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Rhode Island Is Still Falling Short in Providing Affordable Homes for Low-Income Renters

Providence, RI – Rhode Island faces a severe shortage of affordable housing for its lowest-income renters. For every 100 extremely low-income renter households, there are only 47 available affordable homes, according to a new report by the National Low Income Housing Coalition (NLIHC).

The report, *The Gap: A Shortage of Affordable Homes*, also reveals there are 7.1 million fewer affordable rental homes than needed for extremely low-income renter households—those with incomes at or below the poverty level or 30% of their area median income, whichever is greater. Only 35 affordable rental homes are available for every 100 extremely low-income renter households nationwide.

These findings come amid unprecedented attacks on federal housing assistance programs and the agencies that administer them.

“The annual Gap report continues to demonstrate what we’re seeing across the state: that we are still behind in meeting the housing needs of the lowest-income Rhode Islanders,” said Melina Lodge, Executive Director of the Housing Network of Rhode Island. “As threats to federal housing and homelessness programs loom, we must double down on our efforts to make up for decades of under-investment and restrictive land use policies, expanding the housing stock for those who need it most.”

The Gap, released annually, investigates the availability of affordable rental homes for households of different income levels nationwide, including in every state and major metropolitan area.

In Rhode Island, the situation has worsened, with the number of affordable homes for extremely low-income renters dropping from 74 homes per 100 renters in 2023 to 47 this year.

Extremely low-income households are defined as those earning less than \$30,350 for a family of three. More than 90% of extremely low-income renters are employed in minimum wage jobs, are older adults, have a disability, or are single adult caregivers. In Rhode Island, more than half of extremely low-income renters spend more than 50% of their income on housing, leaving little for necessities like food and health care.

“For many years, our annual Housing Fact Book has shown that more than a 1/3 of Rhode Islanders pay more than 30 percent of their income toward housing costs, making them

cost burdened,” said Brenda Clement, Executive Director of HousingWorks RI at RWU. “The latest data shows that there is not a single municipality in Rhode Island where a household earning the median homeowner income of \$107,452 can affordably buy a home. Renters do not fare much better, requiring an income of more than \$84,000 to affordably rent. With limited inventory, a lack of housing diversity, and an older existing housing stock, we are facing many challenges. We must continue to fund production, invest in preservation, and ensure healthy housing options, so that all Rhode Islanders may have a healthy and affordable place to call home.”

“The Gap highlights how critical it is for Rhode Island to deeply invest in critical infrastructure to serve the growing numbers of households who are experiencing homelessness or housing instability. 64% of households making Extremely low income in Rhode Island are cost burdened which correlates directly with the growth in households experiencing homelessness. Last year, according to HUD’s AHAR (Annual Homelessness Assessment Report), R.I. rose to the top 10 of people experiencing homelessness per capita. We need a deep expansion of resources such as Housing Problem Solving and Emergency Shelter until sufficient affordable housing units are available. All Rhode Islanders will need to work to support the funding and development of resources needed to address the growing crisis.” said Kimberly Simmons, Executive Director of the Rhode Island Coalition to End Homelessness.

Without subsidies, the private market cannot provide an adequate supply of affordable housing for the lowest-income renters. What extremely low-income renters can afford to pay for rent does not cover the development and operating costs of new housing and is often insufficient to provide an incentive for landlords to maintain older housing.

The result is a systemic shortage of affordable housing for extremely low-income renters impacting nearly every community, including in Rhode Island. Subsidies are needed to produce new affordable housing, preserve existing affordable housing, or subsidize the difference between what the lowest-income renters can afford to pay and market rents.

“Our neighbors with the lowest incomes face staggering challenges with housing affordability. Three quarters of the lowest-income renters nationwide are severely cost-burdened,” said NLIHC Interim President and CEO Renee Willis.

“It is a sad fact that only one in four households who qualify for housing assistance receive it. Attempts to cut deeply insufficient resources for housing assistance in the face of so much unmet need are senseless. We also need to support, not undermine, agencies like HUD to ensure that housing assistance programs are administered as efficiently as possible. There is no path to addressing the housing crisis for the lowest-income renters that doesn’t involve increasing resources for assistance and supporting the agencies that administer our housing programs.”

For additional information, visit: <http://nlihc.org/gap>

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About the National Low Income Housing Coalition (NLIHC)

Founded in 1974 by Cushing N. Dolbeare, **NLIHC** educates, organizes and advocates to ensure decent, affordable housing for everyone. Our goals are to preserve existing federally assisted homes and housing resources, expand the supply of low-income housing, and establish housing stability as the primary purpose of federal low-income housing policy.

About Homes RI

Homes RI is a multi-sector coalition of organizations working together to increase the supply of safe, healthy and affordable homes throughout Rhode Island and is coordinated by the **Housing Network of Rhode Island**. **HousingWorks RI** and the **Rhode Island Coalition to End Homelessness** are both partners of Homes RI. We believe Rhode Island can and should be a state where all residents are able to live in safe, healthy and sustainable homes in thriving communities.