

Urging private sector to work for public good

Providence realtors should be helping the homeless

By Chester Smolski

There are few people who would be unhappy if they owned a capital asset that appreciated by 31.7 percent in one year's time. That is what happened to housing in the Providence area in the July-to-September period this year, as compared with the same period last year.

This percentage increase of single-family house prices placed Providence in the number one position when compared with the 53 other cities in the nation regularly surveyed by the National Association of Realtors. And when compared with the 1.5 percent annual increase, through October, in the cost of living, the more than 22,000 city home owners who occupy their own units should feel very comfortable with their housing situation.

Not all home owners are overjoyed at these increased costs, as this next year of tax revaluation will prove, especially on a property in which they have lived for years. This revaluation is so important that one candidate in the recent mayoral election made it a major issue, and it will be, once the numbers start to appear.

But there is a much larger segment of the city population that will be quite unhappy with higher house prices because they do not own their units and must pay rent for this basic necessity of life. More than 63 percent of the 60,157 housing units counted in 1980 were rental units, and increased property values mean increased rents. So renters are finding their rents going up with no physical improvements visible to warrant these increases.

But there is a group of city residents who have been affected to a greater extent by these market forces and whose numbers are reaching crisis proportions—these are

It is ironic that on the day before the results of the housing survey were published, the Providence Journal called attention to the problem by devoting a full page to the plight of the homeless, including the lack of temporary shelters because of their growing numbers. The state Department of Human Services estimates that there are now 688 homeless families in Providence, compared with 288 last year, and Interim House suggests that as many as 200 individuals are also homeless, a 50 percent increase over last year.

It is interesting to note that of all the groups mentioned when housing prices go off the charts (i.e., government, social agencies, property owners, speculators and renters) and homelessness, as a result, increases, no mention is made of realtors, their involvement in the problem and their possible role in helping those in desperate need of housing.

It appears that everyone is into real es-

tate, these days, either selling it, taking classes to prepare for it or buying it for appreciation. The reason for all this activity is, of course, the excessive profits gained by selling these appreciating properties. And this is where the realtors come in.

If house prices were up by 31.7 percent, real estate commissions would have also increased at about the same rate. In fact, where some house prices have doubled in two years' time on the East Side, commissions would also have doubled.

This is the American system, it is true, but wouldn't it be a nice idea for the realtors to provide something for the homeless and also to improve their image? After all, one reason for homelessness is increased property values and resultant increases in real estate commissions. In Portland, Maine, the major realty firm contributes a portion of each sales commission for community housing. The Rhode Island Builders' Association has, for years, contributed

money and expertise to several high schools to build houses for sale. The private sector working for the public good is not an alien idea, and Providence realtors could be in the forefront of a changing city responding to the needs of its homeless residents.

The Greater Providence Board of Realtors has an opportunity, through its members, to come up with money and some innovative ideas to respond to a community problem with which they are involved, for this is the community in which they work and in which they may live.

The terrible problem of the homeless needs to be attacked on many fronts, and all segments of the community must respond to it, both public and private. But the leadership and innovative ideas ought to come from those directly involved, and the hope is that realtors in the Providence area community will respond.

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