

Background on the Neighborhood Opportunities Program (NOP)

- The Neighborhood Opportunities Program (NOP) was the first funding from the State of Rhode Island for housing production. It is the one program that enables developers to set rents low enough to serve very low-income households and persons with disabilities. It not only provides capital funding for new construction or rehabilitation, but it also includes operating money to more deeply subsidize rents and ensure that properties are maintained as assets to the communities in which they are located.
- NOP is the only state funded program that subsidizes the cost of affordable rental housing for very low-income families and individuals with disabilities. The program provides funds to cover the difference between the rental cost affordable to very low-income Rhode Islanders (generally 30% of their income) and the actual operating cost to owners.
- Since its inception in 2001, the Neighborhood Opportunities Program has funded the acquisition, new construction, and/or rehabilitation of 1127 housing units. This includes the production of family housing, permanent supportive housing, and homeownership opportunities. These housing units are located at sites that contain a total of 2480 affordable housing units.
- 26 cities and towns have NOP units. Only the towns and cities of Barrington, Burrillville, Charlestown, East Greenwich, Exeter, Foster, Glocester, Jamestown, Little Compton, North Providence, Scituate, Smithfield, and West Greenwich don't have any NOP units.
- NOP has contributed \$41.5 million in gap funding for the development and operation of 1127 units. This investment has leveraged \$375.4 million, or \$9 for every dollar invested by the State of Rhode Island.
- A new national report, *Out of Reach 2009*, released by the National Low Income Housing Coalition, found that Rhode Island continues to have one of the highest rental costs in the country. In order to afford a two-bedroom apartment at the Fair Market Rent (FMR), a worker would have to earn \$18.76 per hour and work 40 hours a week year-round to afford the rent.
- Rental affordability remains a critical issue for Rhode Islanders with the current economic crisis hitting the state particularly hard. Rhode Island Housing reports that Rhode Island's foreclosure rate ranks tenth in the nation and Rhode Island still has one of the highest unemployment rates in the country.
- NOP funding has helped many homeless individuals and families move off the street and out of shelters into stable homes; prevented others from becoming homeless in the first place; stretched limited family incomes so that more can be spent on essentials like food and medicine; and helped develop facilities that provide services, like job training, that contribute to productive lives.