Rental Production The Housing Credit Program (HC) is administered by Rhode Island Housing and is closely coordinated with the allocation of HOME funds as well as other resources. Housing Credit funds are used in combination with other programs, whenever possible, to create new affordable homes in municipalities that have not achieved the state's 10% goal. These funds create more opportunities for affordable homes for minorities who are seeking housing outside the urban core. Rhode Island Housing's Qualified Allocation Plan (QAP) for the HC program highlights the contribution to a municipality's low- and moderate-income housing goal as specific criteria by which applications are measured. In 2013, Rhode Island Housing provided financing for the development and preservation of 733 affordable apartments through the Housing Credit Program. Of the 330 new affordable homes produced since 2010 (for which data is available), approximately 55% are occupied by minority households. However, minority households represent a much higher percent of the occupancy of developments in urban areas than in more suburban communities. Of the 197 new affordable homes produced in urban areas (all Providence), 82% have been occupied by minority families. Of the 117 new homes developed outside of the urban area, only 9% have been occupied by minority families.

Housing Programs for Persons with Disabilities

Rhode Island Housing supports the development of housing for persons with disabilities, and provides financing for programs that promote a wider range of housing options and greater independence for disabled Rhode Islanders. All of the housing financed by Rhode Island Housing is designed and constructed in strict accordance with current requirements of the Fair Housing

Regulations, Americans With Disabilities Act and applicable building codes. When a development consists of over fifteen (15) units, a minimum of five percent (5%) of those units shall be handicapped accessible units as defined by the Uniform Federal Accessibility Standards (UFAS) regardless of the use group exception contained in the Building Code. In addition, at least two percent (2%) of the total units shall be designed accessible to the visual and hearing impaired as defined by UFAS. In all cases, the units shall be designed in order that they can be adapted for use by non-handicapped individuals. In addition, Rhode Island Housing administers a number of programs specifically targeted to assist residents with special needs. Of the 248 new affordable units added to the state's low- to moderate-income housing stock in 2013, 58 are reserved for special needs populations. These homes are developed with permanent supports and services relevant to household needs, and these homes expanded the supply of special needs housing in six Rhode Island communities.

Access Independence. This program is administered by Rhode Island Housing and funded by the state's Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH). Rhode Island Housing provides grants and deferred payment loans to modify homes to accommodate eligible persons with developmental disabilities or persons who are technologically dependent. This can include improvements or modifications to a dwelling for home care and/or mobility needs. In 2012 and 2013 combined, the program approved over \$225,000 in funding to 19 households in 14 different communities.

Housing Opportunities for People with AIDS (HOPWA) HOPWA funding provides housing assistance and related supportive services to persons living with HIV-AIDS. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs. Many beneficiaries receive supportive services that are funded by HOPWA or other related public and private programs. In fact, states and cities leverage approximately two dollars for every one dollar provided by the HOPWA program, according to HUD reports. In 2013, 48 households including persons living with HIV/AIDS were assisted through HOPWA funded programs administered by Rhode Island Housing, of which 61% were minorities, up two percentage points from 2012.

RoadHome. The RoadHome program is a Rhode Island Housing funded program established in 2007 designed to either integrate housing and supportive services for populations who are homeless, or to provide limited cash assistance for those at risk of homelessness. The intent of the Program is to reduce homelessness in Rhode Island. Homeless Rhode Islanders participating in RoadHome rental assistance pay 30% of their income toward their housing costs. The remainder of their rent and a stipend to support the services that must be provided to program participants is paid through the program. In 2013, 386 households accessed RoadHome service enriched rental assistance, of which 72% were minority households, down one percentage point from 2012.

Continuum of Care The Continuum of Care (CoC) is funded by the U.S. Department of Housing and Urban Development (HUD). Each year, Rhode Island Housing submits a competitive application for funding to support a wide array of homeless programs. These programs provide housing and services to Rhode Island's homeless population along a "continuum of care."

In 2013, 23% of all new affordable housing produced was permanent supportive housing. These housing units provide crucial housing and resources to individuals and families that have been, or are at-risk of, homelessness. State-based non-profits such as Operation Stand Down Rhode Island,

Crossroads Rhode Island, Westerly Area Rest Meals (WARM) Inc., the House of Hope CDC, Northern Rhode Island Community Services and the domestic violence protection resource non-profit Sojourner House partnered with Rhode Island Housing to develop new permanent supportive housing in 2013. Another 811 households will be assisted with the renewal of the Continuum of Care's funding, or which 51% will be of minority status, up six percentage points from the previous year.

Shelter Plus Care Also awarded through the state's Continuum of Care application, the Shelter Plus Care Program (S+C) is designed to link rental assistance to supportive services for hard-to-serve homeless persons with disabilities (primarily those who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have acquired immunodeficiency syndrome (AIDS) and related diseases) and their families. The program provides grants to be used for rental assistance for permanent housing for homeless persons with disabilities. Rental assistance grants must be matched by supportive services that are equal in value to the amount of rental assistance and appropriate to the needs of the population to be served. In 2013, 238 homeless and disabled Rhode Islanders (23% minority) received rental assistance connected to supportive services through the Shelter + Care Program, which has been joined with the Continuum of Care grant administration.

Deferred Payment Special Needs Funding Rhode Island Housing established the Deferred Payment Special Needs Funding (formerly known as Special Needs Rental Production Program) in 2006 to provide resources for the production of rental housing for homeless, disabled and/or very low-income individuals and families. Under the program, Rhode Island Housing provides amortizing and deferred loans to developers for the acquisition and development of housing with supportive services for special needs populations. All projects must include a Service Plan ensuring that Social Services will be provided to residents of these developments. Social services are not funded by the program.

Thresholds The Thresholds program, funded by the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH) and administered by Rhode Island Housing, provides approximately \$1 million annually in capital funds for the development of affordable homes for people with mental disabilities. In 2009, Thresholds was expanded to include housing for persons with developmental disabilities. Funding is usually coupled with other capital and operating funds to ensure affordability for the residents. In 2013, 21 affordable homes for persons with physical or mental disabilities received financing through the Thresholds program.

B. RESPONSE TO FORECLOSURE CRISIS

Neighborhood Revitalization. The ongoing foreclosure crisis has brought new urgency to revitalization of distressed neighborhoods, which has been a priority for Rhode Island Housing for many years. The majority of foreclosures have occurred in predominately low-moderate income neighborhoods with a higher percentage of minority residents.

Rhode Island quickly used the funding of \$19.6 million it received under the Housing and Economic Recovery Act of 2008 (HERA), Neighborhood Stabilization Program (NSP). Administered jointly by the RI Office of Housing and Community Development and Rhode Island Housing, the program's purpose is to assist in the redevelopment of abandoned and foreclosed homes and stabilize at-risk communities. Since 2008, the Neighborhood Stabilization Program has been the

source of more than \$26 million in funds to acquire, rehabilitate, or land bank homes. To date, the Rhode Island Neighborhood Stabilization Program has played a pivotal role in more than 300 families finding new homes and revitalizing neighborhoods around the state.

Rhode Island Housing and the Office of Housing and Community Development were jointly responsible for administering \$19.6 million in Neighborhood Stabilization Program (NSP 1) funding to assist in the revitalization of neighborhoods through the acquisition and redevelopment of foreclosed properties in targeted communities throughout the state.

Following the announcement in September 2010 of an additional \$6.3 million in NSP 3 funds (\$5 million in NSP funds for the state and \$1.3 million to the City of Providence) Rhode Island Housing and the Office of Housing and Community Development crafted a draft action plan for the funds. In 2012, \$1,402,079 of NSP 1 and NSP 3 unexpended and program income funds were awarded to create 30 affordable homes in five communities.

In addition to NSP, however, many of the state and Rhode Island Housing administered housing development financing programs are currently prioritizing redevelopment of foreclosed properties. There have been major revitalization efforts underway in Pawtucket and in three Providence neighborhoods particularly hard hit by the crisis, Smith Hill, Olneyville and the West End.

HelpCenter

The foreclosure crisis continues to plague Rhode Island neighborhoods, particularly in the state's most urban communities. Rhode Island Housing opened the HelpCenter in November 2007 to help struggling homeowners keep their homes. The HelpCenter is a HUD-approved counseling center designed to provide counseling and education to help Rhode Islanders avoid foreclosure or cope with the loss of their home; make safe, informed decisions about finding an affordable mortgage; and make sense of their existing mortgage. The Center is designed to help clients understand their options, and provide resources and referrals to help with each individual's situation.

Since opening in November 2007, more than 15,000 households have contacted the HelpCenter and nearly 10,000 have received counseling services. Each client receives an average of six hours of one-on-one counseling, plus many more hours of staff time devoted to the negotiation of the workout. Of the nearly 10,000 closed cases, approximately 50% have had resolutions that involved keeping the home. The profile of these households is reflective of Rhode Island Housing's mission of serving low- and moderate-income households in diverse markets: 72% of the households have incomes under \$60,000/yr, and 24% speak Spanish as their first language. The HelpCenter is supported by federal funds awarded through NeighborWorks America National Foreclosure Mitigation Counseling grant. In March of 2014, Rhode Island Housing was awarded \$492,000 for Round 8, which is the largest contributor to funding the operations of the HelpCenter. The Help Center is also supported with funding from the Attorney General's Mortgage Settlement.

Hardest Hit Fund Rhode Island

The U.S. Treasury has made available to Rhode Islanders \$80 million to help those at risk of losing their homes. Rhode Island Housing was designated by the Treasury to oversee the Hardest Hit Fund Rhode Island (HHFRI). The goal of HHFRI was to prevent avoidable foreclosures by helping homeowners who are unable to make their mortgage payments due to a hardship such as job loss or underemployment. Hardest Hit funds were available to homeowners who had a documented financial hardship, and had exhausted all options to maintain mortgage payments and avoid

foreclosure. From the program's inception it was revised five times through program amendments approved by Treasury to meet the needs of more Rhode Island homeowners. By the end of 2013, there were more than 5,300 registered applicants. Rhode Island Housing stopped accepting applications as of the end of January 2013 after committing the state's full allotment of funds to assist homeowners. Of the 3,341 funded loans, 733 (24%) were to minority households.

Foreclosure Mediation Law

A new statewide foreclosure mediation law spearheaded by Attorney General Peter Kilmartin and passed by the General Assembly in 2013 has already seen positive results in keeping more Rhode Islanders in their homes. Modeled after a foreclosure mediation process already in place in five Rhode Island municipalities – Providence, Warwick, East Providence, Warren and Cranston – the statewide law has expanded the mediation process to all Rhode Island cities and towns. The new law is important as it establishes a consistent, statewide process for helping Rhode Island homeowners avoid foreclosure. In 2013, 365 at-risk homeowners were reached through the foreclosure mediation program, resulting in 93% of homeowners avoiding foreclosure.

C. AFFIRMATIVELY FURTHERING FAIR HOUSING

HomeLocatorRI.net

Rhode Island Housing and its partners established a web-based housing locator in 2008 to help Rhode Islanders search for a home that is affordable to them. Some of the key features include a live call-center to provide assistance to people seeking housing or posting affordable homes, a user-friendly on-line search site available in Spanish and English, and special tools to help agencies serving the homeless link their clients to permanent supportive housing.

The system allows consumers to access through the Internet a search for available homes by various features including location, price, proximity to public transportation and handicapped accessibility. During these years of the foreclosure crisis, the system has been increasingly useful to help displaced families find safe, affordable homes to which they can relocate. Currently, there are 5,379 available homes listed on the system. During 2013, 13,738 users conducted 50,919 searches on HomeLocatorRI.net.

Policy on Affirmative Fair Marketing

Building on actions taken during the past five years, the state continues to affirmatively further fair housing through a 2009 joint policy on Affirmative Marketing of Low- and Moderate-Income Housing between the Office of Housing and Community Development and Rhode Island Housing. The policy affirms the agency goals pertaining to two legal obligations: to not discriminate in making publicly subsidized low- and moderate-income housing accessible to all eligible Rhode Islanders, including a prohibition on creating a "disparate impact" on various protected groups and to affirmatively further fair housing.

Rhode Island Housing's homeowner and rental production programs affirmatively further fair housing through a marketing strategy that targets underserved and minority populations in the state. As affordable homes are completed, owners are required to advertise them in minority and ethnic publications and posting them on a free on-line housing locator website (HomeLocatorRI.net) to ensure that all protected groups are informed of the availability of affordable homes. All projects containing five or more affordable homes must develop an affirmative marketing plan to attract

eligible persons from all ethnic, racial and gender groups. Programs are also evaluated to determine the extent to which they are meeting the needs of minority communities.

Most recently, Rhode Island Housing collaborated with the state's realtors on a grant to provide education and professional technical assistance on affirmatively furthering fair housing in the private real estate industry, with a series of workshops that was launched in spring of 2011 and continues today.

Rhode Island Housing was very successful in delivering financial assistance to eligible low- and moderate-income buyers this past year. During 2013, Rhode Island Housing and its partners originated mortgages for 489 low- and moderate-income Rhode Island households totaling \$71,938,371 to purchase affordable homes, which is up 12% from 2012 and 28% from 2011. An additional \$3,672,545 helped 419 of these households achieve their dream of homeownership with second mortgages.

Streamlined Permitting Process

The enactment of the Low and Moderate Income Housing Act in 1991 provided a streamlined permitting process for the development of affordable homes in communities in which less than 10 percent of all housing units are reserved for low and moderate-income persons. Per the Rhode Island Low and Moderate Income Housing Act, if a permit is denied or approved with conditions that make a proposal infeasible, the Zoning Board's decision may be appealed to the State Housing Appeals Board (SHAB). These cases are reviewed by SHAB, and remanded back to local boards for further review and approval if necessary.

During 2002, the Act was amended to allow for-profit developers to seek comprehensive permits for both rental and homeownership units. Although meeting the 10 percent threshold is not a legislative mandate, the Act has prompted tremendous public attention on how communities can respond to the housing needs of their low-income residents in a more deliberate and conscientious manner. When the amended law was passed, ten communities had exceeded or were otherwise exempt from the threshold. In 2004, the Act was further amended to place a heavier emphasis on strategic housing planning by all Rhode Island cities and towns. As required under the changes to the Law, the 29 communities that did not meet the 10% goal or the alternate rental formula submitted Affordable Housing Plans laying out strategies for achieving 10% affordable homes. By 2006, all of these plans had been approved by the Office of Statewide Planning. At the end of 2009, one of the 29 communities had also achieved its 10% goal—New Shoreham (better known as Block Island). In 2013, five of these communities increased their supply of long-term affordable homes. Since 2003, 64% of the 1,693 new affordable homes developed in the State were in non-exempt communities outside of the urban core. Overall, these non-exempt communities have increased their stock of affordable housing by 38% in the past ten years. Exempt communities, during that same time period, yielded an increase of 17% of affordable homes.

D. EDUCATION AND OUTREACH

Education and outreach play an integral role in Rhode Island Housing's mission to provide affordable housing assistance to residents of the state, many of whom are minority and lower-income. All of Rhode Island Housing's media and outreach campaigns are produced in English and

Spanish and most heavily promoted in the urban core and urban ring cities, where a significant majority of the state's minority population resides.

Pre-purchase Homebuyer Education and Counseling

An important avenue to increase the percentage of minority homeownership is through the provision of homebuyer group education and individual counseling. In classes, prospective homebuyers learn about the home buying process and the many responsibilities homeownership entails. In individual counseling, clients work one-on-one to improve their credit standing to become mortgage-ready. Recent research shows that homebuyers who attend group education and receive individual counseling are less likely to end up with unsafe mortgages and thereby enjoy more sustainable homeownership.

Our Homeownership staff taught in-person homebuyer education classes to 791 Rhode Island families and individuals, of which 352 took the class as a requirement of a Rhode Island Housing loan being in process. Additionally, we funded the Housing Network of Rhode Island through HUD and NeighborWorks America grants to provide classes to another 862 potential homebuyers. Rhode Island Housing also broadened in-person homebuyer education to include new locations to meet the needs of more prospective homebuyers.

Also, to make the homebuying process easier for state residents, Rhode Island Housing has launched online homebuyer education using the eHome America platform, providing convenient, online classes in English and Spanish.

FairHousingRI.org

Fair Housing Rhode Island is a statewide coordinated campaign administered by Rhode Island Housing and its community partners. The Campaign's goal is to raise awareness about state and federal fair housing rights and responsibilities and to provide a central fair housing resource center.

A website was created in 2007 to assist in providing outreach and information and training to renters and homebuyers, developers, organizations, and cities and towns. The website provides a link to a Fair Housing Technical Assistance Guide, providing extensive information of Fair Housing Laws and Affirmative Fair Housing responsibilities in Rhode Island, and acting as a toolkit for the housing community. The guide was funded and approved by HUD's Office of Fair Housing.

Affirmative Action Awards and Reporting

Since 1989, Rhode Island Housing has provided an Affirmative Action Award to housing developers that show a commitment to diversity by hiring women and minority contractors and subcontractors on construction projects that receive state financing. The most recent Affirmative Action Award recipients were Community Works Rhode Island and Stand Corporation for their work on Parkis Historic Properties, and Edward A. Fish Associates, LLC and Dellbrook Construction for their work on Coddington Point. The work at Parkis Historic Properties logged \$516,579 in MBE/WBE dollars (20.5%) and the work at Coddington Point included 17,273 MBE/WBE hours (50.2%). Both companies are committed to ensuring that women and minority workers are given important roles in development projects.

Increasing Minority Business Enterprise Participation

Rhode Island Housing promotes the use of minority and women-owned businesses in all of the developments we finance. Requests for Proposals encourage applications from these businesses, and

all recipients of development financing have a goal of achieving at least 10% participation by minority- or women-owned businesses or minority workers in the development work.

IV. Rhode Island Impediments to Fair Housing

States and local jurisdictions receiving Federal CDBG or HOME funds must ensure that they comply with the Fair Housing Act by conducting an Analysis of Impediments (AI). The AI is based on a public planning process that includes analysis of both public and private impediments.

Rhode Island's AI identifies a number of impediments and issues that persons in Rhode Island may face when seeking housing. The document also outlined several strategies and action steps for overcoming the impediments. Impediments identified included problems faced by immigrant populations; jurisdictional and program delivery barriers; concentration of assisted housing; lead paint; lending practices; and residential segregation and employment suburbanization. As part of the state's Sustainable Communities grant, the Office of Housing and Community Development is working on a new statewide Analysis of Impediments which is to coincide with a new state Housing Plan, to be completed by the end of 2014.

During the Fair Housing Focus Group for the most recent Consolidated Plan, concerns included the following: increased silent or subtle discrimination; majority concentration of minorities in some areas; and the increase in non-print advertising which is more difficult to monitor for discriminatory practices. Strategies identified in the Consolidated Plan 2010-2015 to help overcome these impediments include: streamlining the regulatory process for development of affordable homes, particularly in areas that are consistent with *Land Use 2025*, smart growth and KeepSpace principles; improvement of collaboration of state and local agencies in the review and approval for the development of affordable homes; promotion of affirmative marketing strategies; and provision of training, resources and information to elected officials, PHAs, developers, and the public about fair housing.

Rhode Island Housing is committed to working with stakeholders, fair housing enforcement agencies, and housing-related organizations to mitigate housing impediments, through the Consolidated Plan and Analysis of Impediments processes, and on an on-going basis through programmatic goals by providing technical assistance and guidance to municipalities and citizens on matters related to fair housing. However, it should be noted that many impediments and their cause, take place at the local level and are outside the control of the state.

Appendix A: Minority Population in Rhode Island Municipalities, 2000 and 2008-2012

RI Municipalities	2000 Minority Population	2008-2012 Minority Population Estimate	Change
Central Falls	60.0%	73.5%	23%
Providence	54.2%	62.6%	15%
Pawtucket	30.9%	42.0%	36%
Woonsocket	20.2%	25.3%	25%
Cranston	12.8%	23.0%	80%
Middletown	12.4%	21.3%	71%
Newport	18.3%	18.8%	3%
East Providence	14.5%	18.5%	28%
North Providence	10.2%	16.8%	65%
Johnston	4.5%	14.7%	224%
West Warwick	7.7%	13.0%	69%
Lincoln	5.6%	11.2%	101%
South Kingstown	9.6%	10.8%	13%
Warwick	5.7%	9.7%	70%
Barrington	4.3%	8.9%	105%
Smithfield	3.3%	8.6%	159%
Westerly	5.6%	8.2%	44%
North Kingstown	5.3%	8.1%	53%
Foster	3.2%	7.6%	140%
Portsmouth	5.1%	7.2%	40%
Cumberland	4.5%	6.9%	52%
East Greenwich	4.9%	6.8%	37%
Exeter	4.5%	6.8%	51%
Hopkinton	3.9%	6.3%	62%
Jamestown	3.1%	5.8%	90%
Richmond	3.8%	5.7%	49%
Burrillville	2.0%	5.3%	161%
Charlestown	4.3%	5.1%	19%
Warren	3.8%	5.0%	33%
North Smithfield	2.0%	4.3%	112%
Bristol	3.7%	4.0%	6%
Narragansett	5.0%	4.0%	-20%
Coventry	3.2%	3.8%	21%
West Greenwich	2.7%	3.7%	38%
New Shoreham	3.1%	3.7%	21%
Scituate	2.4%	3.5%	46%
Little Compton	2.0%	2.7%	36%
Tiverton	2.4%	2.1%	-11%
Glocester	2.1%	2.0%	-3%

Sources

2000: SF1, US Decennial Census; 2008-2012: American Community Survey, Table B03002