



2013 Annual Awards Entry Form
(Complete one for each entry.)

Entry Name From Foreclosure to Forefront

Fill out the entry name *exactly* as you want it listed in the awards program.

HFA _____

Submission Contact Mary Kate Harrington, Communications/Public Information Specialist

Phone 401-450-1356

Email mharrington@rhodeislandhousing.org

Program Contact Anne Berman, Asst. Director of Development

Phone 401-457-1269

Email aberman@rhodeislandhousing.org

Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013.**

Use this header on the upper right corner of each page.

HFA _____

Entry Name _____

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input checked="" type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

From Foreclosure to Forefront Rental Housing: Encouraging New Production

Introduction

Like many states, Rhode Island has experienced a record high number of foreclosures since the housing market crash and onset of the recession. Since 2007, for 15 consecutive quarters, Rhode Island consistently ranked worst in New England for foreclosure initiations and seriously delinquent loans. With multi-family properties making up close to one third of Rhode Island's actual foreclosures, many renters have been impacted by the threat of eviction, and over 6,300 rental homes have been lost. The increased demand for apartments, coupled with a decreased supply, has made affording a quality rental home much harder for Rhode Islanders.

Impact on Renters

Rhode Island's foreclosure crisis has significantly affected renters in the state due to the large share of multi-family properties that have been foreclosed. Nearly one third of the residential foreclosure deeds filed from 2009 through 2011 were multi-family homes, the bulk being in the state's urban core. In our capital city of Providence, multi-family foreclosures represented 63 percent of the city's total. Each multi-family foreclosure affects multiple rental homes, which in turn threatens tenants with possible eviction. For every multi-family property foreclosed, approximately two to three families find themselves without shelter.

The high rates of multifamily foreclosures in the state have resulted in the rental housing market becoming one of the most vulnerable segments of our economy. 40 percent of Rhode Islanders rent their homes and 1 in 4 of those renters are extremely cost burdened, spending more than 50 percent of their income on housing expenses [*HousingWorks RI Foreclosure Report*].

These conditions result in deteriorating and blighted neighborhoods and a limited supply of rental homes for Rhode Islanders. In response, Rhode Island Housing has developed a program to effectively rehabilitate foreclosed properties as safe, quality, affordable homes for renters.

Communities in Crisis

No community in Rhode Island has been immune to the volatile housing market, but foreclosures affect communities differently depending on the location of those foreclosures. For example, in the state's urban communities, high concentrations of foreclosures can blight entire neighborhoods with boarded up buildings. In a more suburban municipality, foreclosures may be less visible, scattered throughout the community.

The Olneyville and Smith Hill neighborhoods in Providence have been particularly hard hit by the foreclosure crisis. Both are urban neighborhoods comprised predominantly of renters. An estimated 20% of households in Olneyville and Smith Hill own their homes compared to 62.7% of households in Rhode Island. In fact, analysis by the Boston Federal Reserve Bank ranks ZIP codes by the degree to which they require stabilization work to recover from foreclosures. It places Olneyville's ZIP code (02909) as the neediest ZIP code in the state, with 145 foreclosed properties as of March 2009.

Both communities' housing stock are predominantly multifamily, with only 11% of housing units in single family homes, per 2009 estimates. As of the second quarter of 2009, Postal Service vacancy data shows 315 vacant addresses in the neighborhood, or 11% of all addresses served, compared to 3.6% of all addresses in Providence County that are vacant [*LLSC Our Neighborhoods Community Contract: Olneyville, 2010*].

Stabilizing Local Communities

Recognizing the increasingly negative impact foreclosures were having not just on these neighborhoods, but in communities all across our state, this HFA decided to take decisive steps to stabilize communities from the effects of foreclosures by partnering with local Community Development Corporations and others to assist in the purchase and rehabilitation of foreclosed properties throughout the state. We determined that proactive action would grow our state's supply of long-term affordable rental homes and investment in affordable housing programs would help the state emerge from the foreclosure crisis economically stronger.

Partnerships in Action: It Takes a Village to Make a Village

Hard hit by the foreclosure crisis, Olneyville and Smith Hill have been experiencing rebirths due in large part to the efforts of key partners, including Olneyville Housing Corporation (OHC) and Smith Hill CDC (SHCDC), Rhode Island Housing, RI LISC, funders, local service providers, nonprofits and an active and engaged community. Community engagement has resulted in neighborhood priorities and specific project implementation strategies, including the rehabilitation and transformation of distressed and foreclosed properties into attractive new homes and storefronts. Community members, nonprofits partners, local businesses and other have identified addressing the large number of foreclosures in the neighborhood as a priority.

Case Studies

Olney Village Apartments

The Olney Village development successfully utilizes foreclosed and abandoned properties and stabilizes the neighborhood. This development is a key element of OHC's efforts to significantly stabilize the core residential section of Olneyville – particularly the area around a local school and recreation center, which was particularly hard hit by the foreclosure crisis. Using the school as the focal point for investment reassured families that the community recognized the value of education and ensured a safe and secure environment for the children walking to and attending the school. Investing in the area around the school would make parents feel more comfortable letting their children walk to school and allow residents to feel pride in their community.

Rhode Island Housing worked in concert with OHC to identify key properties in our Land Bank and the Neighborhood Stabilization Program Land Bank that could be purchased and rehabilitated as a part of Olney Village. Olney Village encompasses properties on six blocks all of which were strategically chosen to enhance the impact of previous developments made by OHC and Rhode Island Housing.

Furthermore, by targeting derelict properties along walking routes to school, particularly at corners and other high impact locations, Olney Village has been able to increase its strength as a stabilizing force on the neighborhood and the balance of surrounding properties.

In total, eleven buildings were substantially renovated, including seven which had previously been foreclosed upon, and five new buildings were constructed to provide new affordable homes for forty families at 50 – 60% Area Median Income. Attesting to the great need for quality rental housing in this community, each home had a rental agreement signed within days of its completion.

Smith Hill Visions II

Visions II is the landmark redevelopment of foreclosed and abandoned properties within the historic Smith Hill neighborhood. Developed by SHCDC and a for profit developer, the development has dramatically improved the overall quality of life within the neighborhood by successfully rehabilitating 19 historic properties and creating 52 units of desperately-needed safe, affordable family housing while revitalizing important urban streetscapes.

Sited at a critical location adjacent to downtown Providence, this development joins a constellation of historic preservation/ affordable housing and emerging commercial developments in the neighborhood — the cumulative impact of these developments is forging a healthy and sustainable community. Existing properties have been substantially rehabilitated and the new construction complements the design and quality of recent improvements to the area made by the CDC. The development has had a tremendous impact on the surrounding neighborhood: these new homes are in addition to over 160 previously constructed homes built by Smith Hill CDC over the past 20 years. The new affordable rental homes have restored vitality to a neighborhood once plagued by abandoned, foreclosed properties.

More than Four Walls and a Roof

Partners and community residents identified a need to invest in community spaces and nonprofits, which were already positive contributors to the neighborhood, but had too been negatively impacted by poor economic conditions and increased need from residents. At Olney Village, three community spaces, two of which are for cherished neighborhood institutions, were created as part of this development. In Smith Hill, the development enhances existing recreational space as well as the area adjacent public school.

The **Manton Avenue Project (MAP)** is a youth arts program that provides after school activities in the creative arts. MAP moved into its new space in the Olney Village development, a building that had been vacant for more than a decade but now provides homes for four families as well as a first floor clubhouse.

The **Olneyville Food Center** is a new food bank on the first floor of a newly constructed building which provides emergency food to over 7,000 families each month and occupies 1,900 square feet in a newly constructed mixed use building located along a bus route. The food pantry's move into its new headquarters was culmination of three years of waiting for a permanent home.

Outcomes

The success of Olney Village and Visions II are greatly attributed to the many different housing advocates who teamed together in providing funding to make the development possible. Among the funding sources were Rhode Island Housing financing, HOME funds, Neighborhood Stabilization Program (NSP), the voter-supported housing bond, Building Homes Rhode Island (BHRI), the City of Providence, National Equity Fund and TD Bank. Predevelopment funds were provided by LISC Rhode Island.

Spearheaded by local community development corporations, these developments mitigate the severe shortage of affordable housing in Providence, and in these neighborhoods in particular. Each of these developments was fully leased the day they opened which is a testament to the need for affordable housing and the desirability of the neighborhoods. Both directly address the needs of the community while stimulating additional neighborhood revitalization. Importantly, both Olney Village and Visions II address longstanding economic challenges in these neighborhoods including the renovation of foreclosed and abandoned properties. These initiatives help to rebuild and revitalize our communities, while strengthening our economy.



Rhode Island Housing
working together to bring you home



Matters

Fall 2012

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Community engagement supports affordable homes & saves an important food pantry in Olneyville



Lorraine Burns stands by the wood and foundation that will be transformed into new apartments and a new home for St. Teresa's Food Pantry. Located at the corner of Pope Street and Manton Avenue, the new building will be mixed use, continuing the neighborhood's tradition and architecture with apartments above street level storefronts and on vacant lots. Funds from long-term affordable housing bonds were combined with other federal and state sources in the development of 40 new homes in 15 buildings throughout Olneyville.

Story continued on Page 5



Cutting the ribbon on 52 safe and healthy affordable homes on Smith Hill early in the summer was the culmination of Visions II – a community revitalization and rehabilitation joint venture between SHCDC and Dimeo Properties. Funds from the 2006 bond Building Homes Rhode Island helped to make these homes come to fruition. Participants in the ceremonial ribbon cutting were, from left: Senator Sheldon Whitehouse; Governor Lincoln Chafee; Carrie Zaslow, RI LISC; Francis Smith, Smith Hill CDC; Paul Dimeo, Dimeo Properties; Representative James Langevin; Barbara Fields, New England HUD; Representative David Cicilline; Richard Godfrey, Rhode Island Housing; Providence City Councilman Terrence Hassett and Senator Jack Reed.

Community



Community Partner

Community engagement supports affordable homes & saves an important food pantry in Olneyville

Continued from front cover

Lorraine Burns stood next to the newly constructed foundation of what will eventually house the new headquarters for St. Teresa's Food Pantry at the corner of Manton Avenue and Pope Street, and she announced, "This is my wood."

When completed, the ground floor of this new mixed use building will be the permanent home for the Food Pantry, and the top two floors will provide affordable two-bedroom apartments. The pantry's move into its new headquarters this December will be the culmination of three years of waiting for a stable home. After St. Teresa's Church was condemned three years ago, Burns had to relocate twice.

The new home for St. Teresa's Food Pantry is part of a major neighborhood stabilization effort to create 40 affordable homes in 15 buildings scattered throughout the Olneyville community of Providence. Last fall, HUD's Secretary Shaun Donovan visited this community to recognize the neighborhood's notable work at creating jobs in Rhode Island and building a healthy, vibrant community.

Hard hit by the foreclosure crisis, Olneyville has been experiencing a rebirth due in large part to the efforts of key partners, including Olneyville Housing Corporation, Rhode Island Housing, R.I. Local Initiatives Support Corporation (RI LISC), KeepSpace and an active and engaged community. Community engagement has resulted in neighborhood priorities and specific project implementation strategies including the rehabilitation and transformation of distressed and foreclosed properties into attractive new homes and storefronts.

The funding for the new and rebuilt homes included key federal and state sources as well as Building Homes Rhode Island (BHRI), which was the voter-approved bond from 2006. A bonus is the opportunity to provide community services on the first floor of the new building on a previously vacant lot on Manton Avenue.

Since the economic downturn in about 2008, Lorraine said that she has observed a wider range of Rhode Islanders needing the services supplied by St. Teresa's Food Pantry. "Professional people such as teachers and nurses who are working but can't make ends meet come in here. They get to the end of the month, and by the time they pay their bills, they have nothing left for food," she said. "We help families, single parents, veterans, the homeless and seniors as well as their caretakers."

She added that she is thrilled that in December she will be putting the days of working in temporary locations behind her. She said, "I dream about how nice it will be to have a home."



Joseph Moshier and Lorraine pose in front of what will be the new home for St. Teresa's Food Pantry. Joseph will take over as the head of the Food Pantry when Lorraine retires.



Rendering courtesy of ICON Architecture

Above is a rendering of the building at the corner of Pope Street and Manton Avenue that will offer affordable apartments above the new location of the food pantry.



Olney Village Project Summary

Olneyville Housing Corporation's Olney Village Project provides new affordable homes for 40 families and new facilities for two cherished neighborhood institutions. The project is a key element of OHC's effort to significantly stabilize the core residential section of Olneyville--particularly the area surrounding the William D'Abate School and Joslin Recreation Center, which had been particularly hard hit by the foreclosure crisis. Apartments are available to families earning 50% to 60% of area median income with rents ranging from \$540 to \$838.

Rehabilitated Buildings	11		1BR	2BR	3BR	4BR
New Construction Buildings	5	Bedroom Mix	3	16	15	6
Total # of New Homes	40	Rents	\$540	\$653	\$766-829	\$836-838
Community Spaces	3	Community Tenants	Manton Avenue Project	Olneyville Food Center	TBD	

Development Budget

<u>Uses</u>		<u>Sources</u>	
Acquisition	\$889,019	Low Income Housing TC Equity	\$8,980,310
Construction	\$7,326,385	Neighborhood Stabilization III	\$677,000
Soft Costs/Fees/Reserves	<u>\$2,620,921</u>	HOME Funds	\$500,000
Total Uses:	\$10,836,325	RIH Lead Safe	\$250,000
		Building HOMES RI Bond	\$163,315
		City CDBG Funding	\$150,000
		RIH First Mortgage	\$75,000
		RIH Deferred Payment Loan	<u>\$40,700</u>
		Total Sources:	\$10,836,325

Development Team

Sponsor/Developer:	Olneyville Housing Corporation
Property Management:	First Realty Management Corporation
Legal Counsel:	Lynch & Greenfield
LIHTC Legal:	Holland & Knight
Syndicator:	National Equity Fund
Investor:	TD Bank
Architect:	ICON architects
Environmental Consultant:	Woodward & Curran
Owner's Rep:	Jerold Ehrlich
Development Consultant:	Pride Development LLC
Contractor:	TRAC Construction
Predevelopment Lender:	Rhode Island Housing & LISC



Through its collaboration with several long-time community partners, Olney Village accomplishes several critically important neighborhood revitalization goals, above and beyond the development of affordable housing, that were identified through our KeepSpace/Our Neighborhoods planning processes.

- The Olneyville Food Center will occupy 1,900 square feet of space in a newly constructed mixed use building at the corner of Manton Avenue and Pope Streets. The food bank serves thousands of people monthly and the closure of St. Teresa's Church had threatened the future of this critical resource.
- In December 2012, the Manton Avenue Project moved into its new Clubhouse at 51 Putnam Street, a building that had been vacant for more than a decade but now provides homes for four families as well as the first floor Clubhouse. For more than eight years, the Manton Avenue Project has been working with D'Abate students to nurture an expanding sense of possibility by building each child's capacity for personal and academic success.
- Project and neighborhood partners have volunteered to complete an extensive transformation of the D'Abate School exterior. Gates Leighton Landscape Architecture donated their services to design the space; job training participants at the Steel Yard fabricated new unique fencing for the school property; City Forestry crews pruned street trees that had been obscuring the front of the school. In July TRAC Construction, their subcontractors and neighborhood partners will repaint the entire exterior of the school.
- The impact of this initiative on the residents and schoolchildren in the area around the D'Abate School and Joslin Recreation Center cannot be underestimated. By attacking derelict properties along walking routes to school, particularly at corners and other high impact locations, Olney Village will have a tremendous impact in stabilizing the neighborhood and supporting the work of the D'Abate School.







