



**Special Legislative Commission to Study Low and Moderate Income Housing Act**

**Rhode Island House of Representatives Report  
May 31, 2018**

**Chairperson Representative Shelby Maldonado**

**Vice Chair Michael Morin**

**House Minority Whip Blake Filippi**

**Mayor Lisa Baldelli-Hunt**

**Juliana Berry**

**David Caldwell Jr.**

**Emily Freedman**

**Caitlin Frumerie**

**Phil Hervey**

**Melina Lodge**

**David Salvatore**

**Carol Ventura**

**Linda Weisinger**

**Scott Wolf**

## Rhode Island House Low and Moderate Income Housing Commission:

Draft Report  
May 31, 2018---

Pursuant to the Resolution of the House of Representatives (2016: H7989), a Special Legislative Commission to Study and Provide Recommendations regarding Rhode Island's Low and Moderate Income Housing Act ("Commission") was created. The Commission was comprised of fourteen members from state and local government, agencies, private industry and public policy organizations. The scope of the Commission's "work plan" was to identify and focus on several main elements:

- Making a comprehensive study of the current Low and Moderate Income Housing Act in the state;
- Describe the current LMIH authority and processes in Rhode Island;
- Evaluate the need for additional LMIH legislation in Rhode Island; and
- Cities' and towns' compliance performance, and barriers to implementation;
- Provide recommendations for aiding cities and towns to meet requirements of this act.

Since October of 2016, the Commission met on eight occasions, holding public meetings to obtain information as well as opinions from various subject matter experts experienced in the use and opportunities involved with Low and Moderate Income Housing. Input was solicited from government entities, quasi-public agencies (including the Housing Appeals Board), planning departments, representatives from Brown University, survey responses coordinated with the League of Cities and Towns and other stakeholders.

Attached to this report describing the proceedings and timeline of the Commission, please find:

1. Forward – Chairwoman Shelby Maldonado
2. 2016 H7989 Sub A creating the commission
3. 2017 H6260 extending the Commission's reporting deadline
4. On-line links to Commission's Home Page and Meetings via General Assembly website
5. Public postings and notes of Commission meetings on October 5, 2016; November 30, 2016; January 24, 2017; February 28, 2017; December 11, 2017; February 6, 2018; May 2, 2018 and May 24, 2018
6. Copies of written submissions to the Commission.
7. Summary of Recommendations

Respectfully submitted,

Representative Shelby Maldonado – Chairperson  
House Special Legislative Commission to Study the Low and Moderate income Housing Act

**2016 – H 7989 SUBSTITUTE A**

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LC005522/SUB A

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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2016**

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**HOUSE RESOLUTION**

**CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND  
MODERATE INCOME HOUSING ACT**

Introduced By: Representatives Maldonado, Morin, Carson, Barros, and Camevale

Date Introduced: March 24, 2016

Referred To: House Municipal Government

1        WHEREAS, In Rhode Island, fourteen cities and towns have less than five percent  
2 affordable housing; and

3        WHEREAS, Only five of the state's 39 cities and towns, Central Falls, Newport, New  
4 Shoreham, Providence and Woonsocket, have met the state-mandated ten percent affordable  
5 housing threshold, with many of the state's cities and towns seemingly disregarding the  
6 benchmark; and

7        WHEREAS, There exists a high concentration of poverty in the cities of Central Falls,  
8 Providence, Pawtucket, and Woonsocket; and

9        WHEREAS, There is a paramount need for millennial housing for young professionals to  
10 stabilize and grow cities such as Central Falls, yet there are very few affordable home ownership  
11 opportunities, and the majority of housing consists of rental units in triple-deckers owned by  
12 absentee landlords; and

13        WHEREAS, According to the Housing Works Report, across the United States, 45  
14 percent of Latino households own their own homes, but in Rhode Island that number is drastically  
15 lower at 26 percent; and

16        WHEREAS, Rhode Island also has the lowest non-white homeownership rate in the  
17 United States and of the overall homeownership rate of 60 percent, only 32 percent of that  
18 number is non-whites. Rhode Island was given an "F" rating by the Corporation for Enterprise  
19 Development for this disparity; and

1       WHEREAS, Although redlining, the practice of limiting lending in certain  
2 neighborhoods regardless of the individual's creditworthiness, is banned by federal law, it  
3 continues to plague our state's minority neighborhoods; and

4       WHEREAS, It is essential that these institutional practices, discriminatory actions, and  
5 public policies be addressed and that solutions be found; now, therefore be it

6       RESOLVED, That a special legislative commission be and the same is hereby created  
7 consisting of fourteen (14) members: three (3) of whom shall be members of the Rhode Island  
8 House of Representatives, not more than two (2) from the same political party, to be appointed by  
9 the Speaker of the House; one of whom shall be the President of the RI Builders Association, or  
10 designee; one of whom shall be the Executive Director of Rhode Island Housing, or designee; one  
11 of whom shall be the President of the Housing Network of Rhode Island, or designee; one of  
12 whom shall be the Board Chair of Grow Smart RI, or designee; one of whom shall be the Chief  
13 Executive Officer of the Rhode Island Association of Realtors, or designee; one of whom shall be  
14 the Executive Director of the Rhode Island Coalition for the Homeless, or designee; four (4) of  
15 whom shall be members of the Rhode Island League of Cities and Towns, two (2) of whom shall  
16 be residents of a Rhode Island city or town with a population of 35,000 or more residents, and  
17 two (2) of whom shall be residents of a Rhode Island city or town with a population of less than  
18 35,000 residents, all of whom shall be appointed by the Speaker of the House; and one of whom  
19 shall be the Executive Director of Pawtucket-Central Falls Development, or designee.

20       In lieu of any appointment of a member of the legislature to a permanent advisory  
21 commission, a legislative study commission, or any commission created by a General Assembly  
22 resolution, the appointing authority may appoint a member of the general public to serve in lieu  
23 of a legislator, provided that the majority leader or the minority leader of the political party which  
24 is entitled to the appointment consents to the member of the general public.

25       The purpose of said commission shall be to make a comprehensive study of the Rhode  
26 Island Low and Moderate Income Housing Act including, but not limited to a review of:

- 27       1. State-wide data for low and moderate income housing by city and town;  
28       2. Cities' and towns' strategic economic and housing plans;  
29       3. The Brookings Institute reports and other relevant data referencing affordable housing;  
30       and

- 31       4. Cities' and towns' compliance, performance, and barriers to implementation; and

32       The commission shall provide recommendations for aiding cities and towns to  
33 successfully meet requirements of the Act.

34       Forthwith upon passage of this resolution, the members of the commission shall meet at

1 the call of the Speaker of the House and organize and shall select a chairperson from among the  
2 legislators.

3 Vacancies in said commission shall be filled in like manner as the original appointment.

4 The membership of said commission shall receive no compensation for their services.

5 All departments and agencies of the state, shall furnish such advice and information,  
6 documentary and otherwise, to said commission and its agents as is deemed necessary or  
7 desirable by the commission to facilitate the purposes of this resolution.

8 The Speaker of the House is hereby authorized and directed to provide suitable quarters  
9 for said commission; and be it further

10 RESOLVED, That the commission shall report its findings and recommendations to the  
11 House of Representatives no later than February 11, 2017, and said commission shall expire on  
12 June 11, 2017.

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LC005522/SUB A

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
HOUSE RESOLUTION  
CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND  
MODERATE INCOME HOUSING ACT

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1        This resolution would create a fourteen (14) member special legislative study  
2        commission whose purpose it would be to make a comprehensive study on implementation of the  
3        Low and Moderate Income Housing Act in the State of Rhode Island, and who would report back  
4        to the House of Representatives no later than February 11, 2017, and whose life would expire on  
5        June 11, 2017.

LC005522/SUB A

2017 – H 6260

LC002772

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

HOUSE RESOLUTION

EXTENDING THE REPORTING AND EXPIRATION DATES OF THE SPECIAL  
LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME ACT

Introduced By: Representatives Maklonado, Morin, Carson, Shekarchi, and Slater

Date Introduced: May 26, 2017

Referred To: House Municipal Government

1       RESOLVED, That the special legislative commission created by resolution No. 207  
2       passed by the House of Representatives at its January session, A.D. 2016, and approved May 4,  
3       2016, entitled "House Resolution Creating a Special Legislative Commission To Study the Low  
4       and Moderate Income Act" and as extended by resolution No. 052 passed by the House of  
5       Representatives at its January session, A.D. 2017, and approved February 14, 2017, entitled  
6       "House Resolution Extending the Reporting and Expiration Dates of the Special Legislative  
7       Commission To Study the Low and Moderate Income Act" is hereby authorized to continue its  
8       study and make a report to the House of Representatives on or before May 30, 2018, and said  
9       commission shall expire on July 30, 2018; and be it further

10       RESOLVED, That the time for reporting authorized by resolution No. 207 passed by the  
11       House of Representatives at its January session, A.D. 2016, and approved May 4, 2016, and as  
12       extended by resolution No. 052 passed by the House of Representatives at its January session,  
13       A.D. 2017, and approved February 14, 2017, be and the same is hereby rescinded.

LC002772



EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
HOUSE RESOLUTION  
EXTENDING THE REPORTING AND EXPIRATION DATES OF THE SPECIAL  
LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME ACT

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- 1 This resolution would extend the reporting and expiration dates of the legislative
- 2 commission to study the Low and Moderate Income Act from May 30, 2017, to May 30, 2018
- 3 and said commission would expire on July 30, 2018.

LC002772



## State of Rhode Island General Assembly Capitol Television

### **Special Legislative Commission to Study Low and Moderate Income Housing Act Meetings Links**

(Commission Home)

<http://www.rilin.state.ri.us/commissions/LMIHA/pages/members.aspx>

(Meetings on Demand)

**10/5/2016:**

<http://ritv.devosvideo.com/show?video=p8wtbgov&apg=61f109a4>

**11/30/2016:**

<http://ritv.devosvideo.com/show?video=yfdhelb5&apg=61f109a4>

**1/24/2017:**

<http://ritv.devosvideo.com/show?video=f54c510aee16&apg=ed687894>

**2/28/2017:**

<http://ritv.devosvideo.com/show?video=c03b092a0b45&apg=ed687894>

**12/11/2017:**

<http://ritv.devosvideo.com/show?video=529244f534fe&apg=ed687894>

**2/6/2018:**

<http://ritv.devosvideo.com/show?video=c4de151eedca&apg=ed687894>

**5/2/2018:**

<http://ritv.devosvideo.com/show?video=0635ea367b34&apg=ed687894>

**5/24/2018**

<http://ritv.devosvideo.com/show?video=727d6d518976&apg=ed687894>

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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF ORGANIZATIONAL MEETING**

**DATE:** Wednesday, October 5, 2016

**TIME:** 3:30 P.M.

**PLACE:** Room 101 - State House

#### **AGENDA:**

1. Organizational Matters  
Leo Skenyon- Chief of Staff, Speaker Nicholas A. Mattiello
2. Introductions and Welcome:  
Representative Shelby Maldonado
3. Overview and Discussion of Legislation H7989
4. Next meeting Dates
5. Adjournment

**\*No Public Testimony will be accepted at this meeting.**

Please contact Charles J. Donovan Jr. House Policy (401) 528-1765  
[CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov)

**POSTED: MONDAY, OCTOBER 3, 2016, 2:55 P.M.**

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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF MEETING**

**DATE:** Wednesday, November 30, 2016

**TIME:** 3:30 P.M.

**PLACE:** Room 101 - State House

#### **AGENDA:**

- I. Brenda Clement, Director Housing Works Rhode Island
  - Overview 2016 RI Housing Fact Book
- II. Amy Rainone, Director of Government Relations and Policy RI Housing
  - Overview and Update on LMIH Act/ Projecting Future Housing Needs Report 2016
- III. Next meeting Dates
- IV. Adjournment

**\*No Public Testimony will be accepted at this meeting.**

Please contact Charles J. Donovan Jr. House Policy (401) 528-1765  
[CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov)

**POSTED: MONDAY, NOVEMBER 28, 2016, 2:56 P.M.**

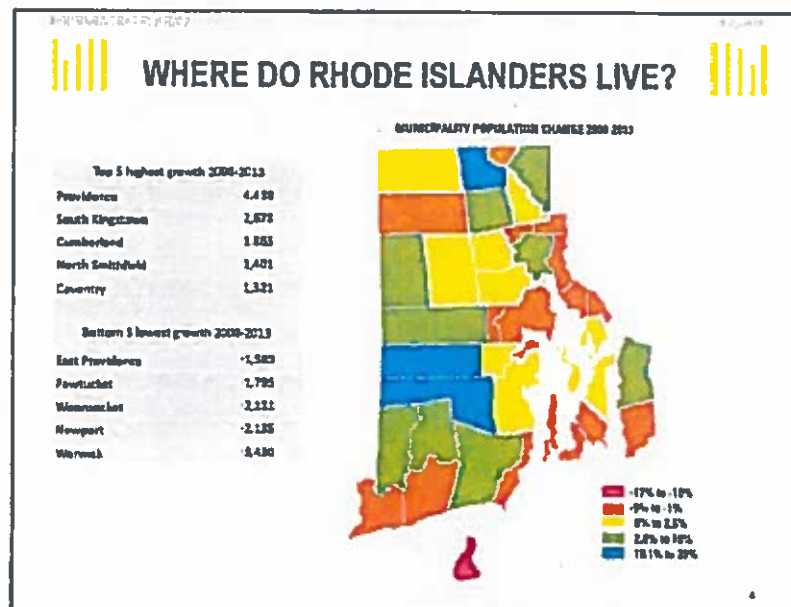
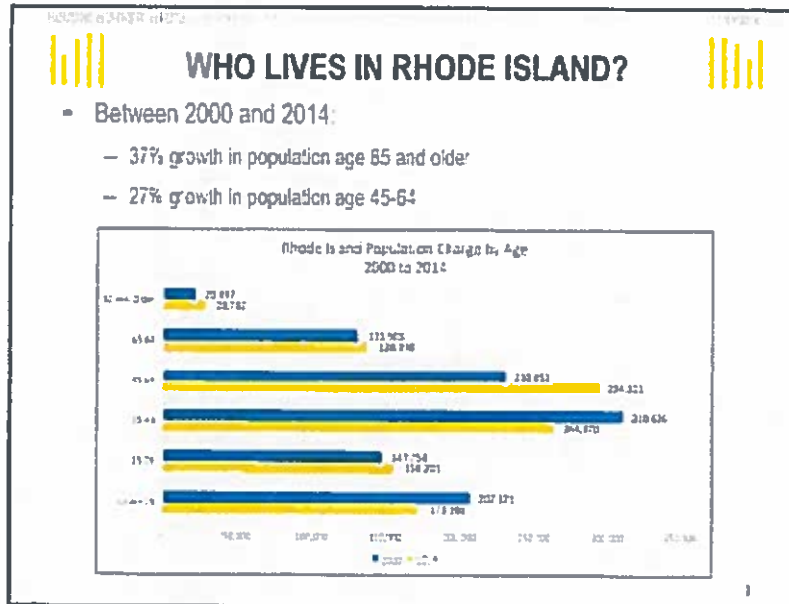


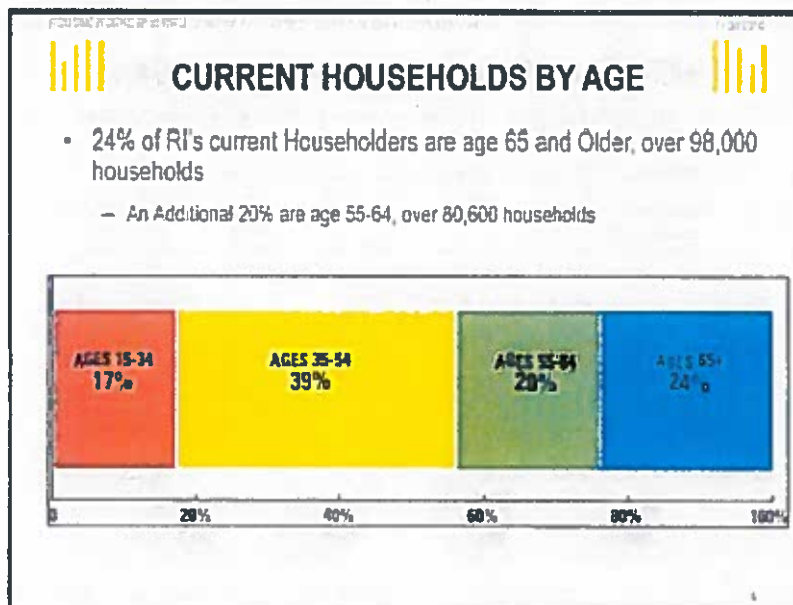
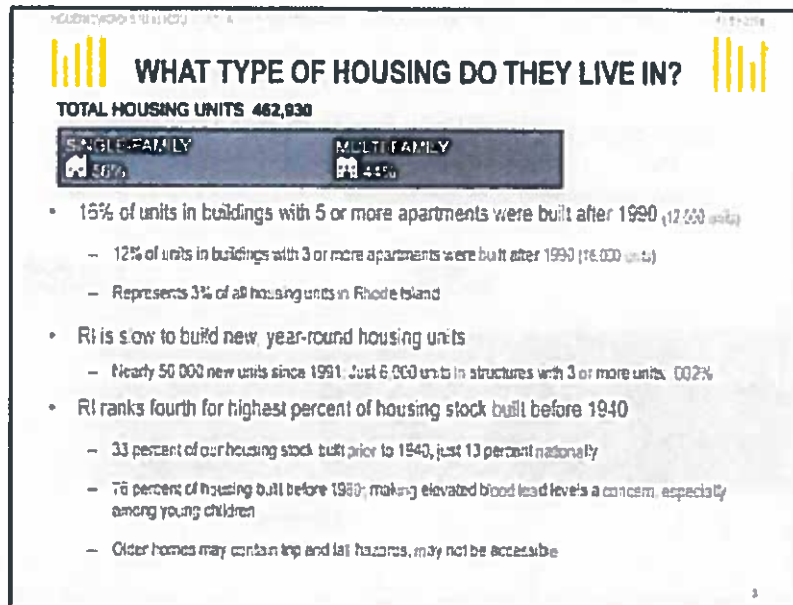
## **CURRENT AND FUTURE HOUSING NEEDS IN RHODE ISLAND**

APRIL 2016

### **ABOUT HOUSINGWORKS RI at RWU**

- Founded in 2004, integrated into Roger Williams University in 2014
- Conduct research and analyze data related to housing affordability in Rhode Island
- Connect the dots between housing affordability and economic development, and outcomes in health and education
- Future population, household, and housing demand based on Projection Future Housing Needs Report



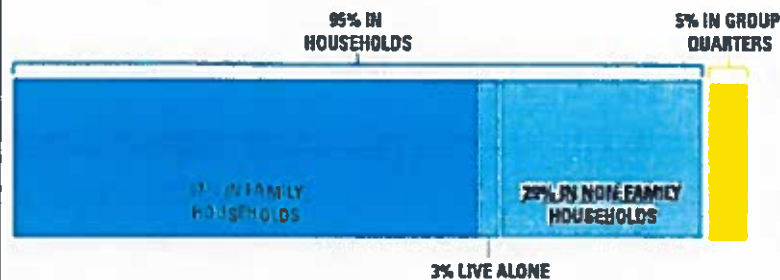




## HOUSEHOLDERS 65 AND OLDER



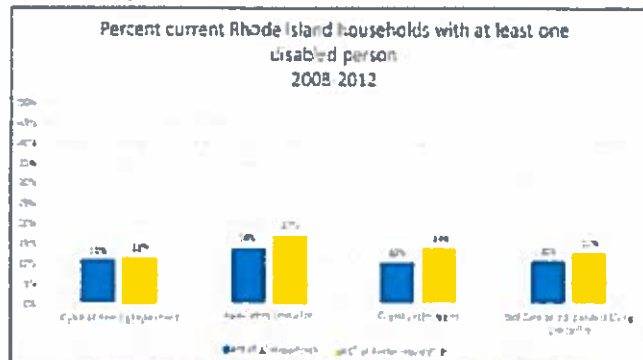
- 29% of older Rhode Islanders live alone
  - Of the roughly 45,000 Rhode Islanders ages 65+ who live alone, 71% are women
- 3% live with others of no family relation



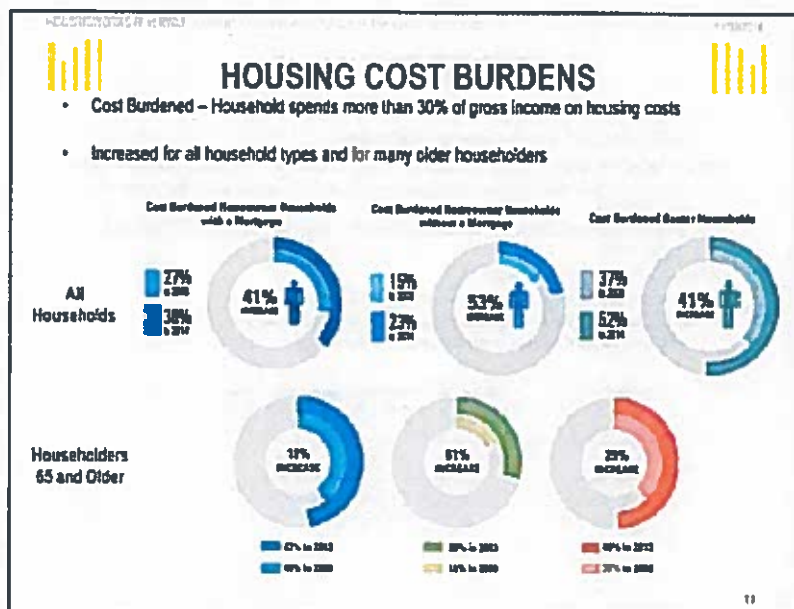
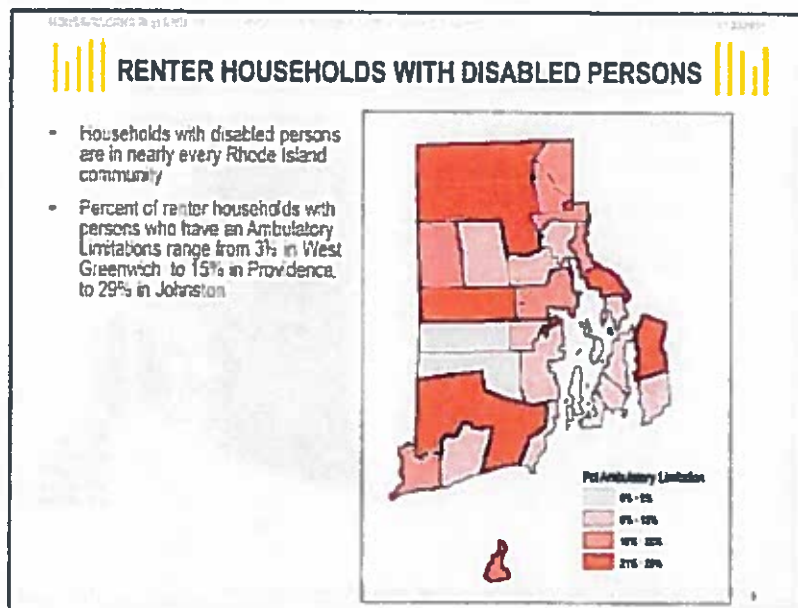
## HOUSEHOLDS WITH DISABLED PERSONS



- 14% of all households have an Ambulatory Limitation, 10% of all households have an Independent Living Limitation
- Renter households have a slightly higher possibility of person with a disability
- Approximately 45% of households with Ambulatory Limitations live in MF properties with 3 or more units





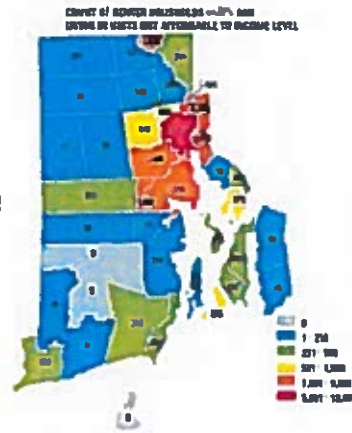




## AFFORDABLE RENTER HOUSING NEED



- Mapping number of renter households  $\leq 30\%$  AMI
  - Number of  $\leq 30\%$  AMI Renters living in units only affordable to households above  $30\%$  AMI
  - Low income households concentrated in urban areas, but state will have to consider fair housing implications to deconcentrate poverty



SOURCE: CT Dept of Housing and Urban Development Corporation, "Housing Affordability Strategies" (HAFS) Oct. 2008, 2012

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## AGING RHODE ISLAND



- Rhode Island Continues to Age
  - By 2025, the Senior population is expected to increase by 40%
- Rhode Islanders age 20-44 year old population will increase by 11% over the next ten years
  - While this is smaller percent increase than the seniors those age 20-44 have a larger total population than the Senior Population
  - Follows national trends projected by Pew Research Center that forecast Millennials overtaking Baby Boomers starting in 2015
- Child population continues to decline
  - Continue to see effects of child population loss between 2000-2013
  - Last decade's loss of women of child bearing age affects today's child population
  - Reduction in number of births and postponement of childbirth for women

	Rhode Island Today	2015-2025, Seniors Qtr	2015-2025, Younger Growth
Total Population	1,054,798	+ 3.7%	+ 4.3%
Age 0-19	248,464	+ 10.3%	9.1%
Age 20-44	341,328	+ 8.7%	+ 11.0%
Age 45-64	297,224	+ 11.3%	+ 11.0%
Age 65 and older	265,147	+ 39.0%	+ 39.7%

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### Who Is Rhode Island Housing?

- More than 200 employees
- Over \$1 Billion in assets
- Services more than 18,000 mortgages
- Provided mortgages for more than 1,200 RIs in 2015
- Produced or preserved more than 700 apartments in 2015
- Administers 18,000 rental assistance vouchers
- Taxpayer dollars are not used to sustain Rhode Island Housing's operations

### Projecting Future Housing Needs in RI

**A Comprehensive Study**

Determine:

- Current housing market conditions
- Population projections over next ten years
- How demographic trends will inform our Future Housing Needs

**HousingWorksRI**

© 2014 Rhode Island Housing

### Where Are We Coming From?

**Great Recession**

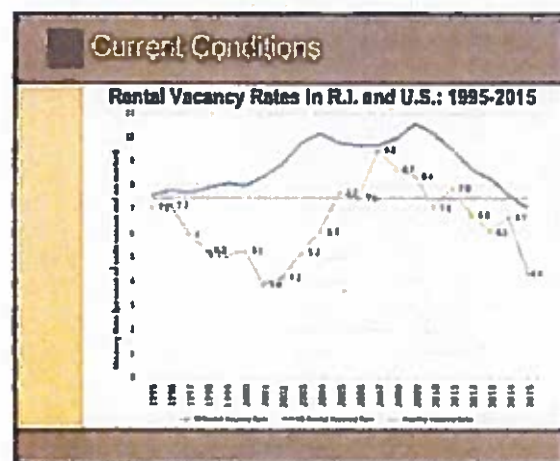
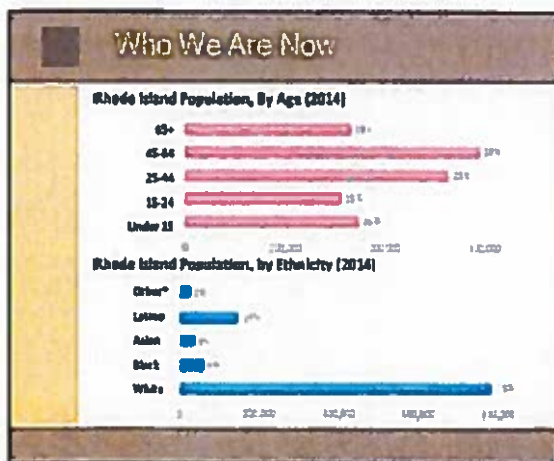
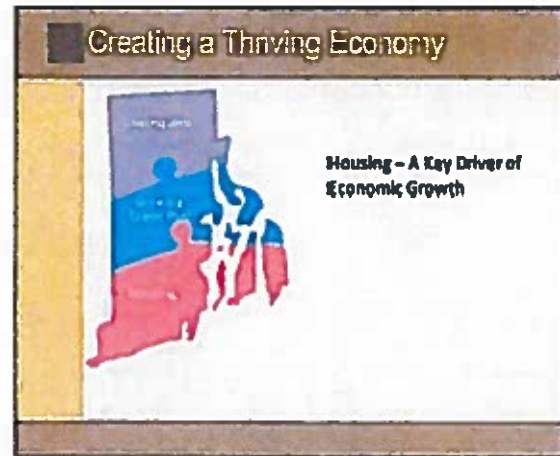
**11.3% unemployment**  
Nov 2010

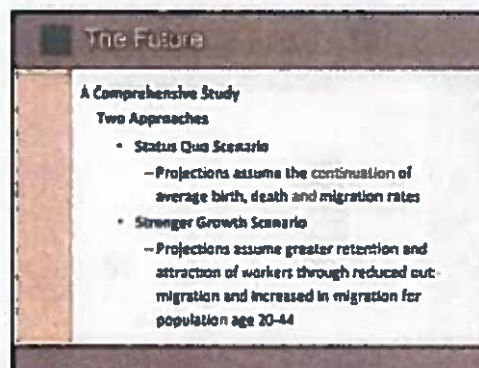
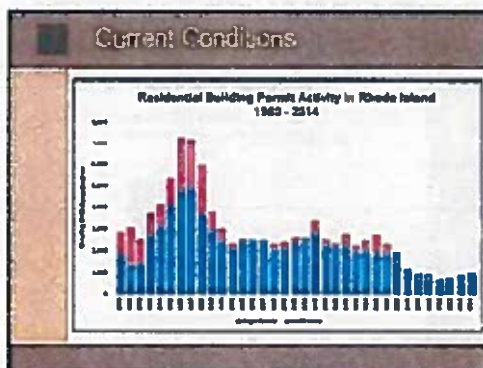
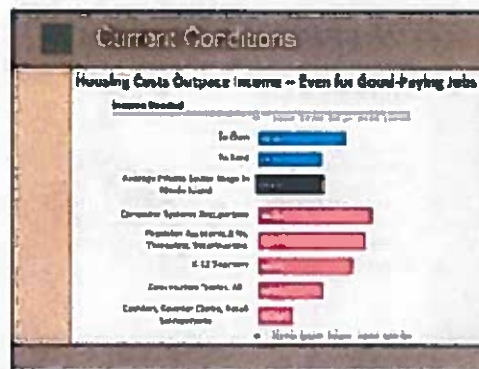
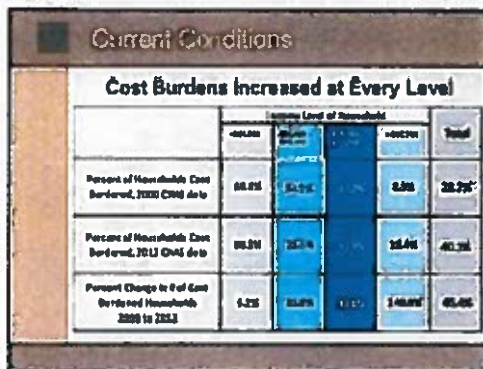
**Housing Crisis:**  
**Foreclosure Rate 4.2%**  
2010

**Population Decline:**  
**Fastest in the nation**  
1990-2010

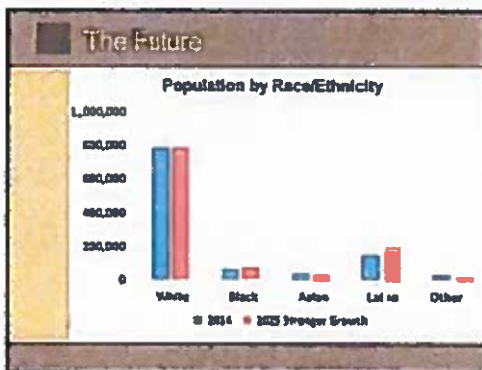
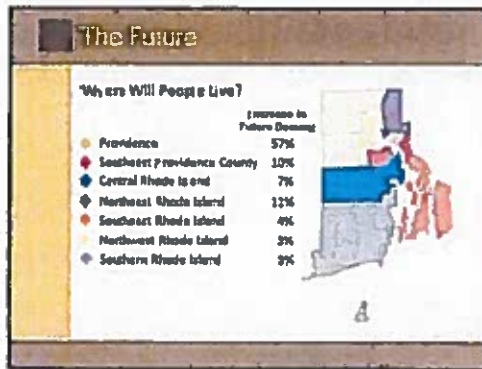
**The Philadelphia Inquirer**  
June 11, 2010  
7th quarter ends with rising unemployment

**The Philadelphia Inquirer**  
October 1, 2010  
"Foreclosure-guts" adds uncertainty











### The Future

#### Drivers of Household Formation

##### Millennials

People born between 1981 and 1997 (age 18-34)

- Waiting longer to marry
- Waiting longer to have children
- Families having fewer children
- Burdened by student debt

### The Future

#### Drivers of Household Formation

##### Seniors

Age 65 and up

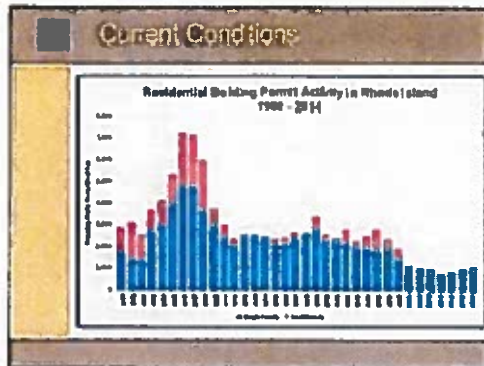
- Downsizing
- Simplifying
- Divorce
- Living longer
- Aging in place

### The Future

#### Future Housing Needs in R.I.

Growing demand for housing will require **34,610 - 40,230** new units over the next ten years.

About 3,500 units per year over the next 10 years

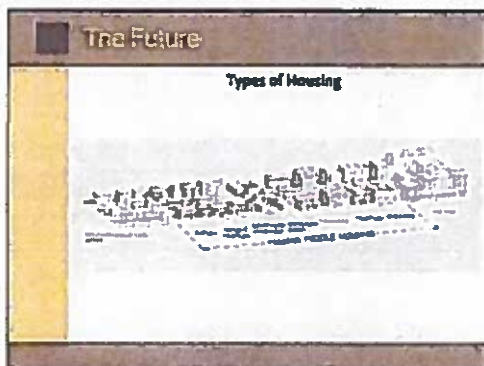


### The Future

**Future Housing Needs**

81% of emerging demands for multi-household housing

- The majority of the emerging demand will be for housing comprised of 2-4 units



### The Future

**Drivers of the Need for Lower Price Points**  
(up to 94% of new households are projected to earn <\$30K AMI)

**Seniors**

- Moving from earning to fixed retirement income

**Millennials**

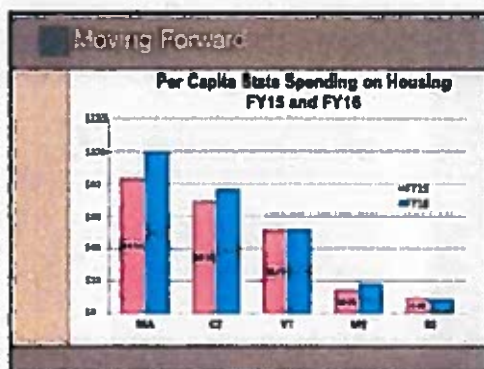
- At the beginning of careers and earning potential



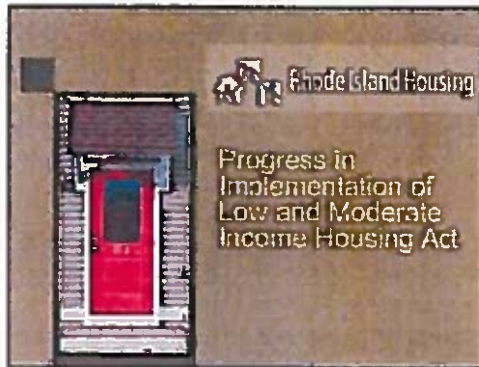
## Moving Forward

### Moving Forward

- ## Moving Forward
- Housing construction will have to increase significantly to meet projected household growth even under Status Quo
  - Growing senior population means R.I. must improve accessibility and maintain homes
    - Allows more Rhode Islanders to age in place
  - Need for increased housing production to meet demands from households earning lower incomes
    - Millennials and Seniors



- ## Moving Forward – What will we do?
- Housing Opportunity Bond
    - The \$50 million Housing Opportunity Bond alone will generate over 1,400 jobs
  - Consider ways to finance “missing middle” = those earning 60-130% AMI
  - Secure additional federal & philanthropic \$ - i.e. Capital Magnet Fund, Kresge, National Housing Trust, FFI
  - Bolster Homeownership
    - Open State Home Grant
    - Hardest Hit Fund Rhode Island
  - Align with Commerce, Infrastructure Bank, SHODH



### Low and Moderate Income Housing Chapter 45-53

- Created in 1931 with major amendments in 2004
- Purposes To provide for housing opportunities for low and moderate income individuals and families in each city and town of the State
- Defines Low and Moderate Income Housing as:
  - Subsidized by federal, state or municipal government subsidy;
  - WTS remain affordable through land lease or deed restriction for at least 30 years;
  - Affordable to households earning up to 80% Area Median Income (AMI) for rental / 120% AMI homeownership

### Rhode Island Household Income Levels (FY 2016)

% Median	1 person	2 person	3 person	4 person
20%	\$10,300	17,900	23,100	24,300
30%	15,450	26,850	34,650	36,450
40%	20,600	35,800	46,100	48,600
50%	25,750	44,750	58,350	61,350
60%	30,900	53,700	69,700	73,400
70%	36,050	62,650	82,050	86,550
80%	41,200	71,600	94,400	99,600
90%	46,350	80,550	106,750	112,750
100%	51,500	89,500	119,100	125,900

\*Renters: 100% of the state's population, and moderate income households are slightly higher going from \$24,300 for 1 person to \$36,450 for a family of 4. Homeowners: 100% of the state's population and moderate income households are even higher going from \$24,300 for 1 person to \$36,450 for a family of 4.

### Low and Moderate Income Housing Chapter 45-53

- Established a process to submit a single comprehensive permit, in lieu of separate applications to applicable local boards, for residential developments in which at least 25% of the units meet the definition of low and moderate income housing
- Created a State Housing Appeals Board (SHAB) with the power to review and potentially override local decisions on comprehensive permits that are denied or approved with conditions that make the development infeasible.

## Low and Moderate Income Housing Chapter 45-53

Municipalities exempt from the requirements of the Law:

- Those with at least 16% of that community's year-round homes meeting the definition of low and moderate income housing (Currently Central Falls, New Britain, Meriden, Providence and Woonsocket), or
- Those communities having at least 5,000 year-round rental units, where the total rental units are more than 25% of the community's total year-round homes, and at least 15% of the rental units are low mod housing (Currently Cranston, East Providence, North Providence, Pawtucket, Warwick and West Warwick).

## State Housing Finance Agency Role

Under the Low and Moderate Income Housing Act, Rhode Island Housing is responsible for:

- Updating the inventory of housing that meets the State's definition of low and moderate income housing annually;
- Issuing Letters of Eligibility (LOE) for comprehensive permit applicants;
- Providing administrative support to the State Housing Appeals Board (SHAB)

## State Housing Appeals Board (SHAB) Composition

- 3 representatives of municipalities (plus 1 alternate)
- 1 affordable housing developer
- 1 affordable housing advocate
- 1 representative of business
- 1 attorney knowledgeable in land use

## Letters of Eligibility and SHAB Activity

Year	Letters of Eligibility # Letters	Letters of Eligibility # per month	SHAB # Hearings	SHAB # Appeals	SHAB # Decisions	SHAB # Other
2005	0	142	5			1
2006	16	227	6		2	3
2007	23	280	1	1		
2008	20	418	2	1	1	
2009	13	348	1	1		
2010	18	123	2	1	1	
2011	7	142	1		1	
2012	3	77				
2013	4	63	4	3	1	
2014	9	90	3		2	1
2015	0	116				
Total	716	2,326	21	7	6	6

County Low and Moderate Income Housing 1992, 2005 & 2015			
Year	Total Year Round Housing Units	Low and Moderate Income Homes	% Low and Moderate Income Homes
1992	413,314	28,438	6.88%
2005	425,510	15,158	3.56%
2015	445,302	37,074	8.31%

Low and Moderate Income (LMI) Housing Changes 1992, 2005 & 2015			
Timeframe	Barry Total	In current jurisdiction	In non-current jurisdiction
Total LMI homes in 1992	28,438	22,403	6,035
Net change in LMI homes from 1992 to 2015	8,636 (+30%)	4,938 (+22%)	3,697 (+61%)
LMI home change 1992-2005	6,773 (+24%)	4,064 (+18%)	2,709 (+45%)
LMI home change 2005-2015	1,864 (+28%)	873 (+21%)	991 (+36%)
Total LMI homes in 2015	37,074	27,341	9,733

Need for Housing Outstripping Production	
• Low and Moderate Income housing units needed for non-exempt communities to meet 12% goal: 8,648	
• Average net new production of low and moderate income homes has been 158 per year over the past three years	
• Growing demand for housing will require 34,610 - 40,130 new units over the next ten years, or about 3,500 units per year	
• Since 2005, Rhode Island has averaged just 800 new building permits per year	

Conclusions	
• Since implementation of the law in 1992, development of low and moderate income housing has been more widely dispersed across the state	
• Progress in meeting low and moderate income housing goals varies considerably by source policy	
• The State's need for low to moderate income housing is greater than ever	
• Production is not keeping pace with needs for affordable or market rate housing	

**Low to Moderate Income Housing by Municipality as of 2015 Official Count**

City/Town	Low Mod Income Housing			LMI % of Total Housing Units		
	1992	2005	2015	1992	2005	2015
Barrington	6	95	160	0.10%	1.55%	2.55%
Bristol	234	499	535	2.94%	5.82%	5.93%
Burrillville	390	419	532	6.78%	7.36%	8.60%
Central Falls	932	808	835	12.70%	11.12%	11.17%
Charlestown	4	46	77	0.09%	1.39%	2.20%
Coventry	475	672	759	4.03%	5.23%	5.39%
Cranston	1,562	1,770	1,788	5.12%	5.54%	5.43%
Cumberland	570	745	843	5.08%	5.94%	6.14%
East Greenwich	174	225	244	3.73%	4.34%	4.57%
East Providence	2,198	2,298	2,098	10.56%	10.82%	9.82%
Exeter	3	29	57	0.16%	1.34%	2.32%
Foster	32	39	36	2.10%	2.49%	2.05%
Glocester	42	80	84	1.21%	2.20%	2.18%
Hopkinton	138	159	240	5.18%	5.23%	7.12%
Jamestown	69	103	111	2.74%	4.24%	4.39%
Johnston	708	938	997	6.82%	8.14%	8.05%
Lincoln	481	588	581	6.61%	6.94%	6.44%
Little Compton	0	2	9	0.00%	0.13%	0.56%
Middletown	365	544	385	6.24%	8.84%	5.60%
Narragansett	178	200	272	2.17%	2.81%	3.80%
New Shoreham	16	36	59	1.27%	7.24%	10.63%
Newport	1,721	2,142	1,994	13.14%	17.32%	17.11%
North Kingstown	598	843	883	6.40%	8.05%	8.06%
North Providence	953	1,067	1,063	6.74%	7.21%	6.94%
North Smithfield	175	277	415	4.56%	6.83%	8.22%
Pawtucket	2,497	2,644	2,843	7.90%	8.33%	8.89%
Portsmouth	113	176	209	1.56%	2.51%	2.82%
Providence	7,045	9,710	10,531	10.55%	14.37%	14.80%
Richmond	4	66	57	0.21%	2.55%	1.96%
Scituate	27	39	35	0.77%	1.00%	0.85%
Smithfield	247	333	391	3.92%	4.53%	4.98%
South Kingstown	303	497	609	3.09%	5.20%	5.59%
Tiverton	50	239	358	0.88%	3.80%	5.02%
Warren	174	217	226	3.64%	4.44%	4.49%
Warwick	1,660	1,936	2,007	4.72%	5.29%	5.39%
West Greenwich	0	33	33	0.00%	1.85%	1.41%
West Warwick	822	1,053	1,127	6.58%	8.03%	8.16%
Westerly	419	524	538	3.98%	5.30%	5.16%
Woonsocket	3,053	3,059	3,053	16.29%	16.32%	15.93%
Exempt Sub-Total	22,459	26,523	27,398	8.91%	10.36%	10.43%
Non-Exempt Sub-Total	5,979	8,627	9,676	3.70%	5.08%	5.28%
<b>STATE</b>	<b>28,438</b>	<b>35,150</b>	<b>37,074</b>	<b>6.88%</b>	<b>8.26%</b>	<b>8.31%</b>

11/14/2016

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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF MEETING**

**DATE:** Tuesday, January 24, 2017

**TIME:** 3:00 P.M.

**PLACE:** Room 101 - State House

### **AGENDA:**

- I. Various Towns and Municipalities invited to speak regarding the Low and Moderate Income Housing Act
  - David Caldwell Jr., President R.I. Builders Association
  - Elyse Pare, Tax Assessor for the City of Woonsocket, Rhode Island
  - Local Department Official- Central Falls, Rhode Island
- II. Next meeting Dates scheduled
  - February 16, 2017 3:00pm
  - March 14, 2017 3:00pm
- III. Adjournment

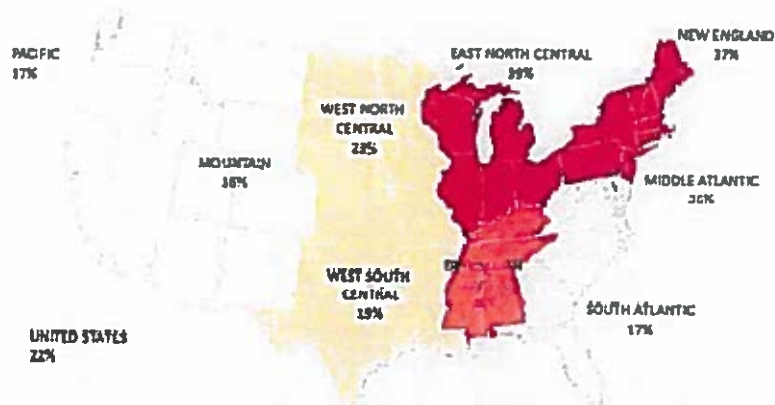
**\*No Public Testimony will be accepted at this meeting.**

Please contact Charles J. Donovan Jr. House Policy (401) 528-1765  
[CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov)

**POSTED: THURSDAY, JANUARY 19, 2016, 11:43 A.M.**

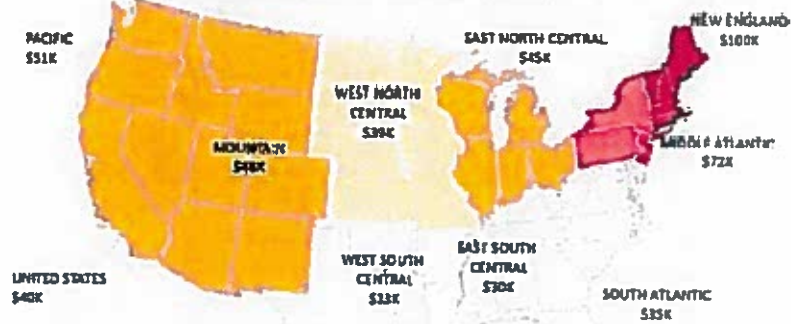


### Custom Home Market Share New Single-Family Homes Started in 2013



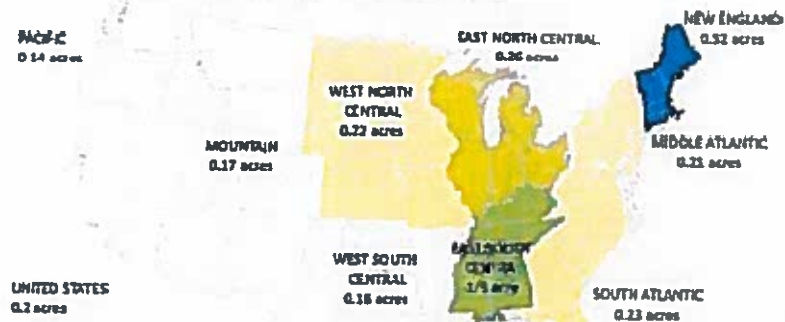
Source: 2013 Survey of Construction, NAHB Estimates

### Median Lot Price New Single-Family Spec Homes Started in 2013



Source: 2013 Survey of Construction, NAHB Estimates

### Median Lot Size New Single-Family Spec Homes Started in 2013



Source: 2013 Survey of Construction, NAHB Estimates

WSS 7/19/16



Los Angeles has been slow to meet demand for housing supply.

## The Cost of Delay

A Trulia analysis finds that in metro areas with longer permitting times, home builders are less able to respond with new housing units when demand picks up.

### Metro areas with the longest permitting times

	Home price increase, 1996-2016	Housing units added, 1996-2016	Avg. months for residential permit approval
Long Island, N.Y.	124.5%	8.5%	11.5
New York	176.9	10.9	31.8
Providence, R.I.	92.1	8.5	11.0
Oakland, Calif.	226.6	17.1	10.6
San Francisco	278.8	12.3	10.2

### Metro areas with the shortest permitting times

	Home price increase, 1996-2016	Housing units added, 1996-2016	Avg. months for residential permit approval
Houston	124.7%	54.0%	2.9
Charlotte, N.C.	72.3	60.9	3.3
Oklahoma City	104.1	25.7	3.8
San Antonio	107.2	46.1	3.9
Jacksonville, Fla.	107.3	43.1	4.0

Note: Data reflect sales and permit permitting times among 50 most populous metro areas. Source: Trulia. THE WALL STREET JOURNAL.

# Permit Delays Choke Housing Supply

BY CHRIS KIRKMAN

The supply of new housing in the U.S. isn't keeping up with demand, and in part because of long delays in getting building permits approved, according to new research set to be released this week by real-estate tracker Trulia.

The study finds that in metro areas with longer delays in building and zoning approvals, developers are less able to respond with new housing units when prices are rising and demand is high.

"Ultimately what really matters for builders, what really impacts them, is this delay," said Ralph McLaughlin,

chief economist at Trulia. "If builders know that it's going to take them a year to a year-and-a-half, and they think there will be downturn in that time, they'll just say, 'We're not going to build.'"

Single-family housing starts across the U.S. remain nearly 30% below the previous 30-year average, and Trulia's study found that the rate of home building relative to demand is also below historical averages. But the rate at which builders are bringing supply to the market as prices go up varied widely across the country.

Places such as Las Vegas, Raleigh, N.C.; and Atlanta

have been able to meet rising demand with additional housing units over the past 20 years, the study found, while the "new-housing supply" in markets such as Los Angeles, New York and San Francisco was much less responsive to rising prices over time.

Mr. McLaughlin correlated the rate of new-housing supply with a land-use and regulatory index developed by the University of Pennsylvania, which measures the amount of delays and other forms of real-estate regulation in markets across the U.S.

He found that the longer the average delay in getting building-permit approvals in a

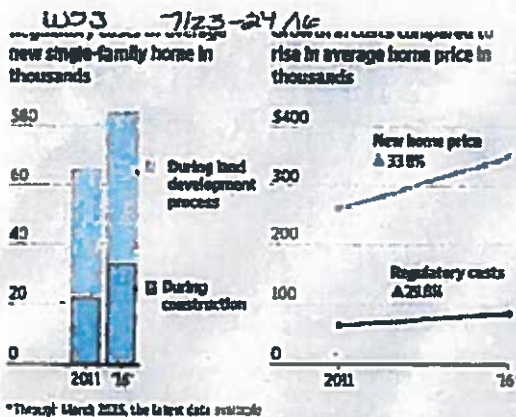
market, the less responsive the housing supply was during periods of increased demand.

Las Vegas, Raleigh and Atlanta had average delays of about four months, compared with average delays of eight to 12 months in New York and coastal California markets.

Frank Flores, development manager with Signature Development Group Inc. in Oakland, Calif., said his company expects at least six to nine months for building-permit approvals in Oakland.

The process can take much longer, he said, if a property also needs a new zoning designation.





# The Fees That Inflate Home Costs

Builders are passing on regulatory expenses to buyers; 'Somebody has to pay for new growth'

By CHRIS KIRKMAN

As the cost of construction permitting has risen over the past decade, Atlanta home builder Dennis McConnell has taken a new approach with customers.

He now itemizes the regulatory costs so buyers can see why the price tags for his houses are so high. Among recent charges he has outlined: \$8,000 for a new type of storm-water capture device required for each house; \$3,500 for customized architectural plans required on every lot and about \$15,000 to remove a tree from the property.

With every new regulation, "the more expensive it becomes," said Mr. McConnell, president of Healthy House of Georgia. "I don't build affordable houses anymore."

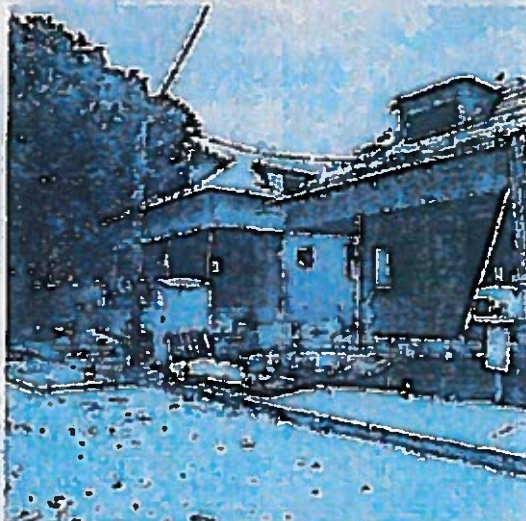
As home builders pick up the pace after a punishing downturn, they face a bevy of new regulations and higher fees governing everything from environmental quality

and park access to regulations on the amount of brick on a home exterior. Builders say many of the new requirements are well-meaning, but added up they translate to higher costs that are passed on to prospective purchasers.

For the past five years, the median new-home price has been 32% to 38% higher than the median price of a resale home, according to data from the U.S. Census and the National Association of Realtors, the largest such gap since the figures started being tracked in the 1980s. Compliance costs are one of many factors affecting prices of new homes, economists said. Builders have also focused more on the move-up and premium markets, meaning a tendency toward larger, pricier homes.

Several recent studies have documented how increased regulatory and permitting costs affect prices. A report by John Burns Real Estate Consulting in Irvine, Calif., concluded that new homes have become "permanently more expensive to build" because of increased regulations.

The study surveyed more than 100 building-industry executives, asking for examples of costs that didn't exist a de-



cade earlier. New regulations included a survey required in some areas of the Midwest to determine whether endangered bats are on a property, which builders said can cost \$10,000 or more for each new development.

A report in May from the National Association of Home Builders found that the average cost for builders to comply with regulations has risen nearly 50% over the past five years. A study from housing-research firm Zelman & Associates calculated that local "impact fees" charged to builders and developers to pay for services such

as roads, sewers and parks have climbed 48% since 2008 to an average of \$21,000 per home across 37 major markets.

City officials say regulations and fees have increased at a reasonable rate and account for a much smaller portion of final home prices than costs such as land and labor.

"Impact fees don't set the price of a home. The market sets the price of a home," said Ed Hammer, administrator of Mountain County, Fla., which recently voted to raise impact fees for new developments by 30% or more over the next three years after capping them





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Dennis McCampbell, above right, spoken with publisher Barry Riden recently in a news house he was building in Atlanta, shown in the background of the photo at left.

\$1,500 to \$2,000 for each unit.

Last year, the city finalized a 10-year master plan that proposes a system of trails, ball-parks and other recreational sites to accommodate a population expected to increase from 15,000 to 70,000. Nearly half of all residents surveyed for the parks plan said the best way to pay for the services would be through increased fees on developers, while less than 4% preferred increased property taxes.

"There's an expectation in the community that as the town grows, they don't have to go to an adjoining municipality for a soccer game or for baseball fields," said John Webb, the town's director of development services.

Matt Robinson, general manager with Walton Development and Management in Dallas, said developers should pay their share for new services. But too often he feels that developers are an easy target when cities plan for growth.

"When you do a parks master plan, it's like asking somebody, 'Do you want a Ferrari or do you want a Geo Metro?'" Mr. Robinson said. "Everybody's going to want the Ferrari."

during the economic downturn. "Somebody has to pay for new growth: the new roads, the new sewer lines, the new infrastructure required."

In places such as Florida and California, impact fees on builders and developers have long been a way to fund essential services.

The increases have prompted more pushback from developers in Texas, where fees are historically lower.

The town of Prosper, north of Dallas, requires a dedication of one acre of park space for every 50 units, single or multi-family, and a park fee of

# R.I. comes in last yet again

Just about anybody who's lived in southeastern New England long enough has heard about one list or another that ranks Rhode Island last or near-last among the 50 states. Last for business climate. Last for the condition of its bridges.

Well, here's another case in point. Rhode Island, for the past five years, has been last in housing starts.

Numbers from the U.S. Census Bureau show that Rhode Island was last from 2011 to 2015, and before that, it was 49th for several years. Going back a few more years, Rhode Island was also last in 2006, 2005 and 2004.

For those who wonder if Rhode Island's placement stems from its small size, go again. Census numbers compiled by Rhode Island Rising, a state agency that provides loans to buyers and invests in housing by selling tax-exempt bonds, show that in 2015, Rhode Island was also last in housing starts on a per capita basis. For each permit issued, Rhode Island had 1,067 people. Next-lowest, at a distant 49th, was Illinois, at 660.

Many factors contribute to Rhode Island's low housing production. Among them are high land costs, incomes that don't support the cost of new houses, a weak jobs market and low state investment in subsidized, income-restricted "affordable" housing. In other words, it's a problem that can't be solved with a single piece of legislation or a simple turning of the switch. Nor is it a case where the market

will simply take care of itself, because the state's economy contributes to the problem.

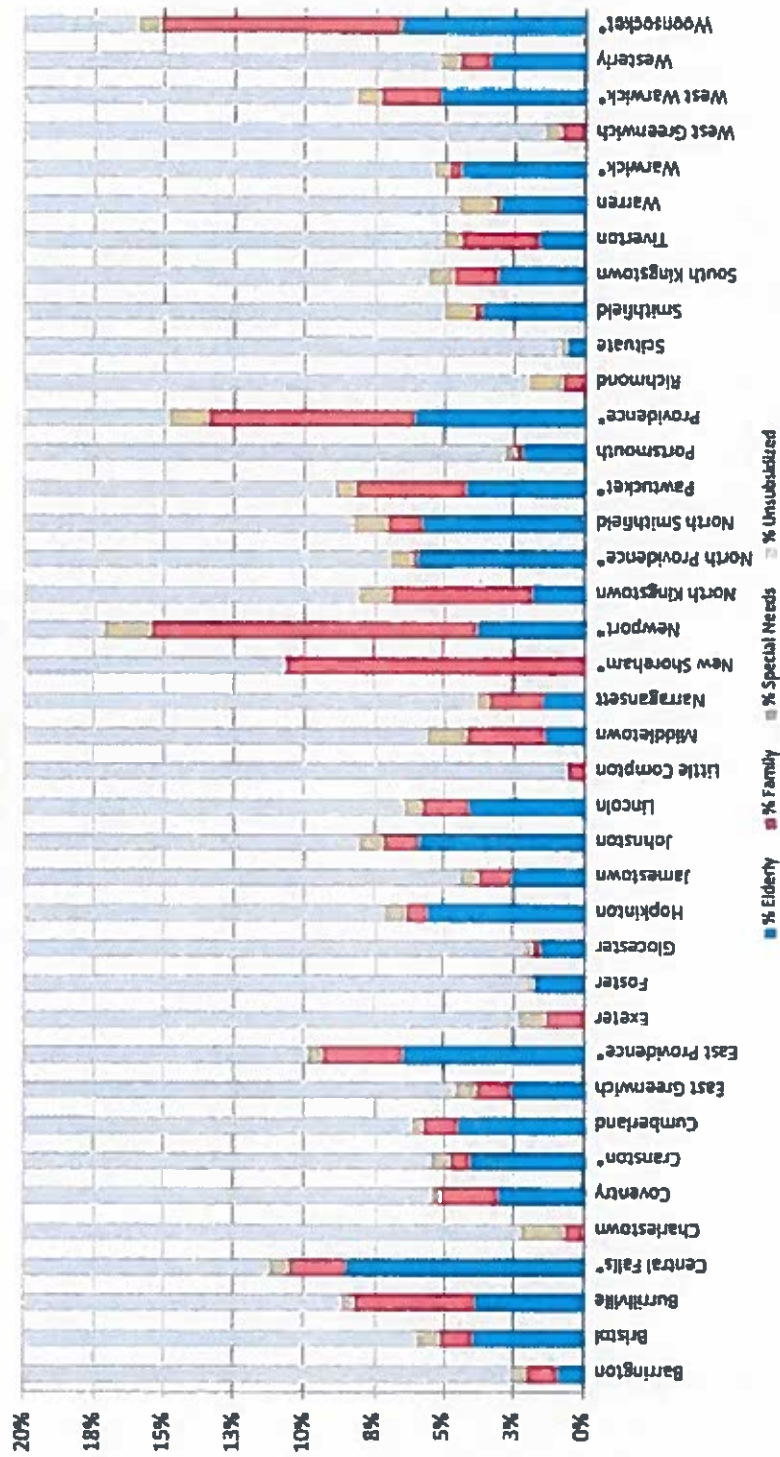
But there are steps that Rhode Island can take, and there is good reason to take them. A housing market with too few choices for buyers and renters does nothing to help the state's economy or make the state more attractive for businesses that might want to locate here. Nor does it help with Rhode Island's housing affordability problem.

One thing Rhode Islanders can do is support a \$50 million housing bond that will be on the November ballot. Two previous bonds, which provided a total of \$75 million, helped to pay for 1,944 income-restricted homes, condominiums and apartments. That's hardly enough to meet the need, and even with those past bonds, Rhode Island's investment in housing has trailed that of its New England neighbors. But a new bond is a good place to start.

The state also needs to make it easier for builders to build. This includes looking at zoning regulations, building permit fees and other factors that add to the cost of building a new home.

The need for more homes is there, and with Rhode Island looking to remake its economy, the need is only going to grow. That means Rhode Island's leaders should take steps to make sure the state's housing needs are being met. This is yet another area where Rhode Island can't afford to be last.

LMI Housing By Type as Percent of Total Housing Units - All Municipalities  
2015 Low Mod Chart Data



\* Exempt = exceeds 10%

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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF MEETING**

**DATE:** Tuesday, February 28, 2017

**TIME:** 3:00 P.M.

**PLACE:** Room 101 - State House

### **AGENDA:**

**I. Various Towns and Municipalities invited to speak regarding the Low and Moderate Income Housing Act**

- Albert Ranaldi, Jr., AICP. Town Planner- Lincoln, R.I. (*DID NOT PRESENT*)
- George O. Steere, Jr. – Town Council President- Gloucester, R.I.
- George Tremblay/Thomas Gentz- Charlestown, R.I.

**II. Adjournment**

**\* No Public Testimony taken at this meeting.**

Please contact Charles J. Donovan Jr. - House Policy Office (401) 528-1765 /  
Cdonovan@rilegislature.gov

**POSTED: FRIDAY, FEBRUARY 24, 2017, 10:40 A.M.**





**TOWN OF GLOUCESTER**  
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**To:** Special Legislative Committee to Study Low and Moderate Income Housing Act  
**From:** Town Council, Town of Gloucester  
**Date:** February 8, 2017  
**Re:** Issues Related to the Low and Moderate Income Housing Act Facing Gloucester and Rural Communities

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**Concern 1 - Definition of "consistent with local needs" [RIGL 45-53-3 (4)]**

**Issue:** This definition sets a one size fits all for most Towns requiring at a minimum, that 10% of the year round housing units meet the RIGL 45-53 definition of low and moderate income housing. This definition does not take into consideration key differences across municipalities including access to public water, access to public sewer, access to public transportation, land capacity, local growth rates, and other existing state policy.

**a. Public Infrastructure Availability and Land Capacity**

- i. Gloucester is one of about a quarter of municipalities in the state that has no public water and sewer, which severely limits its ability to accept dense development. The Town functions 100% using onsite wastewater treatment systems and well water.
- ii. When accommodating development, which must include private wells and onsite wastewater treatments systems, wetlands and other constraints to development must also be considered.
  1. Approximately 30% of the Town's remaining developable land in residential zones is wetlands or steep slopes.
- iii. The Town has very limited access to public transit which is highlighted by the fact that only 0.4% of the Town's working population commute using public transit<sup>1</sup>.
- iv. This definition treats municipalities with access to public infrastructure, unconstrained topography and better transit service the same as those without, which is not reasonable.

**b. Growth Rate**

- i. Gloucester currently has about 3,800 housing units, with 84 units meeting the definition of low and moderate income housing according to RIGL 45-53, or about 2.2%.
- ii. Over the past 10 years, the Town has averaged about 17.4 new homes per year. The gap between the current low and moderate income housing mandate of 10% and the current units meeting the RIGL definition of low and moderate income housing units is 300 units.
- iii. The Town is expected as part of its comprehensive planning process to account for how each of those 300 units will be constructed within the 20 year planning horizon of the plan.

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<sup>1</sup> ACS, 2013



1. According to the State's own population projections<sup>2</sup>, the Town will grow to a population of about 10,080 by the planning horizon of 2040 of the Comprehensive Plan currently under development within the Town. The current population is 9,801<sup>3</sup>. The average household size is 2.75<sup>4</sup>. This translates to a housing need of about 100 total units over the next 20 years but the low and moderate income units alone total 300 units, which forces internal inconsistency into the Comprehensive Plan.
- iv. Ignoring the growth rate in a municipality forces unrealistic and conflicting housing projections. This inconsistency between projecting actual housing needs and needing to show how the 10% low and moderate income housing number will be met forces municipalities to include unrealistic policy statements in their Comprehensive Plans, the blue print of all land use decisions, in order to obtain State approval.

**c. Land Use**

- i. The State's own land use guide plan, Land Use 2025, includes an urban services boundary. That Plan states "The intent of showing an urban services boundary is to denote a significant demarcation in urban pattern – the future boundary of areas that should be more urban in character versus those that should retain a more rural character. In other words, the "urban/rural" systems approach. It provides an indication for planning purposes of areas where a higher level of public services exists or is anticipated to be available to accommodate more intensive development. Conversely, public services in areas outside the Urban Services Boundary are anticipated to be more limited, and planned development intensities should accordingly be lower. Furthermore, land outside the Urban Services Boundary may be best suited for reservation as conservation areas and productive rural resource lands."<sup>5</sup>
  1. Glocester's policies have aligned with those of Land Use 2025 – just over 15% of the Town's land area is permanently protected open space.
- ii. Land Use 2025 does designate potential centers, one of which is Chepachet Village but the area is severely constrained to accommodate very dense development due to lack of public infrastructure and current issues with groundwater availability. Several existing businesses have drilled very deep wells in excess of 1,000 feet, which are dry. In addition, many of the historic structures that follow a denser development pattern have wells and cesspools that do not meet the current required well and septic minimum separation distances in their existing lot configurations.
- iii. This delineation of the urban services boundary is another reason why a one size fits all approach to establishing local needs is not only unrealistic but inconsistent with established state land use policy.

**Recommendation:** Municipalities should be able to set their own definition of local needs and through the comprehensive planning process, outline a set of policies that are realistic to achieve those needs.

<sup>2</sup> RI Population Projections, RI Statewide Planning Program, 2013 (2020-2040)

<sup>3</sup> US Census, American Community Survey, 2015

<sup>4</sup> 2013 ACS B25010

<sup>5</sup> Land Use 2025: Rhode Island State Land Use Policies and Plan, April 2006



## Concern 2 - Definition of "low and moderate income housing" [RIGL 45-53-3 (9)]

**Issue:** The current definition allows municipalities to only count housing units as low and moderate income units when they are subsidized by a federal, state, or municipal government subsidy and deed restricted for at least 30 years. This narrow definition drastically undercounts the affordable units that actually exist within a municipality.

### a. Mobile Homes

- i. Glocester has 142 units of housing in 2 mobile home parks. The average value of these mobile homes is about \$27,000. These units are viable low and moderate income units and a method to include these units in the low and moderate income unit count should be added to the state law.

### b. In-law Apartments

- i. RIGL 45-24-37 was recently expanded to allow in-law apartments without a special use permit for not only the disabled but those 62 and older.
- ii. New housing demand will outpace population growth because of shrinking household size. RI residents 65 and older are expected to grow by about 40% regardless of the economic growth of the state. Housing cost burdened elderly are expected to grow at a faster rate than other types of households. Having access to family and community is critical to senior households. 94% of new households will be at 120% AMI or lower and the 2 largest groups are elderly and millennials.<sup>6</sup> Both of these groups are good fits for in-law apartments.

### c. Assessed Value

- i. The average assessed value of a single family home in Glocester is approximately \$221,000. The income needed to comfortably afford this price home is between 80%-100% area median income for a family of four.
- ii. Market conditions and the nature of the existing housing stock have built affordability into some municipalities.

**Recommendation:** While the easiest method to count units administratively may be those that meet the current state law definition, it is certainly not the most accurate. This method is grossly undercounting the available affordable housing within a community. While there may be variation in home values as the economy changes, not counting those units that have kept their status as affordable for an elongated period of time unfairly penalizes those communities where assessed values remain consistent. Average assessed value of the housing stock should be factored into the overall affordability and needs of a municipality. In addition, mobile homes and in-law apartment should be included in the overall picture of affordability and be permitted to count towards the number of low and moderate income housing units in the municipality.

## Concern 3- Procedure for approval of construction of low or moderate income housing [45-53-4]

**Issue:** By setting up a system by which it is nearly impossible to meet requirements for low and moderate income housing under the current definition of local needs and the definition of low and moderate income housing, rural municipalities are vulnerable to the comprehensive permit process.

### a. Comprehensive Plan

<sup>6</sup> Projecting Future Housing Needs Report, HousingWorks RI, 2016 (Pg. 20)



- i. The Comprehensive Planning Standard Manual<sup>7</sup>, the document that outlines all requirements that a Comprehensive Plan must meet to obtain state approval, has conflicting requirements – illustrating the actual future housing need for the municipality using sound data and achieving 10% of housing as low and moderate income housing using a one size fits all approach.
  1. In the case of Gloucester, the construction of 300 low and moderate housing income units must be shown in the Plan's planning horizon while the housing needs only show 100 units needed over the planning horizon.
- ii. When a comprehensive permit comes before the municipality, all other legislated review standards (subdivision, special use permit, variance, certificate of consistency for historic districts, etc.) are removed from consideration and replaced by five standards by which a municipality can deny a permit:
  1. If city or town has an approved affordable housing plan and is meeting housing needs, and the proposal is inconsistent with the affordable housing plan;
  2. The proposal is not consistent with local needs, including, but not limited to, the needs identified in an approved comprehensive plan, and/or local zoning ordinances and procedures promulgated in conformance with the comprehensive plan;
  3. The proposal is not in conformance with the comprehensive plan;
  4. The community has met or has plans to meet the goal of ten percent (10%) of the year-round units or, in the case of an urban town or city, fifteen percent (15%) of the occupied rental housing units as defined in § 45-53-3(2)(i) being low and moderate income housing; or
  5. Concerns for the environment and the health and safety of current residents have not been adequately addressed.

The majority of the standards that are available to municipalities that do not meet the current state law requirement of meeting local need (10% of housing stock) are based on the comprehensive plan, which has, for the reasons outlined above, inherent inconsistencies when dealing with the actual local housing need and the required number of low and moderate income housing units. This puts municipalities in a difficult position to defend the unrealistic estimates of production of low and moderate income housing units mandated to be shown in the Comprehensive Plan versus what has actually occurred in line with actual local growth, available infrastructure, land capacity, etc.

**Recommendation:** Re-examine the comprehensive permit process so that municipalities can realistically implement their own context-sensitive vision for low and moderate income housing that accurately reflects the local conditions and needs.

#### **Concern 4 - Qualifying low-income housing – Assessment and taxation [RIGL 44-5-13.11]**

**Issue:** RIGL 44-5-13.11 states that low and moderate income rental units are subject to a tax of 8% of the previous year gross scheduled rental income instead of the full and fair value of the property. This can create a large financial burden on municipal budgets.

##### **a. Tax Base**

- i. For municipalities without public infrastructure and with other constraints to development, a large commercial and industrial tax base is nearly impossible to build, making those municipalities disproportionately dependent on the residential tax base.
  1. Gloucester's land use is 50% residential versus 3% commercial and industrial. Limiting the taxes the Town can collect on residential development hinders the Town's ability to provide basic services (education, public safety, etc.). The Town's taxes are high and only cover the most basic services – no garbage pick-up, no municipal fire, etc.

<sup>7</sup> *RI Comprehensive Planning Standards Manual*, State Planning Council, 2015.

**Recommendation:** Find a more equitable way to accommodate low and moderate income rental developments without creating an undo tax burden on the entire community's tax base.

**Conclusion:** Gloucester is not opposed to low and moderate income housing but the current law does not take into account the diversity among the State's municipalities. By using a one size fits all approach to establishing local needs, the current law forces communities to set unrealistic low and moderate income housing policies that are not based on actual development factors such as availability of services, growth rates and environmental constraints. In addition the current law removes the ability to count units that are actually satisfying low and moderate housing needs that a more rural community can accommodate and does not take into consideration the overall affordability of the housing stock within the community. The current law also opens up the opportunity for comprehensive permits, while limiting the ability of the Town to make local decisions based on local conditions. It has not proven to be an effective tool for providing low and moderate income housing opportunities in the rural areas and should be modified so that the interests of rural communities are more accurately reflected in its requirements.

## SUPPORTING RESOLUTIONS

**Little Compton Housing Trust**

**February 16, 2017**

**In regard to correspondence from the Gloucester Town Council dated 2/8/17 regarding RIGL 45-53; the Low and Moderate Income Housing Act, and a Special Legislative Committee to study the Low and Moderate Income Housing Act, the Little Compton Housing Trust has approved the following resolution:**

**The Little Compton Housing Trust supports the position of the Town of Gloucester that the provisions of RIGL 45-53 impart an undue burden on many small and rural communities in the State of Rhode Island and would seek to establish alternative provisions to enable such towns to provide affordable housing.**

**Approved at the monthly meeting on 2/16/17,**

**Matthew Ladd  
Joan Shamshoian  
Dennis August Almeida  
Robert Rottmann  
Patrick M. Bowen**

**RESOLUTION #2017-03  
IN SUPPORT OF WRITTEN TESTIMONY SUBMITTED BY THE TOWN OF  
GLOCESTER TO THE SPECIAL LEGISLATIVE COMMISSION TO STUDY THE  
LOW AND MODERATE INCOME HOUSING ACT**

**WHEREAS:** A special legislative commission was created by resolution No. 207 passed by the House of Representatives at its January session, 2016, and approved May 4, 2016, entitled "House Resolution Creating a Special Legislative Commission To Study the Low and Moderate Income Housing Act"; and

**WHEREAS:** That special legislative commission has formed and begun to meet to discuss issues related to the implementation to RIGL 45-53, the Low and Moderate Income Housing Act; and

**WHEREAS:** The special legislative commission has specifically asked for input from municipalities that have not met the legislative mandates of RIGL 45-53; and


**WHEREAS:** The Town of Gloucester has compiled written testimony outlining issues facing rural municipalities in implementing the mandates of RIGL 45-53; and

**WHEREAS:** The issues outlined by the Town of Gloucester are consistent with the issues facing the Town of Richmond in its implementation of RIGL 45-53; and

**NOW THEREFORE BE IT RESOLVED** that the Richmond Town Council views the current Low and Moderate Income Housing Act as unrealistic in its requirements, particularly as they relate to the more rural areas of the State and provides it full support to the issues and recommendations outlined in the written testimony submitted to the Special Legislative Commission to Study the Low and Moderate Income Housing Act by the Town of Gloucester.

**GIVEN UNDER THE SEAL OF THE TOWN COUNCIL OF THE TOWN OF  
RICHMOND THIS 21ST DAY OF FEBRUARY, 2017.**

ATTEST:

  
Sarah S. Rapose, Town Clerk



## TOWN OF FOSTER RHODE ISLAND

### RESOLUTION IN SUPPORT OF WRITTEN TESTIMONY SUBMITTED BY THE TOWN OF GLOCESTER TO THE SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT

WHEREAS: A special legislative commission was created by resolution No. 207 passed by the House of Representatives at its January session, 2016, and approved May 4, 2016, entitled "House Resolution, Creating a Special Legislative Commission To Study the Low and Moderate Income Housing Act"; and

WHEREAS: That special legislative commission has formed and begun to meet to discuss issues related to the implementation to RIGL 45-53, the Low and Moderate Income Housing Act; and

WHEREAS: The special legislative commission has specifically asked for input from municipalities that have not met the legislative mandates of RIGL 45-53; and

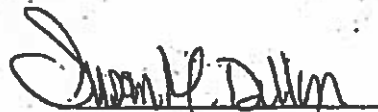
WHEREAS: The Town of Glocester has compiled written testimony outlining issues facing rural municipalities in implementing the mandates of RIGL 45-53; and

WHEREAS: The issues outlined by the Town of Glocester are consistent with the issues facing the Town of Foster in its implementation of RIGL 45-53; and

NOW THEREFORE BE IT RESOLVED that the Foster Town Council views the current Low and Moderate Income Housing Act as unrealistic in its requirements, particularly as they relate to the more rural areas of the State and provides it full support to the issues and recommendations outlined in the written testimony submitted to the Special Legislative Commission to Study the Low and Moderate Income Housing Act by the Town of Glocester.



Denise L. DiFranco  
Foster Town Council President



Susan M. Dillog, Town Clerk

Dated this 23<sup>rd</sup> day of February 2017







**Town of Little Compton  
Town Hall  
P.O. Box 226  
Little Compton, RI 02837**

**RESOLUTION**

**IN SUPPORT OF WRITTEN TESTIMONY SUBMITTED BY THE TOWN OF  
GLOUCESTER TO THE SPECIAL LEGISLATIVE COMMISSION TO STUDY THE  
LOW AND MODERATE INCOME HOUSING ACT**

**WHEREAS:** A special legislative commission was created by resolution No. 207 passed by the House of Representatives at its January session, 2016, and approved May 4, 2016, entitled "House Resolution Creating a Special Legislative Commission To Study the Low and Moderate Income Housing Act"; and

**WHEREAS:** That special legislative commission has formed and begun to meet to discuss issues related to the implementation to RIGL 45-53, the Low and Moderate Income Housing Act; and

**WHEREAS:** The special legislative commission has specifically asked for input from municipalities that have not met the legislative mandates of RIGL 45-53; and

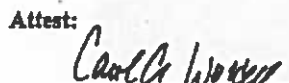
**WHEREAS:** The Town of Gloucester has compiled written testimony outlining issues facing rural municipalities in implementing the mandates of RIGL 45-53; and

**WHEREAS:** The issues outlined by the Town of Gloucester are consistent with the issues facing the Town of Little Compton in its implementation of RIGL 45-53; and

**NOW THEREFORE BE IT RESOLVED** that the Little Compton Town Council views the current Low and Moderate Income Housing Act as unrealistic in its requirements, particularly as they relate to the more rural areas of the State and provides it full support to the issues and recommendations outlined in the written testimony submitted to the Special Legislative Commission to Study the Low and Moderate Income Housing Act by the Town of Gloucester.

Dated this 23<sup>rd</sup> day of February, 2017 by order of the Town Council,

  
Robert L. Mushen, Town Council President

Attest:  
  
Carol A. Wordall, Town Clerk

**TOWN OF HOPKINTON  
RESOLUTION  
IN SUPPORT OF WRITTEN TESTIMONY SUBMITTED BY THE TOWN OF  
GLOCESTER TO THE SPECIAL LEGISLATIVE COMMISSION TO STUDY THE  
LOW AND MODERATE INCOME HOUSING ACT**

**WHEREAS:** A special legislative commission was created by resolution No. 207 passed by the House of Representatives at its January session, 2016, and approved May 4, 2016, entitled "House Resolution Creating a Special Legislative Commission To Study the Low and Moderate Income Housing Act"; and

**WHEREAS:** That special legislative commission has formed and begun to meet to discuss issues related to the implementation to RIGL 45-53, the Low and Moderate Income Housing Act; and

**WHEREAS:** The special legislative commission has specifically asked for input from municipalities that have not met the legislative mandates of RIGL 45-53; and

**WHEREAS:** The Town of Glocester has compiled written testimony outlining issues facing rural municipalities in implementing the mandates of RIGL 45-53; and


**WHEREAS:** The issues outlined by the Town of Glocester are consistent with the issues facing the Town of Hopkinton in its implementation of RIGL 45-53; and

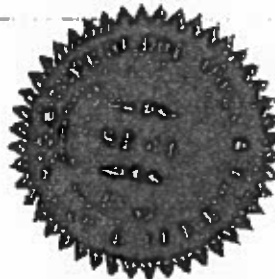
**WHEREAS:** Hopkinton's Property Sales Data for 2015 and 2016 attached, illustrates 63% of all properties transferred were sold for under \$250,000.00.

**NOW THEREFORE BE IT RESOLVED** that the Hopkinton Town Council views the current Low and Moderate Income Housing Act as unrealistic in its requirements, particularly as they relate to the more rural areas of the State and provides its full support to the issues and recommendations outlined in the written testimony submitted to the Special Legislative Commission to Study the Low and Moderate Income Housing Act by the Town of Glocester.

Adopted: February 21, 2017

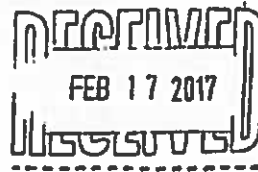
ATTEST:

  
Elizabeth J. Cook-Martin  
Town Clerk





## Low-Moderate Housing



**TO: HOPKINTON COUNCIL MEMBERS**

I have created these files over the course of 2015 and 2016 to discover exactly how Hopkinton stands where low and moderate income properties are involved. The state of Rhode Island demands that we have 10% of our properties reserved for low and moderate families – I believe we have done that without using codicils of 30 years or more.

These properties have been sold at market rate, very few of them to banks and most to normal hard working families who wanted a real home with common neighbors who could work, renovate and have their homes appreciate in market fashion. So that they could grow and invest in their homes with the confidence and pride in home ownership without any assistance from the state.

Several of the high income properties can be thrown out as they are bought via the Land Trust or other non-profit environmental entities. But, most were homes in the newer developed areas.

I have to assume that many in the under 100,000 category were sold to family members to allow them to live in their home communities as they have always done in the past. Some may have been inheritable at a low rate. These are still new low income homeowners. And fully 63% of all properties are under 250,000.

I think the schedules show that Hopkinton has been nothing but kind and available to low and moderate families without any form of state assistance. Most still have the original pride and hard work of the New Englanders and the immigrants we all have been at one time or another.

The fact that the low-moderate housing proposals do not even bother to count our low income, not state-assisted, homes, let alone the 57 trailers that we have had on our tax rolls for decades indicates the lack of common knowledge and the use of theory instead of practice within all of Rhode Island's communities.

Barbara Capalbo  
1-30-17

MCKINNON PROPERTY SALES 2015										
MONTH	TOTAL SALES	under 100,000	101-150	151-200	201-225	226-250	251-300	301+		
JANUARY	6	3	1							
FEBRUARY	9	4	1				1	1		
MARCH	3	2		1		2				
APRIL	6			1						
MAY	10	1	1	2	1	1	2			
JUNE	8	1	2				2	2		
JULY	14	2	2	2	1	1	1	2		
AUGUST	16	3	5	2	1	2	3	2		
SEPTEMBER	9			1	3	1	2	3		
OCTOBER	15	1	1	5		1	3	1		
NOVEMBER	16	1	2	4	1	2	4	2		
DECEMBER	7	1	1	3	1	4	2	2		
TOTALS	119	19	16	24	10	13	21	16		
UNDER 200,000	59	50% of properties sold are low income and of these, 59% are under 150,000								
UNDER 250,000	23	19% are moderate income								
UNDER 300,000	21	18% are moderate to high income								
OVER 300,000	16	13% are high income								
Total sold	119									

HOPKINTON PROPERTY SALES 2015										
MONTH	TOTAL SALES	under 100,000	101-150	151-200	201-225	226-250	251-300	301 +		
JANUARY	6	3	1							
FEBRUARY	9	4	1				1	1		
MARCH	3	2			1	2		1		
APRIL	6			1						
MAY	10	1	1	2	1	1	2			
JUNE	8	1	2	4			2	2		
JULY	14	2	2		1	1	1	2		
AUGUST	16	3	5	2	1	2	3	2		
SEPTEMBER	9			2	1		2	3		
OCTOBER	15	1	1	1	3	1	3	1		
NOVEMBER	16	1	2	5		2	4	2		
DECEMBER	7	1	1	3	1	4	2	2		
TOTALS	119	19	16	24	10	13	21	16		
UNDER 200,000	59	50% of properties sold are low income and of these, 59% are under 150,000								
UNDER 250,000	23	19% are moderate income								
UNDER 300,000	21	18% are moderate to high income								
OVER 300,000	16	13% are high income								
Total sold	119									

### LMIH Testimony, 28 Feb 2017

Good afternoon. My name is George Tremblay. I am a past member of the Charlestown Planning Commission and, more recently, of the Charlestown Town Council. I'm here to urge two changes in the LMIH Act: the breadth of the law, and the uniform 10% mandate.

As written, the LMIH Act subsidizes housing for households earning up to 120% annual median income (AMI). While serving on Charlestown's Planning Commission, I conducted a study of the performance of the LMIH Act in four rural towns (the Chariho towns and Exeter). I invite you to read that report at this link: <http://charlestowncitizens.org/lmih-report/>. In a nutshell, projects directed at households earning 100-120% AMI were largely a flop. Those directed at households earning 80% AMI or less were largely successful, especially rental housing for seniors.

At 120% AMI, half the population is being taxed to subsidize households wealthier than they are. Given the political changes in Washington, with an emphasis on cutting taxes and reducing the size of government, I urge revision of the law to limit subsidies to those households earning 80% AMI or less. Subsidizing households earning 100-120% AMI is an extravagance we can ill afford. At 120% AMI, a household of 4 earning \$90k qualifies for a \$366k LMIH home.

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Secondly, I ask for your attention to the 10% mandate. While the LMIH Act is intended to provide affordable housing in all 39 municipalities, it offers no guidance on distribution of resources according to need. Instead, the law rules that the inventory of government-subsidized LMIH must reach 10% of all housing in each community.

In Charlestown, 85% of the population lives in an owner-occupied home, 30% of owner-occupied homes carry no mortgage, and costs of ownership for 64% of the mortgaged homes meet current LMIH guidelines.\* Is it credible that the need for government-subsidized LMIH in Charlestown is the same as that for all other RI municipalities?

The graph distributed to you suggests an answer. The data show that poverty rates are proportional to population density. It seems intuitively obvious that poverty rate drives the need for subsidized housing.

The data indicate that whatever the statewide target for LMIH, need would better be met by apportioning investment in LMIH according to the poverty rate in each municipality. Others may offer a better guide, but a flat rate across the board fails the test.

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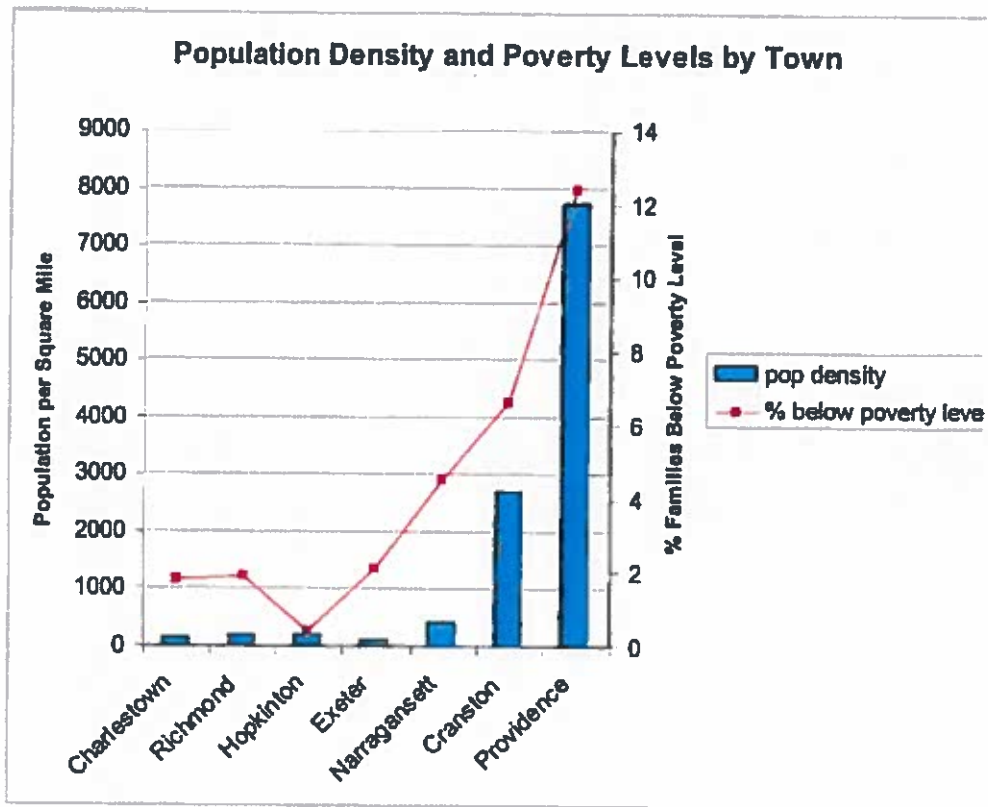
\*75% of all year-round homes pay  $\leq$  30% household income toward PITI.

c: LMIH Testimony 2017

## **Low and Moderate Income Housing Act: Program Analysis**

### **Summary:**

1. The four towns in this study (Charlestown, Richmond, Hopkinton and Exeter) are relatively prosperous, with an Annual Median Household Income (AMI) from 28-79% above that for the state, and a family poverty rate less than ¼ that for the state. Of the year-round homes in the four towns, 80-90% are owner-occupied, 83-90% of the population lives in an owner-occupied home, 19 to 30% of owner-occupied homes are mortgage-free, and 54 to 66% of the mortgaged homes require less than 30% of household income to pay the costs of ownership. The need for LMIH-subsidized home ownership is not evident from the economic profile of residents of these four towns.
2. Few LMIH proposals reach the stage of final approval, owing to a combination of untoward factors, including contentious resistance from area residents, litigation to stop the projects, withdrawal by applicants in favor of more attractive options (sham proposals), and changes in market conditions unfavorable to the developer.
3. Of the six LMIH-supported projects that have reached the construction stage in the four towns, one by Habitat for Humanity (2 LMIH homes) and one by the Women's Development Corporation (WDC; Saugatucket Springs, 53 LMIH units) are completed and fully occupied. Another by WDC (Deer Brook, with 31 LMIH units) is 90% complete and occupied. A fourth (Rockville Mills, with 14 LMIH units) has just recently been completed, and is currently being advertised for occupants. The remaining two projects under construction report less progress. Canonchet Woods (WDC, 20 LMIH units) is only 10% built over 5 years, with 2 units occupied, and Village Farm (32 LMIH units) is less than half built over 4 years, with 4 of 12 completed LMIH units unoccupied. The successful projects build mostly for clients at 50 – 80% AMI, whereas the troubled projects build mainly for clients at 100-120% AMI.
4. Of 92 occupied LMIH units for which records could be obtained, most residents had relocated from the same or an abutting town, and virtually all were relocated from other municipalities in Rhode Island.
5. Results shown primarily address LMIH-subsidized home ownership, where several projects allowed comparisons. These, and the success of the single LMIH rental project, suggest greater interest in LMIH housing for clients at or below 80% AMI.
6. Eligibility for LMIH based on AMI is seriously flawed. Examples show that other assets should be taken into account to assess need for LMIH-assisted housing.
7. The inventory of conventional housing in Charlestown with assessed values eligible for purchase by clients within the 80-120% AMI range, and unencumbered by LMIH restrictions, offers stiff competition for sellers of LMIH housing in this AMI range.



## **Gentz - - Charlestown**

- 80% AMI (\$216,763);not 120% (\$325,000)
- Focus LMIH in Growth Centers
- Homes/apts under 80% AMI (900+)
- Enforce State Plan 2025, USB, CRMC, Natural Heritage
- Stress rentals
- No density bonuses w/o Town approval



## Gentz - - Charlestown

- Charlestown LMIH Accomplishments
  - \$ 1M Bond - - all but \$50 K spent on following Projects
    - Edwards Lane - - 8 occupied Habitat Homes
    - ChurchWoods - - 24 Senior Rental Units
    - Shannock Village Cottages - - 11 Workforce rental units (Town purchased land; seeking funding)

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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF MEETING**

**DATE:** Monday, December 11, 2017

**TIME:** 3:00 P.M.

**PLACE:** Room 203 - State House

### **AGENDA:**

**I. Roundtable Discussion**

- Recap and update from previous meetings and agendas
- LMIH Commission work plan and strategy 2018

**II. LMIH Survey**

- LMIH Survey Results

**III. Next meeting Date**

**IV. Adjournment**

**\* No Public Testimony taken at this meeting.**

Please contact Charles J. Donovan Jr. - Rhode Island State House- Office of House Policy [CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov) with questions.

**POSTED: MONDAY, DECEMBER 4, 2017, 2:38 P.M.**



## State of Rhode Island and Providence Plantations

### HOUSE OF REPRESENTATIVES

REPRESENTATIVE SHELBY MALDONADO, District 36  
Committee on Health, Education and Welfare  
Second Vice-Chairwoman, Committee on Municipal Government

May 2, 2017

Dear City/Town Planners and Managers:

In an effort to better understand the issues and concerns surrounding low- and moderate-income housing across the state, I sponsored legislation in 2016 to create a House study commission (H7989). Over the last few months, this commission has met to discuss the many aspects associated with the Low and Moderate Income Housing Act in the State of Rhode Island, including its compliance by the state's municipalities. We have had presentations from various city and town planners and subject matter experts who offered their perspective on the LMIH Act.

All meetings are on the State of Rhode Island's website under video on demand. (Link below)  
<http://rkaptv.discovervideo.com/view/vod?c=All&k=Low%20and%20Moderate>

As the commission continues to study the issue, I would like to encourage you to submit any written testimony that you feel would be helpful in aiding the panel as it goes forward with its fact-finding legislative mission.

I have also enclosed a LMIH survey that would be extremely helpful to the commission. Please take a moment to review and submit answers to our survey so that we can get a more complete and thorough understanding of the data associated with LMIH as it pertains to individual cities and towns. Your participation in this special legislative commission is greatly appreciated. If you have any questions feel free to contact Charles Donovan Jr. in the House Policy Office at: [Cdonovan@rilegislature.gov](mailto:Cdonovan@rilegislature.gov) or 401-528-1765.

Thank you in advance for your help,

Shelby Maldonado  
State Representative  
District, 36  
Central falls

SM/dmd  
Enclosure

P.O. Box 6506  
CENTRAL FALLS, RHODE ISLAND 02863

Special Legislative Commission to Study the Low and Moderate Income Housing Act: Survey

1. Name of City/Town
2. Please provide current Percent of Low and Moderate Income Housing
  - Rental
  - HO @ 120%, 100%, 80%
3. Low and Moderate Income Housing shortfall.
4. Date of last Affordable Housing Plan update.
5. Does your City/Town assess an impact fee? If so how much?
6. Please provide the percentage of land not suitable for development (please do not include conserved land)
7. Please provide the number of development applications submitted in 2016 (residential and mixed use)
  - The number of single lot developments - rental/HO - # of proposed LMIH units
  - The number of Minor subdivisions - rental/HO - # of proposed LMIH units
  - The number of Major subdivisions - rental/HO - # of proposed LMIH units
8. Please provide the number of developments approved in 2016 (residential and mixed use)
  - The number of single lot developments - rental/HO - # of proposed LMIH units
  - The number of Minor subdivisions - rental/HO - # of proposed LMIH units
  - The number of Major subdivisions - rental/HO - # of proposed LMIH units
9. Please provide the number of housing units assessed below 80% AMI sales price (not including mobile homes)
10. Please provide the number of mobile homes.
11. Please provide the average value of mobile homes.
12. What is considered the top 3 barriers to development of LMIH, as it relates to the City/Town?  
(e.g. minimum lot size, water, infrastructure, high percent of land not suitable for development)
13. Please list any incentives or opportunities the City/Town has created to encourage and support LMIH development.



**Department of Planning and Development**  
Jorge O. Elorza, Mayor | Bonnie Nickerson AICP, Director

July 26, 2017

Shelby Maldonado  
State Representative  
District 56  
Central Falls

Dear Representative Maldonado,

Please find enclosed the City of Providence's responses to the Low Mod Income Housing Act Survey distributed on behalf of the House Study Commission H7989. We value the opportunity to comment provided through the circulation of this survey. The City of Providence strongly supports the Low and Moderate Income Housing Act, as the Act plays an important role in the network of affordable housing incentives that are making Providence a thriving place for all its residents.

As noted in our responses, some data points requested within the survey are not tracked by the City, and, therefore, are not readily available. We would be happy to provide additional or clarifying information regarding our LMIHA compliance work as requested.

Sincerely,



Bonnie Nickerson, AICP  
Director

Special Legislative Commission to Study the Low and Moderate Income Housing Act: Survey

- 1) City of Providence
- 2) Current percentage of low and moderate income housing: 14.80%
  - a. Rental: 10,029
  - b. HO: 562 total. @ 120%: 235 HO @ 100%:        HO@80%: 327  
Counts above based off current draft low/mod from RI Housing; however, unit counts not differentiated by income level (see attached).
- 3) Low and Moderate Income Housing Shortfall: N/A for low income housing, +4.8%
- 4) Date of last Affordable Housing Plan update:
  - a. 2015-2019 Consolidated Plan, September 2015
  - b. Rhode Island State Analysis of Impediments for Fair Housing, August 2015
- 5) The City of Providence does not assess an impact fee.
- 6) The percentage of land within the jurisdiction of Providence that is not suitable for development (less conservation land) is: 1%
- 7) The number of development applications submitted in 2016 (residential and mixed use) are as follows:
  - a. Single lot development applications: Unknown  
Due to a change in computer software, data is available only from January 2017, after which 3 applications were submitted.
    - i. # Rental: Unknown
    - ii. # Homeownership: Unknown
    - iii. # Included LMIH Units: Unknown
  - b. Number of Minor subdivision applications: 7
    - i. # Rental: Unknown
    - ii. # Homeownership: Unknown
    - iii. # Included LMIH Units: Unknown
  - c. Number of Major subdivision applications: 0
    - i. # Rental: Unknown
    - ii. # Homeownership: Unknown
    - iii. # Included LMIH Units: Unknown
- 8) The number of developments approved in 2016 (residential and mixed use):
  - a. Number of single lot developments: Unknown  
Due to a change in computer software, data is available only from January 2017, after which 3 developments were approved.
    - i. # Rental: Unknown
    - ii. # Homeownership: Unknown
    - iii. # Included LMIH Units: Unknown
  - b. Number of Minor subdivisions: 7
    - i. # Rental: Unknown
    - ii. # Homeownership: Unknown
    - iii. # Included LMIH Units: Unknown

- c. Number of Major subdivision applications: 0
  - i. # Rental: Unknown
  - ii. # Homeownership: Unknown
  - iii. # Included LMIH Units: Unknown
- 9) Number of housing units assessed below 80% AMI sales price (not including mobile homes):  
 Assuming a 4-person family median income of \$58,250 and no other debt, the 80% AMI sales price would be \$208,090. There are 39,716 residential units assessed below that amount.
- 10) Number of mobile homes: 0
- 11) Average value of mobile homes: N/A
- 12) The top 3 barriers to development of LMIH in Providence are:
  - a. High construction and rehabilitation costs
  - b. Limited subsidy available
  - c. Land cost and availability
- 13) Beyond the tax benefit provided by the LMIH Act, additional incentives are also offered for developers to create affordable housing at the City level. These incentives include:
  - a. Provision of CDBG and HOME subsidy to affordable housing projects through broad RFP process;
  - b. City partnership with the Housing Network of Rhode Island to provide down-payment assistance to low-income homebuyers purchasing new homes. This subsidy is accompanied by a long-term deed restriction and resale restrictions, preserving the affordability of the property.
  - c. The City is undertaking an initiative to enable the Providence Redevelopment Agency to take steps to acquire through a variety of legal tools properties certified to be vacant, abandoned, and tax delinquent. This initiative will allow the City to convey clear title to potential affordable housing developers at lower cost (than if developers purchased at auction), and bring hundreds of vacant and abandoned properties back into productive reuse as market and affordable housing.
  - d. The Providence Redevelopment Agency permits land-banking by developers, and does not charge the standard holding fee.
  - e. City Zoning Ordinance recently updated to establish "T.O.D. Districts", or transit-oriented development districts that allow for mixed-use and housing construction in proximity to public transit.
  - f. City Zoning Ordinance recently updated to allow for increases in residential density.
  - g. Commercial historic districts were expanded to include more residential and industrial properties, increasing the number of properties potentially eligible for historic tax incentives for preservation and redevelopment as housing.
  - h. Height bonuses were also included to allow waivers on height limits for developments offering open space, affordable housing, and/or active ground-level uses.
  - i. The city has adopted a comprehensive permit policy that expedites the development review process for LMIH projects.



**Charles Donovan**

---

**From:** Matthew Sarcione <msarcione@coventryri.org>  
**Sent:** Thursday, June 15, 2017 11:55 AM  
**To:** Charles Donovan  
**Subject:** LMIH survey  
**Attachments:** LMIH\_Act\_Survey\_2017\_6\_13.docx

Good Morning Mr. Donovan,

Attached to this email please find the Town of Coventry's response to the LMIH survey.

Please let me know if you have any questions regarding this.

Thank you,

Matthew Sarcione  
Assistant Planner  
Town of Coventry  
1675 Flat River Road  
Coventry, RI 02816

**Special Legislative Commission to Study the Low and Moderate Income Housing Act: Survey**

1. Name of City/Town  
**Coventry, RI**
2. Please provide current percent of Low and Moderate Income Housing  
**5.39 %**
  - Rental: 3.7%
  - HO @ 120%, 100%, 80%: 1.7%
3. Low and Moderate Income Housing Shortfall  
**Approximately 650 units**
4. Date of Last Affordable Housing Plan update  
**June, 2005**
5. Does your City/town assess an impact fee? If so, how much?  
**Yes; \$7596**
6. Please provide the percentage of land not suitable for development  
**Not known. The Town's Comprehensive Plan assumes 25%**
7. Please provide the number of development applications submitted in 2016
  - Single Lot Developments: 10 (Administrative Subdivisions) – 0 LMIH units
  - Minor Subdivisions: 6 Applications – 0 LMIH units
  - Major Subdivisions: 5 Applications – 39 LMIH units
8. Please provide the number of development applications approved in 2016
  - Single Lot Developments: 6 (Administrative Subdivisions; Received Final Approval) (Also 53 building permits were issued for Single Family Homes in 2016) – 0 LMIH units
  - Minor Subdivisions: 3 (Received Final Approval) – 0 LMIH units
  - Major Subdivisions: (Received Final Approval) – 0 LMIH units
9. Please provide the number of housing units assessed below 80% AMI sales price (not including mobile homes)  
**4,401 Residential Parcels assessed less than or equal to \$200,767**
10. Please provide the number of mobile homes  
**1,071**
11. Please provide the average value of mobile homes  
**\$46,218**

- 12 What is considered the top 3 barriers to development of LMIH, as it relates to the City/Town?

The top three factors according to our Affordable Housing Plan are limited sewer infrastructure, zoning requirements such as lot size and limitations that the ordinances put on multi-family housing, and limited rental opportunities.

13. Please list any incentives or opportunities the City/Town has created to encourage and support LMIH development.
- Density Bonus for Cluster Developments that provide additional open space, but not required to provide LMIH
  - Many mobile homes in Town provide affordable housing choices, even though they are not subsidized
  - Programs to maintain affordable housing and to support renovations to Low and Moderate Income Households run through the Coventry Housing Authority and the Planning Department CDBG programs

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**Charles Donovan**

**From:** Chris Langlois <danglois@Burrillville.org>  
**Sent:** Thursday, June 15, 2017 9:55 AM  
**To:** Charles Donovan  
**Cc:** Michael Wood  
**Subject:** Low & Moderate Income Housing Act Survey  
**Attachments:** Burrillville-Low & Moderate Income Housing Survey.pdf

Good morning,

Attached is the completed survey for Burrillville regarding the Study of the Low & Moderate Income Housing Act. I have attempted to complete the survey with the best information I have as of the present. Some of the information was obtained from RI Housing, which was posted as of 10/03/2016. In regards to question 6 - "land not suitable for development", the Town just recently began their Comprehensive Plan Updating process as the Planner left in December 2016. The information in the current Comp Plan is approximately 12 years old. And in regards to question 9 - "number of housing units assessed below 80% AMI sales, the monitoring agents for the affordable units in Town would have that information. The Town's Affordable Housing Strategy under Chapter V of the Comprehensive Plan aims toward addressing individuals below 80% median. Again, however, more accurate figures would be obtained from each monitoring agent for each development.

If you have any other questions, please feel free to contact me. I hope this helps in your study.

Christine

*M. Christine Langlois, Deputy Planner  
Burrillville Planning & Economic Dev.  
144 Harrisville Main Street  
Harrisville, RI 02830  
(401) 568-4300 ext. 131  
Email: [clanglois@burrillville.org](mailto:clanglois@burrillville.org)*

Special Legislative Commission to Study the Low and Moderate Income Housing Act: Survey

1. Name of City/Town Town of Burrillville
2. Please provide current Percent of Low and Moderate Income Housing 8.60% \*
  - Rental 4.4%
  - HO @ 120%, 100%, 80% 4.2%
3. Low and Moderate Income Housing shortfall. 87 units\*
4. Date of last Affordable Housing Plan update. 12-14-2011
5. Does your City/Town assess an impact fee? If so how much? NO
6. Please provide the percentage of land not suitable for development (please do not include conserved land) ?
7. Please provide the number of development applications submitted in 2016 (residential and mixed use)
 

Commercial 2 Lot Subd. 22-Lot Subd. (20% of units)	• The number of single lot developments - rental/HO - # of proposed LMIH units	<u>1</u>	<u>0 units</u>
	• The number of Minor subdivisions - rental/HO - # of proposed LMIH units	<u>2</u>	<u>0 units</u>
	• The number of Major subdivisions - rental/HO - # of proposed LMIH units	<u>1</u>	<u>4 units</u>
8. Please provide the number of developments approved in 2016 (residential and mixed use)
 

• The number of single lot developments - rental/HO - # of proposed LMIH units	<u>1</u>	<u>0 units</u>
• The number of Minor subdivisions - rental/HO - # of proposed LMIH units	<u>2</u>	<u>0 units</u>
• The number of Major subdivisions - rental/HO - # of proposed LMIH units	<u>1</u>	<u>4 units</u>
9. Please provide the number of housing units assessed below 80% AMI sales price (not including mobile homes) ?
10. Please provide the number of mobile homes. 198
11. Please provide the average value of mobile homes. \$32,278
12. What is considered the top 3 barriers to development of LMIH, as it relates to the City/Town? (e.g. minimum lot size, water, infrastructure, high percent of land not suitable for development)  
location (overall) Loss of units due to foreclosure prices
13. Please list any incentives or opportunities the City/Town has created to encourage and support LMIH development. density bonus

\* According to R2 Housing 2015 listing.

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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF MEETING**

**DATE:** Tuesday, February 6, 2018

**TIME:** 3:00 P.M.

**PLACE:** Room 101 - State House

### **AGENDA:**


- I. Presentations with question and answer session:
  - William Connell, Esq. - RI General Assembly, Office of Legislative Council
    - Overview of the Low and Moderate Income Housing Act
  - Steve Richard, Esq. - Legal Counsel, State Housing Appeals Board (SHAB)
    - Brief history of the SHAB, case discussion, potential improvements to the process.
- II. Report
  - Round Table discussion
- III. Next meeting date
- IV. Adjournment

Please contact Charles J. Donovan Jr. House Policy Office  
[CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov)

**POSTED: FRIDAY, January 26, 2018, 4:22 P.M.**




STATE HOUSING  
APPEALS BOARD  
(AN OVERVIEW OF  
WHAT SHAB DOES AND  
HOW IT WORKS)

 **NIXON  
PEABODY**

STEVEN M. RICHARD

STATE HOUSING APPEALS BOARD MEMBERSHIP

- Section 45-53-7(a)(1) states that SHAB consists of seven (7) voting members appointed by the Governor
  - Attorney knowledgeable in land use regulations serves as Chair
  - One affordable housing developer
  - One affordable housing advocate
  - One representative of the business community

 NP

### STATE HOUSING APPEALS BOARD MEMBERSHIP - CONT.

- o Municipal members (three and an alternate)
  - Two of whom shall be from municipalities with populations of less than 25,000
  - Two of whom shall be from municipalities with populations of 25,000 or greater
  - One zoning board member, one local planning board member, one city council member, and one town council member



### THE APPEALS PROCESS (STATUTORY PROVISIONS)

- Section 45-53-5 states that an appeal of a local review board decision shall be filed with SHAB within twenty (20) days after the date of the decision
- SHAB shall notify local review board within ten (10) days to "transmit a copy of the decision and the reasons for that decision to the appeals board"
- SHAB shall hear the appeal within twenty (20) days after the receipt of the applicant's statement
- By majority vote, SHAB shall state its findings of fact and conclusions of law within thirty (30) days after the termination of its hearing.



### THE APPEALS PROCESS (IN PRACTICE)

- It often takes a municipality time to compile record exhibits and transcripts of local review board proceedings. Records can range from a few hearings to approximately a dozen hearings on comprehensive permit application.
- SHAB Chair holds a pre-hearing conference with counsel for the parties to discuss transmittal of records, setting of briefing schedule, and any particular evidentiary issues of concern.
- Intervention allowed under SHAB's regulations.
- Briefs entail
  - Applicant's brief
  - Responsive brief by municipality and any abutters; and
  - Applicant's reply brief.



### THE APPEALS PROCESS (IN PRACTICE) - CONT.

- SHAB holds a hearing to receive oral arguments (typically 20 minutes per side) and asks questions after the arguments.
- SHAB may request post-hearing briefs.
- SHAB returns for a second hearing to deliberate publicly and vote on findings/conclusions.
- Counsel writes decision for SHAB members' review and approval



## SHAB'S POWERS

### Section 45-53-6(b) states:

In hearing the appeal, the state housing appeals board shall determine whether: (i) in the case of the denial of an application, the decision of the local review board was consistent with an approved affordable housing plan, or if the town does not have an approved affordable housing plan, was reasonable and consistent with local needs; and (ii) in the case of an approval of an application with conditions and requirements imposed, whether those conditions and requirements make the construction or operation of the housing infeasible and whether those conditions and requirements are consistent with an approved affordable housing plan, or if the town does not have an approved affordable housing plan, are consistent with local needs.



## SHAB POWERS - CONT

Section 45-53-6(c) states that, in making its determination, SHAB's standards of review include, but are not limited to:

- The consistency of the decision to deny or condition the permit with the approved affordable housing plan and/or approved comprehensive plan;
- The extent to which the community meets or plans to meet housing needs, as defined in an affordable housing plan, including, but not limited to, the ten percent (10%) goal for existing low and moderate income housing units as a proportion of year-round housing.
- The consideration of the health and safety of existing residents.
- The consideration of environmental protection; and
- The extent to which the community applies local zoning ordinances and review procedures evenly on subsidized and unsubsidized housing applications alike.



### SHAB POWERS (SHAB'S OPTIONS UNDER 45-53-101)

- If the appeals board finds, in the case of a denial, that the decision of the local review board was not consistent with an approved affordable housing plan, or if the town does not have an approved affordable housing plan, was not reasonable and consistent with local needs, it shall vacate the decision and issue a decision and order approving the application, denying the application, or approving with various conditions consistent with local needs.
- If the appeals board finds, in the case of an approval with conditions and requirements imposed, that the decision of the local review board makes the building or operation of the housing infeasible, and/or the conditions and requirements are not consistent with an approved affordable housing plan, or if the town does not have an approved affordable housing plan, are not consistent with local needs, it shall issue a decision and order, modifying or removing any condition or requirement so as to make the proposal no longer infeasible and/or consistent, and approving the application.



### SHAB POWERS - CDNE

- Decisions or conditions and requirements imposed by a local review board that are consistent with approved affordable housing plans and/or with local needs shall not be vacated, modified, or removed by the appeals board notwithstanding that the decision or conditions and requirements have the effect of denying or making the applicant's proposal infeasible.





2/6/2018

THANK YOU: QUESTIONS?



**Steven M. Richard, Esq.**  
**Nixon Peabody LLP**

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Suite 500  
Providence, RI 02903  
Phone: 401-454-1020  
Email: [srichard@nixonpeabody.com](mailto:srichard@nixonpeabody.com)



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## **SPECIAL LEGISLATIVE COMMISSION TO STUDY THE LOW AND MODERATE INCOME HOUSING ACT**

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### **NOTICE OF MEETING**

**DATE:** Wednesday, May 2, 2018

**TIME:** 3:00 P.M.

**PLACE:** Room 203 - State House

### **AGENDA:**

- I. Kelley Morris- SHAB Board Chair
  - Presentation and Recommendations to the State Housing Appeals Board process
- II. Michael V. Milito Manager Government Relations & Policy Rhode Island Housing
  - Massachusetts and Connecticut Law Overview
- III. Michael DeLuca- Narragansett Community Development Director
  - South County Planners LMI Housing Law
- IV. Karen Scott- Gloucester Town Planner
  - Issues Related to LMIH Act Facing Gloucester and Rural Communities
- V. Brown University Students: Cynthia-Lu, Oscar Dupuy d'Angeac, Jenna Gosciak
  - Low and Moderate Income Housing Project
- VI. Report
- VII. Adjournment

**\*No Public Testimony will be accepted at this meeting.**

Please contact Charles J. Donovan Jr. House Policy (401) 528-1765  
[CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov)

**POSTED: FRIDAY, APRIL 27, 2018, 12:08 P.M.**



## **SOUTH COUNTY PLANNERS COMMENT ON LOW & MODERATE INCOME HOUSING ACT**

Michael J. Deluca, AICP

Town of Narragansett  
representing

Town Planners from Richmond, North Kingstown, South Kingstown,  
Hopkinton, Charlestown, Westerly, Exeter and Narragansett.



## **The 10% requirement statewide**

- Available Land
- Available Jobs
- Available Public Transportation
- Growth Potential



## **Affordable Housing Qualifications**

- ▶ Mobile Homes
- ▶ Section 8 Vouchers
- ▶ In-Law Apartments
- ▶ Qualified Buyers



## Funding

- ▶ Assets should be counted in the qualification process
- ▶ Regional designation of funding
- ▶ Subsidy





## **Alternative Criteria**

- ▀ Balancing
- ▀ Vesting
- ▀ Fee-in-Lieu
- ▀ For-Profit Developments



## **Miscellaneous Issues**

- ▶ Foreclosures
- ▶ Qualification of development for rental or sales
- ▶ Progress toward 10%

# SOUTH COUNTY PLANNERS COMMENT ON LOW & MODERATE INCOME HOUSING ACT

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By: Michael DeLuca, Narragansett Community Development Director, (March 6, 2018)

Note: The comments below address issues common to several communities in Washington County and reflect input by the Town Planners from Richmond, North Kingstown, South Kingstown, Hopkinton, Charlestown, Westerly, Exeter and Narragansett.

## CONTEXT

In 2014, planners from communities representing the Washington County Regional Planning Council formulated a white paper on affordable housing issues, which expressed solutions in short, medium and long-term categories. The absolute first solution we suggested was for the General Assembly to form a study commission to revisit the LMI Housing Act. We congratulate the House of Representatives for taking swift action on this suggestion and assembling The LMI Housing Commission last year.

The authors of this report are all active planners who have struggled to accommodate the LMI Housing Law while also implementing their respective Comprehensive Plans and Affordable Housing Plans. At the outset it must be noted that we are also aware of the contrasting issues that arise in the larger cities and metropolitan area suburban communities. Over the years, we have heard our colleagues from these communities describe their frustration with being home to significant inventories of affordable housing and the inequities of tax policy for rental properties. We also acknowledge that the RI Affordable Housing Act was patterned after Chapter 40B in the Massachusetts General Laws, which has been overhauled on several occasions in the past two decades. It is clear that the current Rhode Island LMI Housing Law negatively affects communities along the entire spectrum of size, diversity and urbanity and is overdue for an update.

## MAJOR CONCERNS

1. The 10% requirement statewide - This is considered a failed "one size fits all" approach in need of major updating and improvement. Our colleagues in Gloucester provided a letter on March 20, 2017 that very capably addressed many issues to which we add our voices. These include the concern for needed infrastructure to accommodate high density housing development, the obvious undercount of affordable, (but not deed restricted, market-rate housing, the requirement for deed restriction and formal subsidy and the propensity for comprehensive

permit requests to become adversarial when proposed density exceeds the capability for local assimilation. Additionally, there are several independent variables that bear consideration:

- a. Available land – In some communities such as Narragansett, there is little “dry” land remaining on which moderate-high density developments could be built. In other communities, the location of dry land does not correlate with utilities. When available land does not have utilities and/or is environmentally constrained it is not reasonable or prudent to authorize vast increases in density for LMI housing. Several communities in Washington County are located outside the State’s designated “Urban Services Boundary” and as such, are discouraged from extensions of water and sewer services, (eg: the entirety of Charlestown). Compounding the land issue is density limitations placed upon vast areas of the region by CRMC through the Coastal Ponds SAM Plan and the Narrow River SAM Plan. On the development side, these properties are more expensive per acre to develop for the very same reasons and are not attractive unless additional density is allowed. With these constraints, it is suggested that municipalities outside the Land Use 2015 Urban Services Boundary be assessed a lower goal than 10%.
  - b. Available Jobs – While this is not a direct limiting factor, it is of great importance to the attractiveness of a development. The lesser number and range of jobs existing in the southern half of the state has a very distinct impact on where people of limited education and skill can live. These are often families with one or no automobile reliant on public transportation for travel to work. For lower income families a move to South County must be associated with a nearby job or it will not be considered reasonable.
  - c. Available Public Transportation – Related to the jobs issue is the need for public transportation that is easily accessed and which travels to the job centers of the state. Again, certain towns in the southern half of the state are sparsely served (or entirely not served) by RIPTA bus routes.
  - d. Growth Potential – As noted by the Gloucester Town Council, the natural growth rate of many communities is at odds with the number of LMI units required to be provided in the 20 year time frame of the Comprehensive Plan. Forcing an unnatural growth rate upon a small town, which then must also expand public facilities to prepare to accommodate a burst in school children is not acceptable.
2. Affordable Housing Qualifications – The presence of several forms of “natural” affordability is not accounted for anywhere in the current law. As noted by Gloucester, the existence of dozens of mobile homes in defined neighborhoods that sell well below the average cost of a subsidized permanent home should be rightly acknowledged and accepted in each town’s qualified inventory. Additionally, virtually every town has small enclaves of lower valued permanent homes making up the neighborhoods that younger and/or lower income families gravitate to for a first home. Those homes that are not deed-restricted are assessed (and sell) at a value below the Town’s “affordable” base price, could likewise be considered for counting in the Town’s affordable inventory. If nothing else the Commission should strongly consider:
- a. Mobile Homes - Where located in designated parks or neighborhoods of 10 or more.

- b. Section 8 vouchers – Most communities in RI have a fairly stable number of vouchers used each year. Acknowledging that vouchers are portable it would make sense to allow counting of a 3 year rolling average by each Town.
  - c. In-Law Apartments – Now that RIGL 45-24-37 has been amended to allow in-law apartments for the disabled and those aged 62 and older, without the need for a special use permit, it is time to reinforce their purpose as a low-cost method for keeping elders out of nursing facilities by allowing them to live with younger family members in a semi-autonomous environment. For housing cost-burdened elderly this would provide a preferable alternative to dependence on State supported facilities. And, as with mobile homes, the assessed value and rental cost of an in-law apartment would run far below market rate. With the Baby Boom generation approaching old age, this provision could have multiple benefits.
  - d. Qualified Buyers – The state lacks a very basic piece of information that would enhance the matching of income qualified buyers / renters with appropriate dwellings; a master list. This task seems to be conducted on an ad-hoc basis around the state when needed. A single clearinghouse of information could help all involved, particularly when a family is seeking a move.
3. Funding – The challenge of creating affordable housing faces a range of financing issues from public funding directed to specific projects to the cost limitations for contractors, and tenants to consider the choice of LMI Housing. Public funding through state bonds, CDBG and other HUD programs is more often than not directed to the project that produces the most units per dollar spent. In suburban and rural communities the limits of natural constraints and utilities often add to the per unit cost of development. As a result the vast majority of funding goes to the metropolitan regions of the State. The development community in South County is aware of this constraint and thus responds by proposing developments in our area of the State, that provide the lowest proportion of LMI units that they can get away with. They often also request unreasonable density relief. The local housing authorities have stopped trying to compete for discretionary funds. On the other end of the equation there are two types of buyers – younger families just getting by and older “empty nesters” with little income but who have significant assets. These competing groups create stress on the affordable inventory and result in the latter out-competing the former for limited mortgage money.
- a. Assets should be counted in the qualification process – A glaring loophole in the current law allows individuals with significant assets (other property, bank balances etc) to apply as LMI if their annual income falls below the State designated threshold. As a result, a portion of the very limited LMI housing constructed each year goes to these individuals and not those for whom the program is targeted.
  - b. Regional designation of funding – The State (when bonds are available) and RI Housing should designate a certain percentage of housing funds to areas outside the metro region. Unless the 10% requirement is adjusted to account for the constraints already noted, then each community should have equal chance at public grant and bond funds to pursue locally meeting the state’s requirement.

- c. Subsidy – The definition of “subsidy” should be clearly defined, particularly when applied to the granting of a density bonus. The density bonuses granted to comprehensive permits and inclusionary subdivisions can substantially increase profit margins for developers.

- 4. Alternative Criteria – For comprehensive permits the LMI standard of 25 % is too low. In the suburban and rural areas we have received applications for density relief 100 times above that allowed by zoning. Adding insult, the applicant commits to only 25 % LMI housing thereby resulting in a development that not only possesses many affordable homes but also market rate homes in numbers vastly in excess of those otherwise authorized. In these areas we are often constrained by significant natural and infrastructural limits. When a site is developed that far beyond carrying capacity, all suffer. The Town, the environment, the existing residents and even the future residents are placed in a circumstance of diminishing quality of life.

- a. Balancing - The State should enact a “balancing ” provision that requires the applicant to assess the maximum carrying capacity of the parcel of land, (addressing impacts on utilities), and only authorize density to increase to that number based on an increasing sliding scale of LMI units to market rate units proportionate to the amount of density relief requested.
- b. Vesting needs to be tightened up. The number of LMI units must be set at Master Plan stage and its rate of construction ensured to follow harmoniously with the development of the market rate units in a phased growth schedule.
- c. Fee-in-lieu – This recent amendment to the law is a failure in its calculus which is readily evident as it has not yet been used (at least in S County). To project to a community that a payment of \$40,000 would cover the incremental cost of providing affordable housing and then to expect that the community can produce something affordable for that amount is a farce. If the General Assembly wants to keep this provision in place, it needs to reflect the actual cost to build housing, not the incremental differential in property taxes an owner would pay to the Town. The distinction here is that the Towns are measured in the number of housing units created for LMI families, not the marginal cost in taxes that buyer would pay if purchasing a market-rate home. We suggest this allowance be revisited and a realistic formula be drafted.
- d. For-Profit Developments – The requirement that allows for-profit developers to sell units to buyers at 120% of Area Median Income is too high and cannot be justified anywhere but possibly in tourist or island communities. We suggest 80% AMI be the cap for all future comprehensive permit applications with the caveat that the community may grant an exemption for good cause shown. This allows the community to review their existing affordable housing plans and consider options that meet local needs. An alternative approach might be to allow each community to set the maximum cost cap for affordable units in for sale or rental projects as part of the comprehensive permit review process.



5. Miscellaneous Issues – We offer three additional suggestions that could go a long way to making LMI housing viable in a reasonable and common sense manner.

- a. Foreclosures – There is a major problem with foreclosures negating affordable deed restrictions. This has led to a loss of units. The state should legislate that LMI deed restrictions shall survive bank foreclosures and run with the unit.
- b. Qualification of development for rentals or sales – When comprehensive permits are submitted they are typically accompanied by an “eligibility letter” from RI Housing. These letters either qualify the applicant for a monthly rental cap based on number of bedrooms or a sale price cap based similarly. In the recent past changes in the local economy have led some developers to renting units only approved for sale. This practice has placed some in jeopardy of losing their LMI status completely. We suggest that as a routine, the RI Housing staff qualify all new developments for either form of payment.
- c. Progress toward 10% – There are many communities in RI that are well below the 10% standard of affordable housing. Some have made great strides and others have made little effort. In some cases, the smaller communities have added 5-10 units here, 2-4 units there. In absolute numbers, this is not a lot, but in local context, they may represent a significant improvement. We suggest that the element of progress toward the 10% goal should be acknowledged as they had originally done through the DOA/OHCD in 2006 and 2007 before the practice was abandoned. If nothing else, a running tally of locally approved units could help keep positive spirit at the local level. In a more practical sense, it should also relieve the perception that the community is failing to work toward the goal in the eyes of the State. In practical application, it should be factored into any deliberations that may go before the SHAB in the event a denied project is challenged.

#### CLOSING

We thank the Commission for the opportunity to describe the South County experience with the LMI Housing law. The issues raised herein represent a consensus of common problems we have experienced over the past decade or so. We reiterate our appreciation of the very different effects felt in the metropolitan communities than those we encounter. It is our wish that by sharing the cumulative observations of planners with a combined 100+ years’ experience, we may help the LMI Commission to formulate an improved Housing Law to provide an equitable regulatory framework for large and small communities alike. We fully appreciate the need for affordable housing in all communities throughout the State of RI and have worked, with limited success, to provide positive conditions to facilitate its development. We commit to helping the Commission in any way we can to generate an improved law that will serve all communities as well as those families in need of affordable housing.



**TOWN OF GLOUCESTER**  
**Office of the Town Council**  
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Chepachet, RI 02814  
(401) 568-6206 Fax: (401) 568-5850  
TTY (Relay RI) 1-800-745-5555

**To:** Special Legislative Committee to Study Low and Moderate Income Housing Act  
**From:** Town Council, Town of Gloucester  
**Date:** April 19, 2018  
**Re:** Issues Related to the Low and Moderate Income Housing Act Facing Gloucester and Rural Communities

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In February 2017, representatives from the Town of Gloucester testified before the Special Legislative Subcommittee outlining the challenges facing rural municipalities in meeting the requirements of the RIGL 45-53, the Low and Moderate Income Housing Act, as currently drafted. This testimony was supported by resolution by six (6) other rural communities. (See attached written testimony and resolutions).

Recognizing that the Committee will soon be looking to consider solutions to the issues with the current law voiced over their previous meetings, the Town of Gloucester would like to propose some changes to the current law for consideration that would be realistic for municipalities to achieve and make progress towards achieving the goals of the Act. Representatives of the Town would be happy to further participate in any discussions with the Committee related to the proposals outlined below.

**1. Definition of "consistent with local needs" [RIGL 45-53-3 (4)]**

**Issue:** This definition sets a one size fits all for most Towns requiring at a minimum, that 10% of the year round housing units meet the RIGL 45-53 definition of low and moderate income housing. This definition does not take into consideration key differences across municipalities including access to public water, access to public sewer, access to public transportation, land capacity, local growth rates, and other existing state policy.

**Proposal:** Consider establishing a realistic, yearly goal for incrementally increasing affordable housing stock. For rural communities with consistently low growth rates and no access to public infrastructure, a realistic goal could be 15% of all residential building permits issued. If a community were to meet that goal in a given calendar year, they would not be subject to Comprehensive Permit applications in the following calendar year.

## **2. Definition of "low and moderate income housing" [RIGL 45-53-3 (9)]**

**Issue:** The current definition allows municipalities to only count housing units as low and moderate income units when they are subsidized by a federal, state, or municipal government subsidy and deed restricted for at least 30 years. This narrow definition drastically undercounts the affordable units that actually exist within a municipality.

**Proposal:** **Mobile Homes** - Allow year round mobile homes in mobile home parks to be included in the definition of Low and Moderate Income Housing with no subsidy or deed restriction provided that the assessment of the mobile home does not exceed 100% of the Low and Moderate Income Housing Maximum Sales Price (4 person).

**In-law Apartments** - Allow in-law apartments to be included in the definition of Low and Moderate Income Housing with no subsidy or deed restriction.

**Assessed Value** - Allow a credit of up to 20% of the required Low and Moderate Income Housing units required if the average assessed value of a single family home is lower than that deemed affordable by those at 120% of the Area Median Income (4 person).

**Tax Exemptions** - Where a municipality offers a tax exemption to income qualified residents, that home should be counted with no deed restriction.

**Conclusion:** The proposals as outlined above would better account for the diversity among the State's municipalities and assist municipalities in establishing more realistic low and moderate income housing targets based on actual development factors such as availability of services and growth rates. In addition the proposed changes allow municipalities to more accurately illustrate the overall affordability within the community. Next steps could include a subcommittee with expanded membership of the Special Legislative Committee to draft proposed language as well as develop streamlined instructions for accounting for the expanded units initially and on an annual basis moving forward.

**COMPARISON OF STREAMLINED PERMITTING PROCESSES FOR AFFORDABLE HOUSING  
CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND**

	Connecticut	Massachusetts	Rhode Island
<b>Statutory Citation</b>	Connecticut General Statutes, Sec. 8-30g	MGL 40B, §20-23	Chapter 53 of Title 45 of R.I.G.L.
<b>Threshold for Affordable Housing, by Community</b>	10% of all dwelling units that fall into one of 4 defined categories	10% of total year-round housing stock	<ul style="list-style-type: none"> <li>10% of year-round housing units; or</li> <li>For municipalities with at least 5,000 occupied year-round rental units which exceeds 25% of the total year-round housing units, and affordable units exceed 15% of the rental inventory.</li> </ul>
<b>What Counts Towards the Threshold</b>	<ul style="list-style-type: none"> <li>Assisted housing;</li> <li>Housing financed by CHFA;</li> <li>Deed-restricted housing affordable to families with income at or below 80% AMI paying no more than 30% of income;</li> <li>Manufactured homes or approved accessory apartments subject to deed-restrictions lasting at least 10 years, with the same income and cost provisions as set forth above.</li> </ul>	<ul style="list-style-type: none"> <li>Maximum 80% AMI.</li> <li>Deed restriction: minimum 15 years for rehab; 30 years for new construction.</li> <li>Subsidy required.</li> <li>Fair and open marketing plan.</li> <li>In a rental project, all units "count"; in homeownership project, only the affordable units "count".</li> </ul>	<ul style="list-style-type: none"> <li>Housing that receives a federal, state or municipal subsidy under any housing program; and</li> <li>Is subject to a local lease or deed restriction of at least 30 years from initial occupancy; and</li> <li>Limits occupancy to low- or moderate-income households under the terms of the housing program which provides the subsidy; and</li> <li>For rental units, limited and affordable to 80% AMI households; and</li> <li>For homeownership, 120% AMI households.</li> </ul>

**COMPARISON OF STREAMLINED PERMITTING PROCESSES FOR AFFORDABLE HOUSING  
CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND**

	Connecticut	Massachusetts	Rhode Island
<b>Remedy for Community's Failure to Meet Affordable Housing Threshold</b>	<ul style="list-style-type: none"> <li>Towns that do not meet the 10% threshold for affordable housing are subject to the Affordable Housing permitting process under Sec. 8-30g.</li> <li>Currently 31 of 169 towns meet the threshold and are exempt from the process.</li> </ul>	Developer allowed to use Comprehensive Permit process, with appeal to state Housing Appeals Committee	Proposed developments located in cities or towns that do not meet the 10% threshold (or 15% of rental unit threshold) can file an application for a "comprehensive permit in lieu of separate applications to applicable local boards, specifying the specific relief from local requirements sought by the applicant.
<b>Criteria for Development to Use Affordable Housing Permitting Process</b>	Not applicable. Affordable Housing developments follow the usual planning and zoning processes of the community. However, developments that satisfy the definition of affordable housing, the burden of production and proof to demonstrate that the zoning and other approval standards have been met is on the municipality, not the developer.	Project must have either 20% of total units affordable to 50% AMI or 25% affordable to 80% AMI.	<ul style="list-style-type: none"> <li>At least 25% of the units in the proposed development must be low or moderate income housing.</li> <li>Applicant must obtain a "letter of eligibility" issued by RHousing certifying that the development (i) appears generally eligible under the requirements of the applicable housing program; (ii) that the development appears financially feasible based on estimated costs; and (iii) that the applicant has site control.</li> </ul>

**COMPARISON OF STREAMLINED PERMITTING PROCESSES FOR AFFORDABLE HOUSING  
CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND**

	Connecticut	Massachusetts	Rhode Island
<b>Affordable Housing Permitting Process</b>	Same as any other development approval process.	<ul style="list-style-type: none"> <li>After receipt of Project Eligibility letter from 1 of 4 state agencies, developer can apply for Comprehensive permit at Zoning Board of Appeals.</li> <li>Require 1st hearing within 30 days of application, total limit to decision: 180 days from 1st hearing.</li> </ul>	<ul style="list-style-type: none"> <li>Applicant submits application for a comprehensive permit to the local review board, specifying all the relief sought, letter of eligibility, timetable, deed restriction and monitoring agent.</li> <li>Different submission requirements for major and minor land developments.</li> <li>Major land developments may be subject to a pre-application conference.</li> <li>Minor projects must have public hearing within 95 days of certificate of completion</li> <li>Major projects must have hearing within 120 days.</li> </ul>
<b>Standard of Review/Which Party Bears Burden of Proof</b>	The municipality, not the developer, bears the burden of proof on all issues, including sufficiency of evidence in the record, and proving that the public interest cannot be protected by reasonable changes to the proposed development, and such public interests clearly outweigh the need for affordable housing.	<ul style="list-style-type: none"> <li>If denial, ZBA bears burden of proof.</li> <li>If approval with conditions that are appealed, developer bears burden of proof.</li> </ul>	<ul style="list-style-type: none"> <li>Burden of production and persuasion on the applicant.</li> <li>Local board may deny an application if the town has an approved housing plan and the proposal is inconsistent with the plan; if the proposal is inconsistent with local needs or not in conformance with the comprehensive plan; if the community has plans to meet the housing goal; or concerns for the health and safety of residents have not been addressed.</li> </ul>



**COMPARISON OF STREAMLINED PERMITTING PROCESSES FOR AFFORDABLE HOUSING  
CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND**

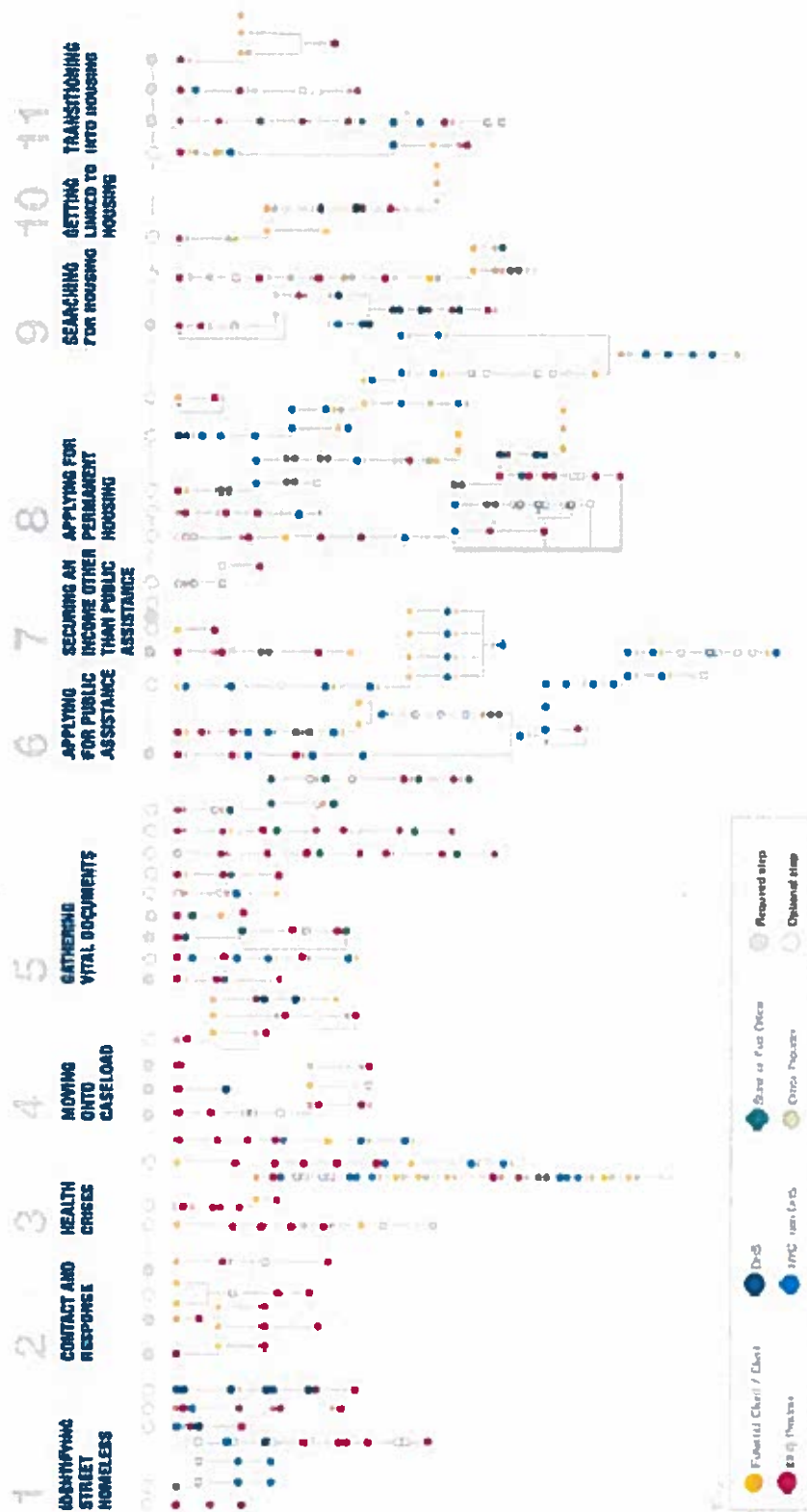
	Connecticut	Massachusetts	Rhode Island
<b>Appeal Process</b>	<ul style="list-style-type: none"> <li>No administrative appeal process – direct appeal to the Superior Court.</li> <li>Appeals are given expedited hearing status in court.</li> <li>To the extent practicable, appeals are assigned to a small number of judges so that a consistent body of expertise can be developed.</li> </ul>	<ul style="list-style-type: none"> <li>Developer appeals to Housing Appeals Committee</li> <li>Abutters appeal to Superior or Land Court.</li> </ul>	<ul style="list-style-type: none"> <li>Appeals from the Zoning Board of Review go to the State Housing Appeals Board (SHAB) for initial review.</li> <li>Parties aggrieved by the SHAB decision can appeal to the Superior Court.</li> </ul>
<b>Additional Comments</b>	<ul style="list-style-type: none"> <li>Non-exempt towns can get a 4-year moratorium based on affordable housing development equal to at least 2% of the housing stock in the town (or 1.5% for mid-size cities).</li> <li>Deep income targeted units count more.</li> </ul>		

# **Signs of Providence**

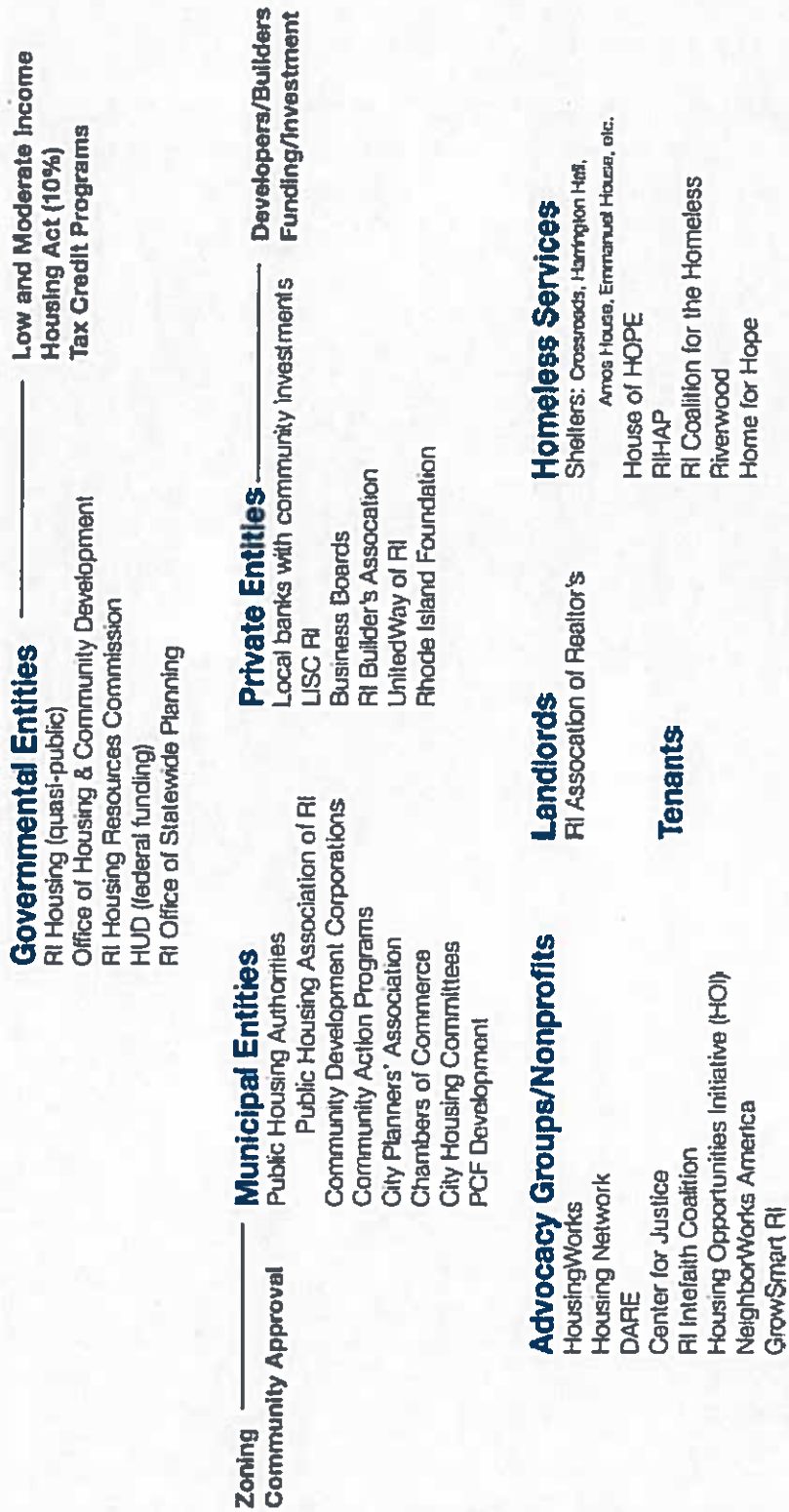
LMIH Meeting

April 2, 3018

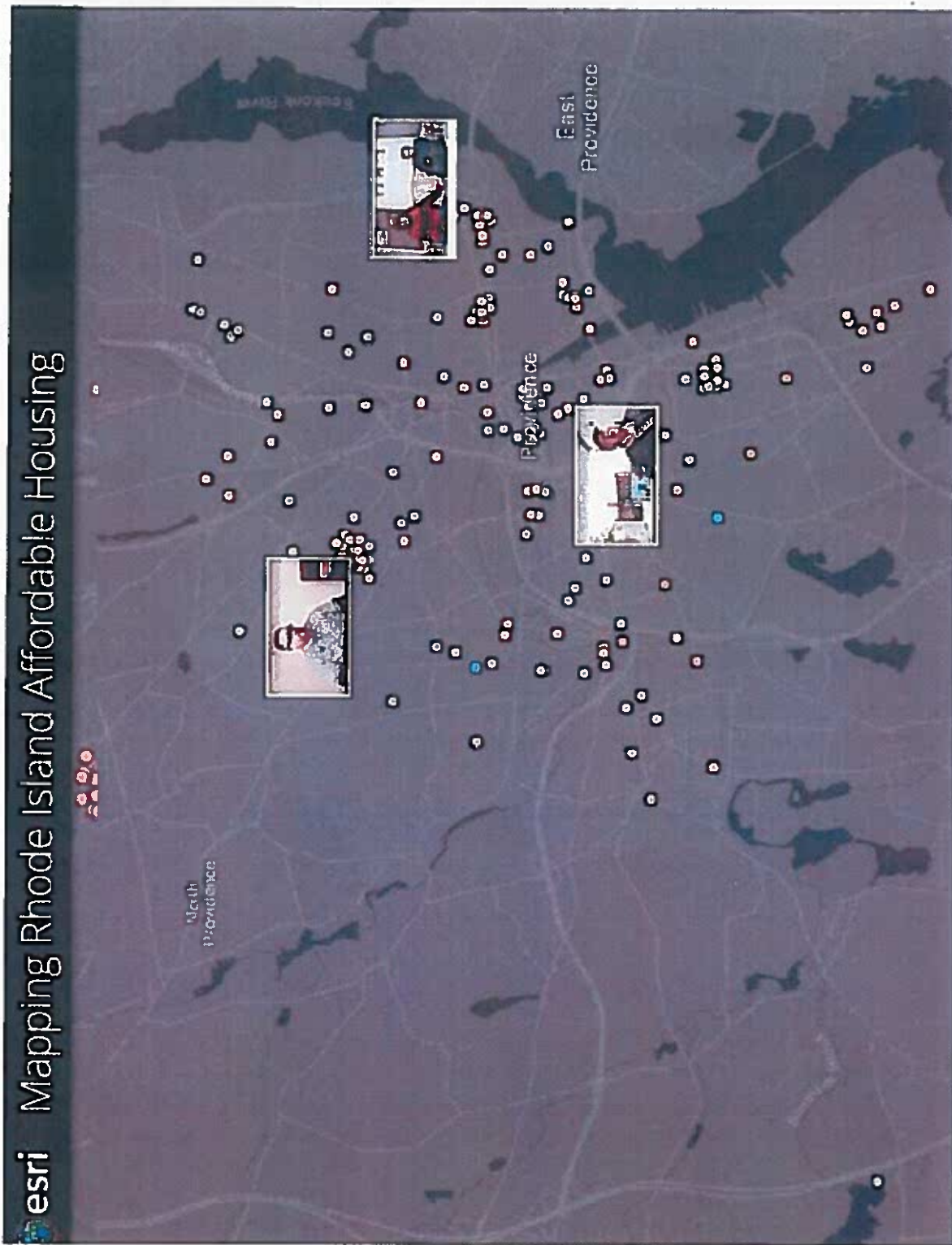
# NYC HOME-STAT Client Journey



# Systems Map of Rhode Island's Housing Infrastructure (rough draft)

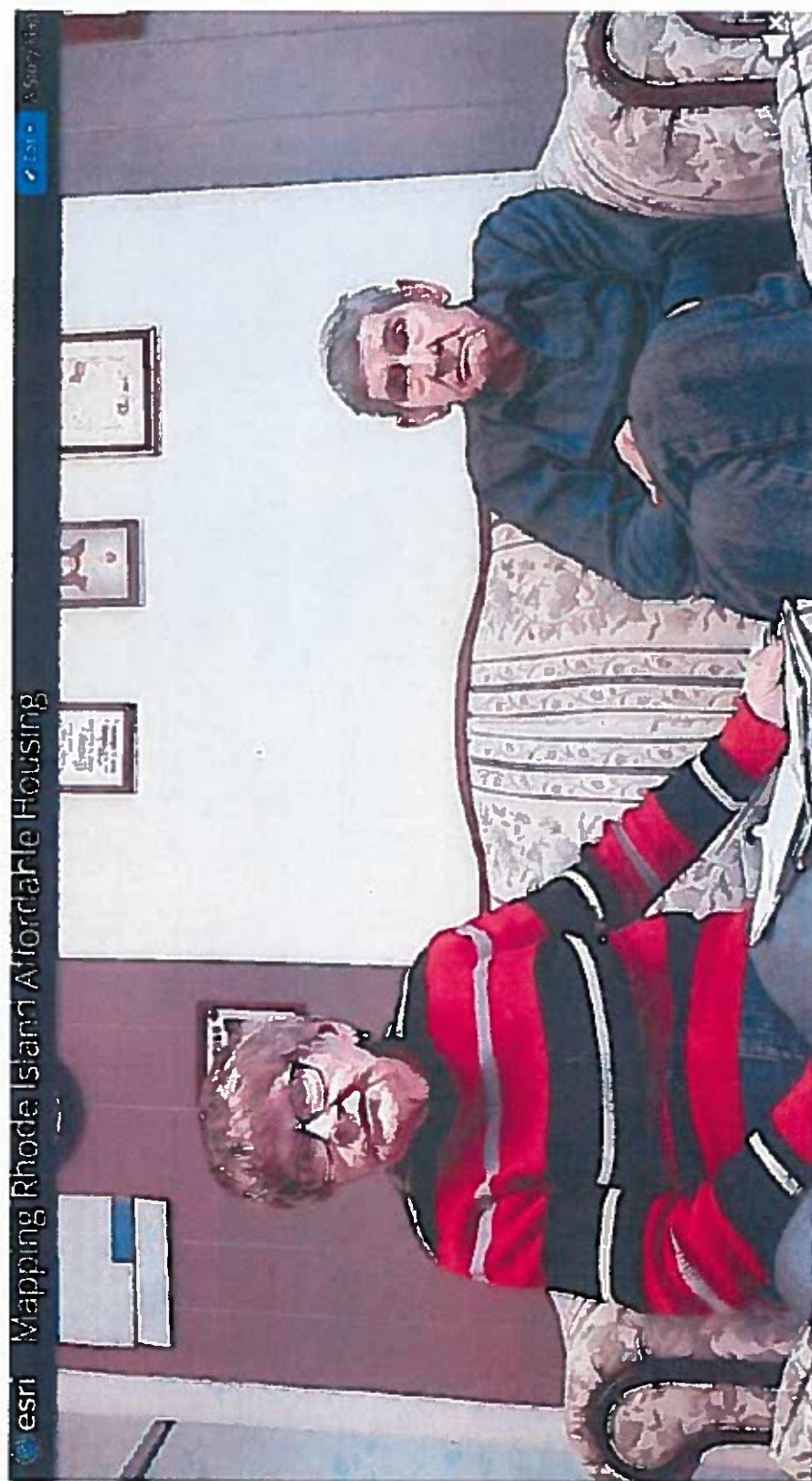


esri Mapping Rhode Island Affordable Housing



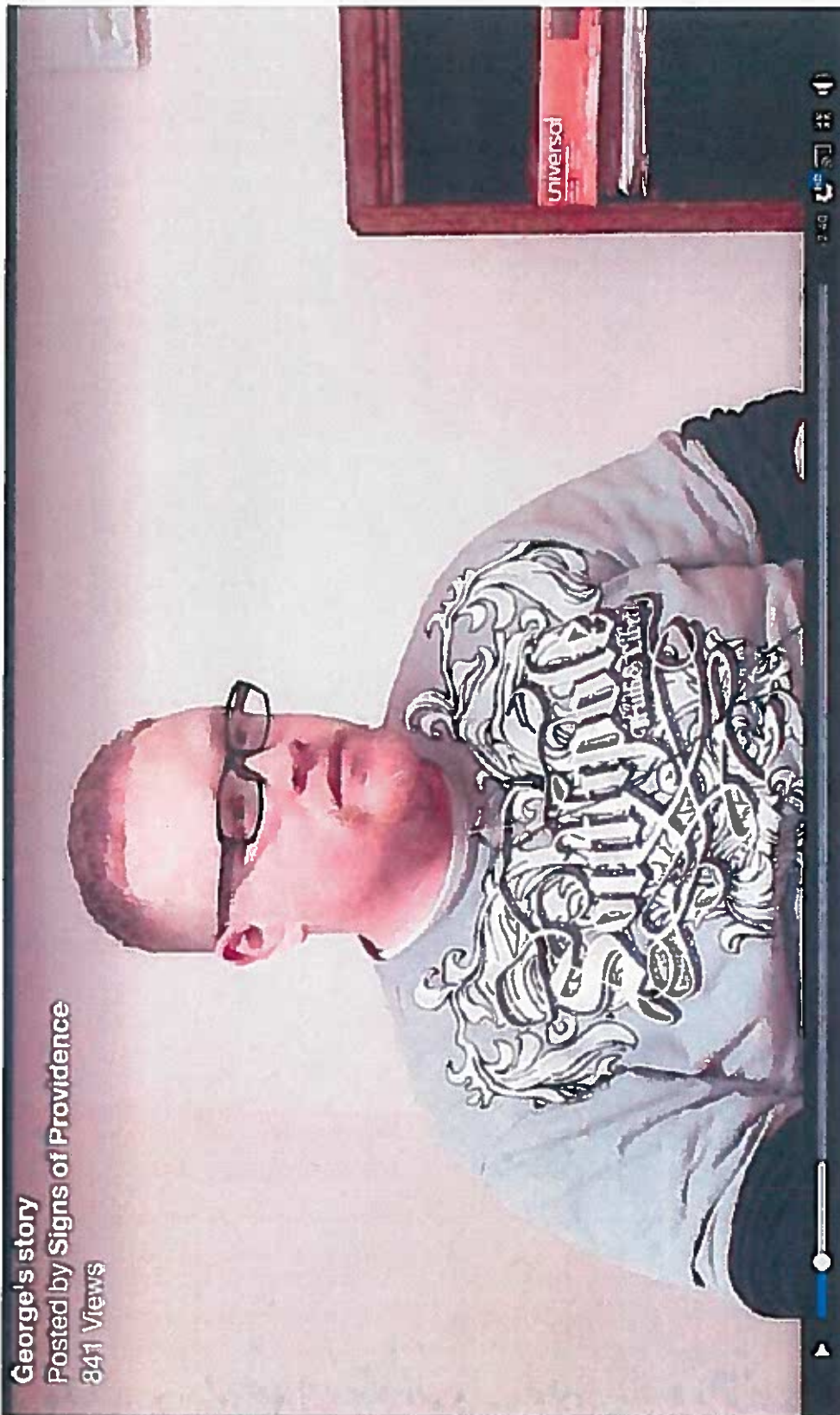












**HOUSE RESOLUTION CREATING A SPECIAL LEGISLATIVE  
COMMISSION TO STUDY THE LOW AND MODERATE INCOME  
HOUSING ACT**

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**DATE: May 24, 2018**

**TIME: 3:00 P.M.**

**PLACE: State House - Room # 101**

**AGENDA**

- I. Roundtable Discussion
  - Preliminary "Draft" Report Review
- II. Adjournment

**\*No Public Testimony will be accepted at this meeting.**

Please contact Charles J. Donovan Jr. House Policy (401) 528-1765  
[CDonovan@rilegislature.gov](mailto:CDonovan@rilegislature.gov)

## Written Submissions to Commission

### MEMORANDUM

TO: Rep. Shelby Maldonado  
FROM: Nathan Kelly, AICP  
DATE: April 2, 2018  
RE: Proposals to Amend the Low and Moderate Income Housing Act

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Representative Maldonado:

I would like to thank you for the opportunity to attend meetings with the Special Legislative Committee to Study the Low and Moderate Income Housing Act (the Act). These meetings have been very informative and, as a planning professional in Rhode Island, I truly appreciate the importance of the work undertaken by this group.

This memorandum is submitted recognizing that the time allotted for the Committee has reached its final months. After all the data and research conducted and considered, I believe it is time to take what we have learned and draft some concrete recommendations. In an effort to move this forward, reflecting on my own experience and what I have heard discussed, I have identified a group of amendments that might be considered "low-hanging fruit." These changes would not require significant effort in terms of drafting or review, and adoption could make a significant impact toward achieving the goals of the Act. I hope that these proposals can serve as a starting point for healthy discussion and the final recommendations from this committee.

Please do not hesitate to reach out to me at (401) 272-1717 if you would like to discuss any or all of the suggestions in this proposal.

Respectfully,



Nathan E. Kelly, AICP

## PROPOSAL

### 1. 10% Requirement

#### The Problem

Many communities cannot realistically achieve this number due to lack of infrastructure, environmental constraints, level of "buildout," and/or a naturally slow growth rate. Even with the addition of some targeted infrastructure investment and the allowance of multi-family housing with inclusionary zoning, many rural and suburban communities will not be able to meet this number within a timeframe that is remotely reasonable. Unachievable goals create frustration and unnecessary resistance.

#### Proposed Solution

- A. Change the approach to something all communities may be able to achieve. Use an incremental approach similar to what has been done in Massachusetts, which allowed a community that has increased its stock of affordable housing by 0.5% during a given year the power to refuse acceptance of Comprehensive Permit applications the following year. In Rhode Island, based on historic building rates outside the urban core communities, a more realistic percentage may be 0.25%.
- B. Alternatively, provide credit for municipalities that show significant gains within the overall activity of housing construction. For example, a community that shows 15% of its total occupancy permits to qualify as affordable" in a given calendar year can refuse acceptance of Comprehensive Permits the following year.

#### Next Steps

At the Committee's direction, proponents are willing to draft language to be included in the Act that describes how these calculations are performed, how the year of empowerment is determined, how decisions to deny for this reason will be issued, and other necessary elements.

### 2. Housing Types Included in the Definition of Low-Moderate Income Housing

#### The Problem

The Act is narrow in its interpretation of what types of homes are included in the definition of Low-Moderate Income Housing.

#### Proposed Solution

- Allow Section 8 vouchers to be included and require state monitoring agencies to report at least annually on the number of vouchers being used in each municipality.
- Allow mobile homes in mobile home parks to be included in the definition of Low-Moderate Income Housing with no deed restriction required. Set a cap on the number of mobile homes that can be included toward the municipality's overall 10% requirement. A reasonable number might be 30% of the total number of Low-Moderate Income Housing units needed by a municipality to reach 10%. For example, if a Town needs 600 units of housing to reach 10%, then only 180 of these units could be mobile homes.
- Allow accessory dwelling units (ADUs) to be included in the definition of Low-Moderate Income Housing with no deed restriction provided several conditions are met:
  - If the ADU is inhabited by the property owner for the purposes of renting the primary house, the rental rate for the primary house shall be affordable to a household making 80% Area Median Income (AMI) or lower.

- If the ADU is rented, its rental rate shall be affordable to a household making 80% AMI or lower.
- If there is no rental of either the ADU or the primary home because of a family relationship or similar situation, the ADU will not count.
- A covenant with the Town and annual monitoring reports would be sufficient evidence of an adequate rental rate.
- The Town (or perhaps Rhode Island Housing at the behest of the Town) shall be the monitoring agent for ADUs. Failure to monitor or properly report will remove ADUs from the overall count of Low-Moderate Income Housing.
- Local property tax exemption programs are sometimes offered to groups that may be earning 80% AMI or lower (e.g., elderly, disabled, income qualified, etc.). Where these exemptions are offered to qualified households, that home would be counted.

#### Next Steps

At the Committee's direction, proponents are willing to draft language to be included in the Act that expands the definition of Affordable Housing as described above.

### 3. Qualifying Income

#### The Problem

The Act currently allows housing to qualify as "Low-Moderate Income" if priced for households making up to 120% AMI. This has proven to be a serious flaw in the Act for a variety of reasons. Most notably, people who can afford a house priced at this level would much rather buy a market rate unit to enjoy higher levels of future financial equity.

#### Proposed Solution

- Cap the qualifying income at 80% AMI without exception.
- Consider allowing units restricted to 60% AMI or lower to count for more than one unit (perhaps 1.5 or 2x) toward the Town's annual count of Low-Moderate Income Housing.

#### Next Steps

At the Committee's direction, proponents are willing to draft language to be included in the Act that lowers the qualifying income as described above.

### 4. Timing within the Appeals Process

#### The Problem

The timeline for the appeals process is unreasonable for all parties involved. SHAB and local communities do their best to comply with these timelines but neither has the resources to do so in general.

#### Proposed Solution

Revise the timelines to reflect a reasonable schedule.

#### Next Steps

At the Committee's direction, those who presented at the February 6, 2018 meeting should draft proposed language to make these timelines reasonable.



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To: Special Legislative Commission to Study the Low and Moderate Income Housing Act

From: Philip Hervey, AICP, Member

Date: 5/17/18

Subject: Comments for Final Draft

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Thanks for the opportunity to comment on the LMH Draft Report.

1. Legal counsel for the State Housing Appeals Board testified before the Commission that SHAB takes into account several factors in determining whether to uphold a municipality's denial of a comprehensive permit application, including:

- Progress made toward the 10% goal, including units produced after the application was denied (as well as the municipality's affordable housing percentage)
- Consistency with the Affordable Housing Plan/Comprehensive Plan (SHAB's practice is to defer to the municipality to make this determination)
- Whether the site is suitable for the proposed development, based on factors including availability of infrastructure and services, and natural resources constraints.

Suggest revising the standards for determining denial of an application to clarify what it means to meet or plan to meet "housing needs." These suggested edits would incentivize municipalities to be more proactive in producing LMH units and enacting ordinances and policies that promote affordable housing.

**§ 45-53-6. Power of state housing appeals board.**

...

- (c) In making a determination, the standards for reviewing the appeal include, but are not limited to:

- 1) The consistency of the decision to deny or condition the permit with the approved affordable housing plan and/or approved comprehensive plan;
- (2) The extent to which the community meets or plans to meet housing needs, as defined in an affordable housing plan, including, but not limited to, the ten percent (10%) goal for existing low and moderate income housing units as a proportion of year-round housing. Evaluation of this standard shall consider the community's progress implementing the affordable housing plan strategies, including but not limited to:
  - (a) Adoption of amendments to zoning and subdivision regulations, consistent with the affordable housing plan
  - (b) Funding commitments, including local, state and federal funding, for low and moderate income housing production
  - (c) Permits issued by the municipality for low and moderate income housing units, as a share of the overall building activity averaged over the most recent five calendar years;
- (3) The consideration of the health and safety of existing residents;
- (4) The consideration of environmental protection and site suitability, including adequacy of infrastructure and access to public services; and
- (5) The extent to which the community applies local zoning ordinances and review procedures evenly on subsidized and unsubsidized housing applications alike. ...

2. State law is unclear as to how new affordable housing rental units are taxed. Clarify whether the “8% Law” applies to new construction, not just units that have undergone “substantial rehabilitation.”
  - See Chapter 44-5-13.11 - Qualifying low-income housing – Assessment and taxation.
3. The affordable price range for comp permits (for sale affordable up to 120% AMI) results in developers maxing out the potential price (around \$300,000 for 3-bedroom). Massachusetts requires lower AMI, depending on the percentage.

**Suggestion:** Consider broadening the range of affordable housing prices by revising the comprehensive permit LMIH percentage applicability criteria to create a scale similar to Massachusetts, such as:

- At least 20% of the units are affordable to 60% AMI, or,
  - At least 30% of the units are affordable to 80% AMI, or,
  - At least 40% of the units are affordable to 100% AMI, or,
  - At least 50% of the units are affordable to 120% AMI
- The developer should be required to provide a pro-forma demonstrating rationale for density increases beyond 20% to offset the AMI requirement, subject to peer review – ideally by RI Housing).
  - Require a higher bar for projects asking for density bonuses in areas that have no water or sewer, or are outside the State’s Urban Services Boundary.
  - The above percentages could be revised to require a mix of prices in the 60% to 120% AMI affordability range.
4. There should be clear findings established for SHAB to grant density increases through the comp permit process when a municipality determines it is inconsistent with its affordable housing plan. Excessive density bonuses undermine municipal inclusionary housing ordinances, which typically grant 20% bonuses for developments in exchange for 20% of the total units as qualifying as LMIH.
- For example, SHAB recently upheld a 25% comp permit (6 units out of 24) for a site that is zoned for no more than 4 units– in an area with no water or sewer or adequate roads, next to farm fields and near a protected wildlife habitat. By providing just 5 percentage points more than the 20% minimum, the density bonus increased from 20% to 600%. These six units amount to an increase of 0.1% in the town’s affordable housing percentage. This is no way to achieve the 10% goal, particularly in areas where developable land is in short supply.
5. Allow for a more realistic timeframe for achieving the 10% goal while providing municipalities with greater control over comp permits. Consider options suggested by Nathan Kelly, AICP (see 4/2/18 memo):
    - Use an incremental approach similar to what has been done in Massachusetts, which allowed a community that has increased its stock of affordable housing by 0.5% during a given year the power to refuse acceptance of Comprehensive Permit applications the

following year. In Rhode Island, based on historic building rates outside the urban core communities, a more realistic percentage may be 0.25%.

- Alternatively, provide credit for municipalities that show significant gains within the overall activity of housing construction. For example, a community that shows 15% of its total occupancy permits to qualify as affordable" in a given calendar year can refuse acceptance of Comprehensive Permits the following year.

Alternatively, a rolling 5-year average increase in the number of LMI units, rather than an annual increase, would help account for year-to-year variations building permit activity.

Comp permits submitted in a community that does not achieve this percentage increase would not be automatic approvals; these applications still should be subject to the normal comp permit review / SHAB appeal process. The 5-year average percentage increase could be a factor in determining whether a community is "meeting housing needs."

6. **Broaden the definition of LMI Housing to count certain units that aren't deed restricted or subsidized.** Suggestions from Mr. Kelly, Glocester and South County planners include:
  - Mobile homes
  - Section 8 vouchers
  - In-law apartments
  - A credit of up to 20% of the total units required to get to 10% if a community's average (or median) assessed value of a single-family home is lower (such as affordable to 4-person household at 120% AMI)
  - Count homeowner-occupied units that are occupied by low- to moderate income persons who have been granted a tax abatement (I suggest a minimum 50% tax abatement)
7. **Encourage development of units deed-restricted at lower AMI than required by State Law by counting them as more than one unit.**
  - **Mr. Kelly suggests:** Consider allowing units restricted to 60% AMI or lower to count for more than one unit (perhaps 1.5 or 2x) toward the Town's annual count of Low-Moderate Income Housing.
8. **Reduce the 10% goal for communities based on lack of nearby jobs, infrastructure, and/or mass transportation (suggested by Michael DeLuca, Town of Narragansett's Director of Community Development).** This concept is consistent with the Land Use 2025 (State Guide Plan).<sup>1</sup>

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<sup>1</sup> For example, a "Major Concept" in Land Use 2025 (Stage Guide Plan Element 121) is "Sustaining the Urban-Rural Distinction." This is described as the following:

"The distinction between Rhode Island's historic urban centers and neighborhoods and their rural natural surrounding areas is still strong. It remains the most important feature of the State's land use pattern. Land Use 2025 identifies an Urban Services Boundary, based upon a detailed land capability and suitability analysis that demonstrates the capacity of this area to accommodate future growth. The Plan directs the State and communities to concentrate growth inside the Urban Services Boundary and within locally designated centers in rural areas, and

**9. Address other issues –**

- a. **Revisit the amount of fee-in-lieu** (too low, particularly in municipalities with high land values)
- b. **Revise the letter of eligibility** to respond to concerns that housing units that qualified as for-sale affordable units based on the 120% AMI are being rented – jeopardizing their status as LMI Housing units
- c. **Foreclosures negating affordable deed restrictions**

## **Summary of Recommendations**

It is important to preface this report by noting that many cities and towns are working tirelessly to comply with Rhode Island's Main Law 45-53, "The Rhode Island Low and Moderate Income Housing Act". The "Act" was originally created in 1991. This Act came about due to the acute shortage of affordable, accessible, sanitary and safe housing for citizens of low and moderate income in this state.

It was determined through the work of the commission that before any meaningful dialogue can take place some issues needed to be addressed. The testimony provided to the commission lent itself to discovering the impact and role that definitions will play in any successful endeavors. (The key definition section in the Act is found in RIGL §45-53-3). Secondly, the importance of communication between the various stakeholders needs to be addressed. Many of these entities are doing yeoman's work with limited resources. The opportunity exist to streamline efforts which will save not only money but valuable time as well.

### **Areas of pursuit:**

- I. Helping Cities and Towns meet the requirements found in Rhode Island's main law, Chapter 45-53
  - The Commission believes it would help to rethink what it means to meet the requirements of Minimum Housing. Where necessary, changes could be made through legislative amendments that would provide relief and incentives to those communities which have met or exceeded threshold amounts for Minimum Housing. Consideration should be given for a credit scenario, by offering solutions through incentive based partnerships between cities and towns. Fostering these types of working partnerships, the Low and Moderate Income Housing discussion can move away from acrimonious posturing towards a more positive and productive direction on behalf of all stakeholders.

## Summary of Recommendations

### II. Recommendations on Statute Clarification:

- State Housing Appeals Board (SHAB) timing, guideline and evidence clarifications such as: burden of proof on a city or town vs. the applicant; allow State Housing Appeals Board (SHAB), through its Chairperson, to establish a set schedule which includes a definitive end date, unless just cause can be shown by the parties for a continuance. This could also apply to the briefing schedule; requirements regarding findings at the Master Plan vs Preliminary Plan level of reviews. These would help eliminate conflicts early on in the process, and also generally expedite the procedure before SHAB.
- Work with the Department of Health on a health impact assessment that quantifies what effect Affordable Housing has on communities and also documents the correlation between affordable housing and overall community health;
- Further review and discussion regarding §45-53-6(b) - Approved standards with Housing Plans for local municipalities

### III. Commission Extension:

- Extending the commission for the 2019 legislative year. These recommendations are a direction for the commission to further explore. Many of the ideas and submitted testimony included in this report would certainly require further study and input by the affected stakeholders. That is why in addition to recommending that this commission be extended, we also suggest that the commission engage in greater outreach in the communities. This would allow for another perspective than that of just state agencies and departments.

## Summary of Recommendations

### III. Commission Extension: (continued)

We propose a series of “On the Road Meetings” in communities and in locations where there are additional resources available outside of state government. For illustrative purposes, meetings could be held at:

- ❖ Roger Williams Law School;
- ❖ Local private universities, such as Bryant University, Johnson and Wales, and Salve Regina;
- ❖ Public colleges and universities such as Rhode Island College; University of Rhode Island and the Community College of Rhode Island.
- ❖ At least two community centers, one in a municipality with a population above 25,000 residents, and one with a population below 25,000 residents.

By including these institutions and outreach in the community, the state could tap into a large pool of resources. It would allow for the capture of valuable analytical, legal and statistical data assessments which in turn would help further promote meaningful discussion. Our last meeting proved just how educational and important this outreach can be. The commission received a presentation from students at Brown University who are trying to help configure a “systems map” for Rhode Island’s myriad of Housing Infrastructure entities; including but not limited to Government, Municipal and Private Entities, Advocacy Groups, Non Profits, Landlords, Tenants as well as Homeless Services. A better understanding of exactly what resources are available and how to access them will only help aid in this endeavor. This outreach should not be confined to only within our borders, as the commission discovered, our Border States share many of the same concerns. Consideration needs to be given to reaching out with other states, particularly neighboring states, to see if there are similar work groups in existence that could allow us to coordinate on regional solutions with shared services.

IV. Finally, it should be noted that much of the law governing fair and affordable housing is generated at the Federal level of government. This is a nationwide issue. The commission will look to seek more input from our congressional delegation in helping to craft long term and sustainable solutions for this extremely important subject matter.



