



Rhode Island Housing
working together to bring you home



Matters

WINTER 2011

Community

Inside:

Feature

A safe place to call home..... page 2

Neighborhood Newsmaker

Mike Cassidy page 3

Community inSight

\$80 million in help..... page 4

Feature

YouthRAP page 6

Community Resources..... page 7

Community Outlook

A Letter from Richard Godfrey page 8

Homeowners at risk of foreclosure can receive help

U.S. Treasury has made available \$80 million for struggling homeowners

Rhode Island's economy has been hit hard with one of the highest unemployment rates in the country and, as a result the state has had a marked increase in foreclosures. Currently, the unemployment rate is more than 11 percent, the fifth highest in the nation, and the number of foreclosures topped 3,000 in 2009. By the end of June, over 7,400 loans were more than 90-days delinquent. Because of these staggering numbers, the U.S. Treasury awarded Rhode Island funding to help those homeowners most affected by the economic crisis.

On Dec. 1, the funding, called Hardest Hit Fund of Rhode Island (HHFRI), was made available statewide to Rhode Islanders at risk of losing their homes. Rhode Island Housing is processing, approving and administering HHFRI submissions from lender/servicers and HUD approved and HHFRI certified counselors. You can learn more by visiting www.HHFRI.org.

Turn to pages 4 and 5, to read about HHFRI's eligibility qualifications, application process and various program categories.



Photo by Jeffrey A. Morse Photography

U.S. Senator Jack Reed, U.S. Representative Jim Langevin and Warwick Mayor Scott Avedisian joined the House of Hope CDC, the state Housing Resources Commission and Rhode Island Housing for a ribbon-cutting ceremony at the Thomas Wilbur Homestead. Originally a Baptist meeting house established in 1744, the Thomas Wilbur Homestead now offers five families permanent homes and supportive services, such as case management, benefits assistance and life skills classes.

Community engagement now under way in Providence's West End

West Elmwood Housing Development Corporation, LISC and Rhode Island Housing have teamed up to revitalize Providence's West End. For the past several months, the partners have been holding community meetings to determine what changes and improvements residents, business owners and others would like to see.

Residents of the neighborhood's Medina Village Apartments, an apartment complex that Rhode Island Housing is working to redevelop, have been involved from the start. OMNI Development Corporation was chosen to redevelop and manage the property. Work is also under way on the rehabilitation of Carleton Westside, which is home to 86 elderly and disabled tenants as,

well as families. Nearby Westfield Commons is a vacant warehouse that will consist of 16 apartments and commercial space.

"Partnerships with residents, community groups and businesses are key to creating a safer and more vibrant West End," said Executive Director of Rhode Island Housing Richard Godfrey. "We hope to engage as many voices as possible to make this a community where families can feel proud to live, work and play."

Several improvements have been made as a result of the community engagement process. They include increased police patrols and a community tree planting.



A safe place to call home

Living on the streets has been a harrowing journey for Manny Gomes, as it has been for thousands of other Rhode Islanders. One cold night, Manny sought shelter in a cardboard box inside a dumpster to keep warm. Before he knew it, he said, he was being tossed into the back of a garbage truck and crushed by the truck's machinery. "I yelled and yelled, and finally the driver heard me and took me to the hospital. I almost ended up in the landfill," he said. Manny's injuries included a broken pelvis, leg, arm, several ribs, punctured lungs and head injuries.

"I was in the hospital for about four months; I had to learn how to walk again. They put a cast on my leg, gave me crutches and then I was back on the street," he said.

Now, six years later, his life has completely changed. "I was at a soup kitchen when I learned about the House of Hope CDC from

Diana Burdett, Executive Director at PICA [Providence In-town Churches Association]. I was tired of living on the streets and I knew I needed to turn my life around," he said.

Established in 1989, the House of Hope Community Development Corporation has grown to become an invaluable resource for Rhode Islanders in need of temporary and permanent homes and social services, including life skills and employment training, financial assistance and mental health counseling. A home for Manny would not have been possible without assistance from the Neighborhood Opportunities Program (NOP), a state funded program that offers operating assistance for homes designated for very low income families as well as households requiring supportive services.

Manny met with House of Hope CDC Executive Director Jean Johnson to begin the interview process, and two days later, a

room opened up at the Fran Conway House on Jefferson Boulevard, where he lived for almost four years.

"We like to see our housing program as a continuum, starting with shelter to independent living. Manny has moved up from the shelter system to our Housing First Program, and just moved into our newest property here at the Thomas Wilbur Homestead," said Monica Spicer, Associate Director of Social Services for House of Hope CDC. "He's come a long, long way."

The Thomas Wilbur Homestead, located at 3188 Post Road in Warwick, opened its doors in early November. Once an old Baptist meeting house established in the mid-18th century, it now serves as the House of Hope CDC's main office. Manny has made his new home in one of the five apartments that occupy two buildings behind the homestead; a rehabbed carriage house and a newly constructed building made to match the homestead's historic style.

"The property is beautiful... We cook for ourselves, clean for ourselves, and have our own space. I feel like I am on my own. It's a little scary; it's a lot of trust. But we still have an amazing support system," Manny said of the House of Hope CDC's counselors and staff.

"The people at the House of Hope CDC have helped me survive," said Manny. He isn't sure what his future holds, but is considering going back to school for social work. "One day at a time."



Photo by Jeffrey A. Morse Photography

West Elmwood Housing Development Corporation (WEHDC), the Housing Resources Commission (HRC) and Rhode Island Housing joined officials from the Town of Barrington as they celebrated the start of construction of Walker Farm Lane. The development is the first town-sponsored development of affordable homes in Barrington and will consist of 11 homes for ownership when completed next fall.



Rhode Island's housing and unemployment crisis is grabbing international headlines. A television news crew from BBC America visited Rhode Island to report on foreclosures and job loss. Reporter Mark Mardell interviewed Rhode Island Housing's Susan Bodington and Smith Hill CDC's Christian Caldarone about the impact of foreclosure on local neighborhoods and the work now being done to rehabilitate vacant properties statewide.

Neighborhood Newsmaker

Mike Cassidy, retired City of Pawtucket Planning Director



Mike Cassidy retired earlier this year after working for the City of Pawtucket for 40 years, his last 18 years as Director of Planning and Development. Since his retirement, he's had a chance to work on house projects at his own home, as well as spend time with his five (soon to be six) grandchildren. Mike offered a tour of the Barton Street neighborhood, an area of Pawtucket he has helped to transform during the past 20 years. Barton Street is part of the Pawtucket KeepSpace community.

What was Barton Street like 20 years ago?

In the 1980s, Barton Street was a run-down, drug-infested area and had many absentee landlords who did not care about the neighborhood conditions. We honed in on three facets that would make Barton Street a more livable area:

- Convincing the neighbors that the City was serious about change. Initial efforts that built momentum were the Police Department arresting criminals, the Building and Zoning inspectors enforcing regulations with absentee landlords, plus the City invested in new sidewalks and street trees. Without those initial steps, nothing would have ever moved forward.
- After seeing commitment from the City's Police, Zoning and Building departments, the neighbors and residents wanted

change to happen and were willing to be a part of it.

- A multitude of planning and financial resources – including a planning grant from Rhode Island Housing, and grants from Pawtucket Citizens Development Corporation (PCDC) and Blackstone Valley Community Action Program (BVCAP) – were leveraged to create the momentum we needed.

What are the biggest successes of the Barton Street area now?

It is having more homes that are owner-occupied, such as Callaghan Gardens. By accessing funds from PCDC, which included tax credits from Rhode Island Housing, we were able to build 14 two- to three-bedroom homes, including two that are handicapped accessible.

We also have a beautiful playground that we built with funds from the Community Development Block Grant Program. In 2009, the Pawtucket Foundation—during its annual spring community projects—created a mural along the 300-foot solid fence at the site. If you look at this playground today, it does not have any graffiti or tagging, which demonstrates the pride and care people have for this neighborhood.

What other projects are you proud to have worked on in Pawtucket?

I am proud of two projects, which supply terrific recreation activities for children and teenagers. They are the soccer fields and the skateboard park. The soccer fields were former brownfields along the Industrial Highway that were remediated about eight years ago. We spent more than \$3 million to build three regulation soccer fields, which can be segmented for more youth soccer fields. We used

the same sand mixture and grass as at Fenway Park.

The Skateboard Park adjacent to Jenks Junior High School was controversial because people thought it would attract “bad kids.” We knew through our research that the skateboard park needed to be in a visible, high-traffic area. The Jenks location was perfect. With \$200,000 from the Community Development Block Grant Program, we were able to build the skateboard park in addition to new tennis and basketball courts.

If you were to come back to Barton Street in 2030, what would you like to see?

In 20 years, I'd love to see an MBTA train station at the corner of Barton and Dexter streets. The train would enable residents in this area to access jobs both north in Boston, or south in Providence or at T.F. Green Airport. Once the Wickford Junction station opens, people could commute to jobs or school at the University of Rhode Island.

It would also be great to see a thriving area with more jobs, more businesses growing and more commercial buildings.





Community inSight

\$80 million to help Rhode Islanders at risk of foreclosure

If you are struggling to make a mortgage payment, contact your lender or HUD approved and HHFRI certified counselor to learn about this new fund.

After months of careful planning, Rhode Island Housing is now in the process of administering \$80 million in federal funding directed to Rhode Island homeowners at risk of losing their homes due to foreclosure.

The program, called Hardest Hit Fund Rhode Island (HHFRI), officially launched on November 1, 2010, in Providence, which has the highest rate of foreclosure and unemployment claims

in the state. Two weeks later, the program opened up to 11 additional hardest-hit communities (Warwick, Cranston, Pawtucket, Woonsocket, West Warwick, North Providence, Johnston, Coventry, East Providence, Cumberland and Central Falls), and has been available statewide since December 1.

If you know friends, co-workers or family members who have a hardship and are struggling to pay their mortgage urge them to seek HHFRI assistance. With income qualifications as high as \$103,400 per family, lots of people may not realize that they can get some help.

Who qualifies?

HHFRI will only be available to homeowners who have a documented financial hardship and have exhausted all options to remain current on mortgage payments. You may qualify if:

- Your monthly mortgage payments are greater than 31 percent of your gross monthly income.
- You have exhausted all of your financial resources, such as savings as well as other bank, state and federal programs (Except for the greater of three monthly mortgage payments or \$5,000 in savings).
- You own a one - to four-family home or a condominium and you live in the building and do not own other real estate.
- You live in a one - to two-person household who together make less than \$87,800; or you live in a household of three or more people who together make less than \$102,400.
- You have a documented hardship such as:
 - unemployment or underemployment;
 - death or disability of a key wage-earner;
 - unforeseen medical expenses;
 - costly home repairs as a result of the recent flooding in Rhode Island.

Note: A loss of home value alone does not constitute a financial hardship



Hardest Hit Fund Rhode Island categories

Assistance from HHFRI will be individually structured to each family's unique situation, but generally breaks down into the following four areas:

Loan Modification

This assistance will provide up to \$6,000 to help achieve a loan modification. These funds help homeowners who have mortgages through national and local lenders or servicers, whether or not the lender participates in the Home Affordable Modification Program (HAMP). The lender must agree to participate in HHFRI.

Temporary Unemployed Homeowner Assistance

In this category, up to \$6,000 will be used to help homeowners who are currently unemployed to make mortgage payments. This funding is intended to help the family through the unemployment period with the goal of eventually stabilizing the homeowner's financial situation through mortgage reinstatement or modification.

Immediate Assistance

Under this plan, up to \$6,000 will be provided to help avoid foreclosure during an acute crisis. In special circumstances, up to \$30,000 may be available. The funds can be used to pay delinquent property-related expenses, including taxes, insurance, and condo or homeowner association dues.

Moving Forward Assistance

This category offers up to \$4,000 in payment assistance to homeowners who, while not yet in foreclosure, have suffered a severe financial crisis, and are no longer able to stay in their home. (The funds are available to homeowners who participate in a short sale or deed-in-lieu of foreclosure)

How to apply?

There are only two ways to apply for HHFRI assistance:

1. Through your local bank or credit union that has a loan-servicing office in Rhode Island. If your lender is Rhode Island Housing, call 800-854-1180.
2. Through a HUD approved and HHFRI certified counselor, including the Rhode Island Housing HelpCenter. Visit www.HHFRI.org for a list of HUD approved and HHFRI certified counseling agencies.

Obtaining HHFRI assistance through your lender or a HUD approved and HHFRI certified counselor is free. You do not need to pay anyone to prepare a HHFRI application or for HHFRI counseling assistance. However, as part of the HHFRI agreement, you may be required to pay some portion of any mortgage delinquency or other mortgage-related obligation such as delinquent taxes or insurance.

The HHFRI application and lender acceptance process may take several months. Stay involved! Fill out all the required paperwork and stay in contact with your lender or counselor throughout the process.

To learn more, visit www.HHFRI.org, call the HHFRI Center at 401-277-1500, or email info@hhfri.org.

HUD Approved and HHFRI Certified Counselors

Money Management International

501 Centerville Road, Suite 200, Warwick, RI 02886
www.moneymanagement.org • 866-531-3816

Rhode Island Housing HelpCenter

44 Washington Street, Providence, RI 02903
www.rhodeislandhousing.org • 401-457-1130

The Urban League of Rhode Island

246 Prairie Avenue, Providence, RI 02905
www.ulri.org • 401-351-5000

West Elmwood Housing Development Corporation

392 Cranston Street, Providence, RI 02907
www.wehdc.org • 401-453-3220

Neighborworks Blackstone River Valley

719 Front Street, Suite 103 Woonsocket, RI 02895
www.wndc.org • 401-762-0074

Stop Wasting Abandoned Property (SWAP)

439 Pine Street, Providence, RI 02907
www.swapinc.org • 401-272-0526

Blackstone Valley Community Action Program (BVCAP)

32 Goff Avenue, Pawtucket, RI 02860
www.bvcap.org • 401-723-4520 ext. 264

Community Works Rhode Island (CWRI)

693 Broad Street, Providence, RI 02907
www.communityworksri.org • 401-273-2330

Olneyville Housing Corporation

66 Chaffee Street, Providence, RI 02909
www.olneyville.org • 401-351-8719

The Housing Network of RI

1070 Main Street, Pawtucket, RI 02860
www.housingnetworkri.org • 401-521-1461

Community Meetings

There continues to be a series of community meetings for interested homeowners who would want to learn more about HHFRI.

For a listing of upcoming meetings, visit www.HHFRI.org



YouthRAP inspires one child to become a pediatrician

YouthRAP, created by Rhode Island Housing in 1990, provides children and teens living in rental communities funded by Rhode Island Housing with job-readiness skills and employment opportunities, as well as leadership development, self-esteem awareness programs and academic achievement support.

YouthRAP also aims to establish working partnerships with community agencies; strengthen relationships between young people and the community; improve the quality of life within the neighborhood; and improve relationships between residents and managers of the rental homes.

Bolanle Akinsulaire is a bright, accomplished young woman and has been an active participant in Smith Hill Community

Development Corporation's Youth Resident Activities Program (YouthRAP) since she was eight years old. Currently a senior at Times Squared Academy in Providence, she was the valedictorian of her junior class last year.

"The best part about YouthRAP was that I was able to interact with both younger children and older college students. I learned to be an example for the younger children and the college students set an example for me," said Akinsulaire. "YouthRAP expanded the passion I have for children. I dream of someday becoming a pediatrician and YouthRAP inspired that dream."

The program also exposed Akinsulaire to life as a college student, since part of the program is hosted at Brown University. "I get great advice from my mentors about the importance of

attending college as well as what I need to do now to reach my goals," she noted.

With so many different activities, clubs to join, and opportunities for homework help, YouthRAP appeals to children of all ages. "Without YouthRAP I would not have had such varied experiences in the community such as volunteering in soup kitchens or helping to paint over graffiti on buildings," she said.

"YouthRAP has also taught me the value of perseverance," said Akinsulaire. "It's important to stay determined regardless of the circumstances that I may find myself in. I now take discouragement and obstacles as a strength and a reason to strive harder in life."

Community Resources

For more information on any of the following briefs, visit the Newsroom at www.rhodeislandhousing.org.

According to **HousingWorks RI's 2010 Fact Book**, affordable housing development is going green and is helping to strengthen the state's economy. The 2010 Fact Book examines the current state and future opportunities in the development of affordable homes in Rhode Island. Affordable homes are being built with green features and technologies that are also contributing to the growth of the green economy and jobs in the building trades. You can visit www.housingworksri.org to read more.

The State of Rhode Island is expected to see record numbers of families and individuals seeking emergency shelter this winter. The Rhode Island Coalition for the Homeless is reporting that some 4,340 Rhode Islanders may seek emergency beds sometime this year. That is the highest number in the 20 years that officials have been keeping track. To learn more about

the most recent homeless numbers, visit www.rihomeless.org.

Rhode Island has received additional money to stabilize neighborhoods. The federal funding, part of the third round of funding through HUD's Neighborhood Stabilization Program (NSP), will provide money to help local communities acquire, redevelop or demolish foreclosed properties. The State of Rhode Island received \$5 million, while the City of Providence received \$1.3 million. The third round of NSP funding is provided under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Do you want to receive our Community Matters newsletter electronically? Visit our website, www.rhodeislandhousing.org, to sign up to receive upcoming issues of Community Matters via e-mail.



Photo by Jeffrey A. Morse Photography

Rhode Island Housing Executive Director Richard Godfrey presented Community Works Rhode Island and Stand Corporation with 2010 Affirmative Action Awards for their work on Parkis Historic Properties in Providence. The ceremony was part of Minority Enterprise Development (MED) Week, an annual event that encourages and promotes minority- and women-owned businesses in the state. Developer E.A. Fish and General Contractor Dellbrook Construction also received awards for their work on Coddington Point in Newport.

(From left to right: Mark Hayward, RI Small Business Administration; Ron Caniglia, Stand Corporation; Malik Aziz, Community Works Rhode Island; Richard Godfrey, Rhode Island Housing; Carrie Marsh, Community Works Rhode Island; Juana Horton, MED Week Co-Chair; and Jim Vincent, MED Week Co-Chair)



Photo by Jeffrey A. Morse Photography

Congressman-elect David Cicilline joined Smith Hill CDC, LISC, Dimeo Properties, Rhode Island Housing and other community partners at a groundbreaking ceremony for Visions II. When complete, the development will transform 19 vacant properties and one newly constructed building into 52 rental homes. Located in Providence's Smith Hill neighborhood, Visions II will help revitalize a community that's been hit hard by foreclosure.

A good time to buy

Thinking about buying your first home? Now may be a good time to buy, if you buy *smart*. Learn everything you need to know about purchasing a home and keeping it at our free Homebuyer Education class. The workshops run from 6:00 to 9:30 p.m. and are offered nearly every week at locations across the state. If you put less than five percent down, you must take the class before you can close on the purchase of your home.

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|-------------------|------------|--------------------|------------|
| January 12 | Warwick | February 15 | Newport |
| January 18 | Coventry | February 23 | Warwick |
| January 24 | Providence | February 28 | Providence |
| February 2 | Warwick | March 8 | Coventry |
| February 8 | Westerly | | |

Contact Tammy Fisher at 401-457-1245 or tfisher@rhodeislandhousing.org to register for a free workshop. There's even a special class for landlords. You can call The Housing Network of Rhode Island at 800-722-1461 for more information.



Rhode Island Housing
working together to bring you home

44 Washington Street
Providence, RI 02903-1721
401-457-1234

learn more at
www.rhodeislandhousing.org

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Community Outlook

by *Richard Godfrey*



Rhode Island Housing is thrilled to be able to provide \$80 million in foreclosure prevention assistance to the people of Rhode Island. Our communities received this funding thanks to the efforts of our Senators, Jack Reed and Sheldon Whitehouse, and Congressmen James Langevin and Patrick Kennedy. They convinced officials at the U.S. Treasury that unemployment rates should be a factor in determining eligibility under its Hardest Hit Fund initiative.

As a result of significant collaborations with our lending and community partners, Rhode Island Housing was able to implement this important program, which will help 5,000 to 10,000 Rhode

Island families stay in their home. Our state is one of the hardest hit with 6,000 foreclosures occurring over the past two years.

This key assistance will go directly to lenders and others in the form of payment of the obligations of homeowners – who have experienced a hardship that is beyond the broader malaise and has touched nearly every family during this crushing recession.

One critical factor in the success of this program will be the cooperation between the mortgage servicers and investors. About \$30 million of the funding will be used in conjunction with mortgage modifications. The lenders must agree to work this out with the borrower. There will also need to be some degree of cooperation from each lender with another \$35 million to be used to subsidize borrowers' monthly mortgage payments. We have heard no valid reason for a lender not to accept a full mortgage payment regardless of if it comes from two sources.

We see wide variations in the kind of participation among lenders, especially when comparing servicers who are smaller and locally based against giant and remote operations. However, HHFRI has an overriding goal to prevent a home foreclosure regardless of who owns and services the loan.

Rhode Island Housing fulfills many roles in helping Rhode Island homebuyers and homeowners. We continue to offer low-cost, no-down payment loans in every city and town in Rhode Island. Free counseling assistance is available to all homeowners through our HelpCenter. We also offer home improvement loans, reverse mortgages and property tax payment assistance. Our goal is always to do more than simply help a family buy a home – we want that family to keep that home for as long as they wish.

Rhode Island Housing programs receive national recognition

Recently, two of Rhode Island Housing's programs received Program Excellence awards from the National Council of State Housing Agencies (NCSHA). "Opening Doors: Re-entry Housing" was selected as a winner in the Housing for Persons with Special Needs subcategory, while the "FirstHomes100+" program took the top honor in the Home Improvement and Rehabilitation subcategory.

OpenDoors, a first-of-its-kind development on Plainfield Street in Providence, will provide 19 homes and support services to Rhode Islanders who are returning to the community after incarceration. "FirstHomes100+" is a loan package that provides new homeowners with the funds to purchase and rehabilitate a home with one low, fixed-rate mortgage.

The NCSHA's Annual Awards for Program Excellence honor state Housing Finance Agencies (HFAs) for their outstanding public purpose programs, projects and practices and were presented at the organization's annual conference, which was held in Boston in early October.