2005

Town of Narragansett, Rhode Island Affordable Housing Plan

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TOWN OF NARRAGANSETT, RHODE ISLAND

AFFORDABLE HOUSING PLAN

BY

LINSEY J. CAMERON

A RESEARCH PROJECT SUBMITTED IN
PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF
MASTER OF COMMUNITY PLANNING
UNIVERSITY OF RHODE ISLAND

Spring 2005

MASTER OF COMMUNITY PLANNING
RESEARCH PROJECT OF
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ACKNOWLEDGED:
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Town of Narragansett

Affordable Housing Plan

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INTRODUCTION

In adopting this plan the Town of Narragansett formally commits itself to meeting the 10 percent affordable housing goal mandated by the Low and Moderate Income Housing Act (RIGL 45-53) and specifies the strategies and means by which the goal is to be achieved. The plan is specifically tailored to the existing housing conditions in Narragansett and the economic, physical, regulatory and environmental obstacles that have prevented attainment of the State's and the Town of Narragansett's housing objectives.

PROSPECTS FOR AFFORDABLE HOUSING DEVELOPMENT

The Town of Narragansett has many favorable factors that can be used to assist the development of affordable housing. Narragansett has the following areas of opportunity:

1. A well-developed utility infrastructure that supports a relatively high density of housing in already developed neighborhoods. In many of these neighborhoods there exists merged lots of record that are under the same ownership which may be separated for affordable housing purposes without violating the standards of the Comprehensive Plan. Sewer capacity is available for infill of affordable housing in areas serviced by the Scarborough Treatment Plant and the Town is currently studying alternatives for increasing capacity in the North End sewer area.
2. Under its Stormwater Phase II program, the town is working to retrofit many of the established developed areas in the Narragansett River watershed with enhanced control for non-point source pollution. These improvements will reduce the environmental impact of infill and scattered site affordable housing within existing neighborhoods.

3. The center of Town has larger historic and estate-style housing that were originally occupied by larger families and servants. Town zoning policies may be liberalized to allow for accessory apartments for affordable housing in the Pier Area. The nearby Ocean Road area with its larger-lot zoning also has advantages for affordable accessory apartments, provided suitable areas exist for on-site sewage disposal.
4. The Town of Narragansett has supported the activities of the Narragansett Housing Authority and its non-profit partner, the Narragansett Affordable Housing Corporation, and anticipates further cooperation on site identification and development of scattered-site family housing and elderly housing.
5. The Town has had excellent experience with the three group homes now operating in town, and will support the location of additional scattered site homes for special needs individuals.

CHALLENGES FOR AFFORDABLE HOUSING DEVELOPMENT

Despite the prospects for affordable housing development in Narragansett, there are many challenges. The challenges to affordable housing development include:

1. During the past decade Narragansett has seen a steady and acute increase in the value of housing. Much of the increase is attributable to national and regional trends in investment and the real estate market, but Narragansett's values have shown spectacular increases. Much of this is due to the Town's desirable natural features, coastal amenities, and ready accessibility from nearby population centers.
2. Narragansett's housing stock is in many respects not used for normal year-round residential use. On one hand a significant portion of housing (more than 20%) is used exclusively for summer seasonal use. In many cases such housing is owned by retirees who spend the off-season elsewhere. On the other hand, another significant portion of the housing stock is part of a two-season rental market that caters to students at the University of Rhode Island during the academic year, and then serves a high priced vacation/ tourist market during the summer. Low and Moderate income families are often unable to compete for occupancy in this tight market, and are generally unable to secure rental contracts on a year round basis.
3. Narragansett is already the most densely populated town in the South County region and easily developable land is extremely scarce. It is estimated that the Town is currently almost 90 percent developed and much of the remaining land area has severe constraints to development, such as wetlands, extremely high watertables, or is located in environmentally sensitive areas.
4. The Town's development is also constrained by the ability of public facilities to accommodate new growth. The Town's largest wastewater treatment facility is shared with the neighboring Town of South Kingstown and the University of Rhode Island, and Narragansett's allocation of sewage flow is

already at its contracted limit. For the north and central parts of town the Town has had to restrict sewer service to existing development and a small quota of grandfathered lots. While the town is investigating options to increase capacity at this plant, only the Scarborough Wastewater Treatment Facility's service area in the South End has capacity to take on a limited amount of new flow.

5. Approximately 50% of the Town's land area is in watersheds tributary to poorly flushed estuaries for which the State of Rhode Island's Coastal Resources Management Council has established Special Area Management Plans. These plans limit the use of large areas of critical environmental concern to open space or low-density development.

EXISTING CONDITIONS

Land Use Patterns

Narragansett is comprised of a series of residential and commercial clusters which are separated by a series of greenbelts that help define distinct areas of the town.

Narragansett is also known for its historical seaside resort character and unique environmental resources. These assets are vitally important to the Town's economic, social and environmental well-being. Major industries in Narragansett, including tourism, fishing and marine research, are especially dependent upon the protection of the Town's natural resources. The Narragansett Comprehensive Plan aims to effect change that will protect, preserve and enhance the Town's unique assets.

Rapid development over the past 30 years has made Narragansett the most densely developed municipality in southern Rhode Island. There is a high ratio of renter-occupied housing, including summer residents and students from the University of Rhode Island. The town is divided into four distinct areas: the North End, the Pier Area, the South End and Jerusalem. Although all of these areas are primarily residential, each contains significant commercial and/or industrial concentration.

Development Potential

A build-out analysis of Narragansett's land area indicated that in 2000 of the 14,828 lots of record, 9,159 were already developed, and there were potentially 1,557 vacant, developable lots (those with more than 50 percent non-wetland). From 2000 to 2004 there were a total of 438 new housing units constructed in Narragansett, leaving only 1,119 vacant developable lots. The remaining 4,112 lots were merged by zoning with adjacent lots, were dedicated conservation land, or were considered undevelopable due to the presence of coastal or freshwater wetlands.

Thus, under the present land scenario, it may be estimated that the Town of Narragansett has reached 89.6 percent of its development potential of 10,716 units. At the Town's current rate of development, build-out may occur around 2020. In order to reach the 10 percent affordable housing goal, the Town of Narragansett will have to intervene in the construction of market-rate dwellings by adding to the overall inventory of developable lots and restricting them for use as affordable housing.

Table 1. Narragansett Build-Out Analysis, 2004

	Lots	Percentage
Developed (2000)	9,159	85.5%
New Construction 2000-2004	438	4.1%
Total Developed (2004)	9,597	89.6%
Vacant Developable	1,119	10.4%
Total Development Potential	10,716	100.0%
Total Development Potential	10,716	72.3%
Undevelopable	4,112	27.7%
Total	14,828	100.0%

DEMOGRAPHICS

Population

From 1950 to 1990 Narragansett experienced a rapid and sustained increase in population. As indicated in Figure 1, Narragansett's 10 year incremental growth rates from 1950 to 1990 were

higher than both the Washington County and Rhode Island growth rates at the time. From 1990 to 2000, Narragansett's population grew by only 9.2 percent, a growth rate lower than the Washington County rate but still higher than Rhode Island's overall rate.

Figure 1. Population Change, 1960-2000

Narragansett's population is expected to continue to grow, although at a somewhat slower pace than the last 50 years. Despite the slower growth trend, Narragansett's growth rate is expected to be higher than Washington County and Rhode Island's growth rates.

Table 2. Population Projections

Year	Narragansett		Washington County		Rhode Island	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
2000	16,361		123,546		1,048,319	
2010	17,454	6.68%	131,279	6.26%	1,074,199	2.47%
2020	19,028	9.02%	142,414	8.48%	1,111,464	3.47%
2030	20,256	6.45%	151,103	6.10%	1,140,543	2.62%
Average Growth	7.38%		6.95%		2.85%	

Source: US Census Bureau, RI Statewide Planning

Age

Narragansett's age distribution compares interestingly to that of the state. The age distribution data for Narragansett reflects the presence of a large number of college students who attend the University of Rhode Island. As of 2000, 16.8 percent of Narragansett's population was between the ages of 20 to 24 years old, compared to only 7 percent for both Washington County and the State in same age category (see Figure 2. Age Distribution, 2000). Narragansett also had a slightly lower percentage of residents 19 years old and under than Washington County and the State. Narragansett has approximately the same proportion of middle-aged and elderly (45 years and older) residents as the Washington County and Rhode Island distribution averages.

Figure 2. Age Distribution, 2000

Income

According to Census data, the median family income in Narragansett in 2000 was \$67,571. This is a 52.3 percent increase from 1990, when the average Narragansett family earned \$44,361. The rate of increase in income, for both households and families, was greater in Narragansett than the rate of increase in the state as illustrated in Table 3.

Table 3. Income Data 1990 – 2000

	Household Income		Family Income	
	Narragansett	Rhode Island	Narragansett	Rhode Island
1990	\$35,545	\$32,181	\$44,361	\$39,172
2000	\$50,363	\$42,090	\$67,571	\$52,781
Percent Change	41.7%	30.8%	52.3%	34.7%

Source: US Census

Job Growth

According to the most recent information available from the R.I. Department of Labor and Training, Narragansett had 9,575 residents who are employed, and 3,445 jobs located in the community. This indicates that Narragansett is a net exporter of labor, and is consistent with the 2000 U.S. Census figure of 76.2% of Narragansett residents commuting to jobs out of town. As a bedroom community, Narragansett's job growth may be somewhat independent of the number of employed persons living in town.

In terms of employment in Narragansett, the town's strongest sectors are natural resources and mining (i.e. fishing), leisure and hospitality services (tourism restaurants), education and health (URI and South County Hospital), miscellaneous services (tourism and building and ground maintenance), and transportation (ferry services).

Assuming employment growth will be related to projected local population RI growth (approximately 6% per decade) a growth of 230 jobs could be expected. Using RI Department of Labor and Training's statewide estimates of job growth by industry up to 2012, up to 560 new jobs could be created.

Job growth estimates, naturally, are heavily dependent on national and regional economic cycles and localized business conditions, over which local and state governments often have little control. Expansion in the fishing industry will be influenced by the condition of accessible fishing stocks, regulation, and even global trade conditions. Based on recent developments in New England and local fisheries, any real expansion in fishing is questionable. Similarly, projected growth in education and health sectors are dependent upon local and state funding for facilities expansion. School populations in Narragansett and surrounding communities are currently declining, slowing and even in some cases reversing job growth. The scale of expansions in URI's bio-sciences facilities is dependent on State budgets. Moreover, with the town reaching build-out within the planning period, growth in local service industries may slow. Therefore growth in the lower end of the 230-560 range is a more likely result.

HOUSING STOCK

Housing Units

The 2000 Census identified 9,159 total housing units in Narragansett. In 2000 79.4 percent were classified as single family one unit detached dwellings.

**Table 4. Housing by Type of
Structure in Narragansett, 2000**

	Number	Percentage
1 Unit Detached	7,271	79.4%
1 Unit - Attached	368	4.0%
2 Units	478	5.2%
3 - 4 Units	283	3.1%
5 - 9 Units	295	3.2%
10 - 19 Units	128	1.4%
20 or More Units	252	2.8%
Mobile Home	17	0.2%
Boat, RV, Van, Etc.	67	0.7%
Total	9,159	100.0%

Age of Housing

Narragansett's housing stock is a mix of historic structures, post-World War II construction and many newer homes as well. According to the 2000 US Census, almost 48 percent of housing units were built before 1970, 39 percent between 1970 and 1989, and nearly 13 percent in the last decade (1990 to 2000).

Figure 3. Percentage of Housing Units Built by Year

Building Permits

From 1992 to 2004 1,036 single family homes and 46 multi-family units were built in Narragansett. Narragansett does not implement a building cap limit. Since 2002, the number of building permits issued has declined due to the growing scarcity of buildable land in Narragansett, which has resulted in high prices for vacant lots. In addition, many of the sites of new construction are subject to strict environmental regulations and construction modifications that typically increase the cost of production.

**Table 5. New Home Construction in
Narragansett, 1992 - 2004**

Year	Single Family	Duplex / Multi-Family
1992	55	0
1993	60	0
1994	62	14
1995	79	16
1996	74	4
1997	67	0
1998	62	12
1999	139	0
2000	101	0
2001	107	0
2002	95	0
2003	62	0
2004	73	0
Total	1,036	46
Yearly Average	80	4

Source: Narragansett Building Official

Table 6. Major Subdivisions Built in Narragansett Since 2000

Subdivision Name	Units	Year of Construction
Schooner Cove	39	2001
Canonchet Farm	15	2001-2004
Ocean Meadow	8	2003
Banfield Estates	7	2004
Thayer Avenue	14	2004

Density

Narragansett has a population density of 1,156 persons per square mile. Narragansett is the only town in Washington County to exceed the statewide average of 1,003 persons per square mile.

Figure 4. Population Density, 2000

HOUSING DATA

Residential Sales

The median sale price of a single family home in Narragansett increased 22.1 percent from 1990 to 2000. However, since 2000, the median price of a single family home has risen from \$170,000 to \$347,250 as of year-end 2003, an increase of 104.3 percent in just three years, thus indicating a rapid inflation in the local housing market. As of 2004 to date (January 2004 thru June 2004) the median sales price of a single family home in Narragansett was \$373,000.¹ This confirms the existence of a growing gap between housing prices and income levels, thereby creating an affordability problem for Narragansett residents, who had a median family income of only \$67,571 as of 2000. The disproportionate rise of housing cost to income level has created a pressing need to provide affordable housing to individuals, families and seniors in Narragansett and in other communities throughout Rhode Island.

Figure 5. Single Family Home Sales

¹ Statewide Multiple Listing Service, Inc.

Availability of Developable Land

The shortage and high cost of developable land in Narragansett are barriers to affordable housing development. As of December 2004, the price of vacant lots in Narragansett range from \$150,000 for 8,330 square feet to \$1,600,000 for 43,560 square feet ocean view lot. At this time, there were 16 vacant parcels for sale with a median price according to Statewide Multiple Listing Service of \$455,856. With land prices this high, it is very difficult to build a new home and make it affordable to individuals or families at 80 percent of median income, even with funding through subsidies.

Occupancy

Most housing units in Narragansett are single family owner-occupied units (see Figure 6). As of 2000, 61.9 percent of all occupied units in Town were owner-occupied and 38.1 percent were renter-occupied. The ratio of owner to renter-occupied housing in Narragansett has remained fairly consistent over the last 30 years, as indicated in Figure 6.

Rental Housing

The average monthly rental cost for a two bedroom unit in Narragansett in 2002 was \$1,132, according to a Rhode Island Housing survey. This price is \$269 more than the state average, which is \$863.

The rent on the average 2 bedroom unit in Narragansett is affordable for a household earning at least \$45,280 per year. Housing is considered unaffordable when households

have to spend more than 30 percent of their incomes on housing in the form of either a mortgage or rental payment. According to 2000 US Census data, renter-occupied households in Narragansett spend just over 35 percent of their income on housing, which is the highest percentage in the state.

**Table 7. Average Monthly Rents for
Advertised Vacant Units, 2002**

	1 Bedroom	2 Bedroom	3 Bedroom
Narragansett	\$844	\$1,132	\$1,400
Rhode Island	\$694	\$863	\$1,017

Source: Rhode Island Housing

Table 8. Rent Burden by Income, 2000

	Median Gross Rent	Median Renter Income
Narragansett	\$765	35%
South Kingstown	\$656	26%
North Kingstown	\$614	27%
State	\$553	27%

Source: US Census Bureau

Narragansett's waterfront location and close proximity to the University of Rhode Island's Kingston campus creates the unique presence of a two-season rental market that limits the Town's supply of affordable, year-round rental housing. Many of the rental properties in town are rented at a premium on a weekly basis during the summer months to vacationers at rates ranging from \$400 to \$5,000 per week. Then for the nine-month off-season (September to May), they are rented at more affordable rates to college students attending the University of Rhode Island. Consequently, the year-round rental housing market is fairly limited and unaffordable for many of the Town's low

to moderate income residents. Furthermore, it is common for upwards of five URI students to share rental payments on an off-season rental house. This allows the landlord to charge a higher rent because presumably four or five URI students sharing rental payments and utility costs can afford to pay more than a low or moderate income family with one or two incomes.

This relatively high rate of return on rental property, as compared to properties in other localities, makes Narragansett a desirable location for individuals seeking opportunities in investment property, thereby driving up the prices of the local for-sale housing market. This makes homeownership increasingly out of reach to local low and moderate income residents in Narragansett.

Seasonal Housing

Narragansett is a waterfront community, and, as a result has the region's largest supply of seasonal or vacation housing units. Just over 22 percent (2,035 units) of Narragansett's housing stock consists of seasonal housing. The Town's high percentage of vacation housing also limits Narragansett's supply of year-round rental housing stock. The vacation rental market in Narragansett is dependent upon the presence of University of Rhode Island students who rent vacation properties during the academic year and leave before the summer rental season. In addition a significant amount of housing that would appear to be vacant seasonal housing is used by owners only during the summer season.

AFFORDABLE HOUSING

Achieving 10 Percent Goal

This plan has been prepared in response to the shortage of affordable housing opportunities in the Town of Narragansett. This plan also serves to comply with the *Rhode Island Comprehensive Planning Act* and the *Low and Moderate Income Housing Act, 45-53*, which was amended in July 2004. The *Act* promotes the development of low and moderate income housing in Rhode Island. This plan will ensure that a minimum of 10 percent of the permanent housing units in Narragansett will be affordable to residents earning less than or equal to 80 percent of the area median income.

According to a July 2004 report by Rhode Island Housing and Mortgage Finance Corporation, 2.9 percent (204 units) of Narragansett's 7,124 permanent housing units are designated affordable to low- and moderate-income households. This figure is below the state requirement of 10 percent. Currently, the Town would need 508 additional units of affordable housing to meet the 10 percent threshold.

It is expected that Narragansett will achieve build-out in the next 20 years. According to the Town's current build-out estimate, a total of 834 affordable units will be needed to achieve the 10 percent goal. Based on the 204 existing affordable housing units in Narragansett, 630 additional units will be needed to reach the 10 percent goal when build-out is achieved.

Table 9. Affordable Housing in Narragansett

	Number of Units	Percent of all Units
Housing Data, 2000		
Total Housing Units	9,159	100.0%
Seasonal Housing	2,035	22.2%
Permanent Housing Units	7,124	77.8%
Affordable Units (% based on Permanent Housing Units)		
Existing Affordable Units	204	2.9%
Affordable Units Needed for 10% Goal	508	10.0%
Build-Out Numbers (expected to be achieved in next 20 years)		
Total Units Expected to be Built	1,557	(+)16.7%
Total Housing Units	10,716	100.0%
Total Seasonal Housing*	2,379	22.2%
Permanent Housing Units	8,337	77.8%
Future Affordable Units (% based on Permanent Housing Units)		
Affordable Units Needed for 10% Goal	834	10.0%
Affordable Units Needed to be Built	630	7.6%

*Assuming proportion remains the same

Existing Affordable Housing Town of Narragansett

Map 1

- 1. Beachwood Apartments
- 2. Housing Authority - Rockland Street
- 3. Housing Authority - Mansion Avenue
- 4. Housing Authority - Kingstown Road
- 5. Galilee Mission
- 6. Driftwood Apartments
- 7. Housing Authority - Boon Street
- 8. Narragansett Affordable Housing - Continental Street
- 9. Housing Authority - Perkins Avenue
- 10. Southwinds
- 11. Home - Action Community Land Trust
- 12. Fieldstone Apartments

Existing Affordable Housing

Table 10 depicts existing affordable housing within the Town. Also, please refer to GIS Map #1 for the geographical locations of affordable housing units in Narragansett. In addition, as of 2002 Narragansett had 182 Section 8 vouchers applied within the Town, however the vouchers do not count toward the 10 percent affordable housing threshold.

Table 10. Existing Affordable Housing in Narragansett

Name	Number of Units	Source of Subsidy	Occupancy	Occupants
Action Community Land Trust	1	HOME	Owner	Family
Driftwood Apartments	32	RIH, Sec. 8	Rental	Family
Fieldstone Apartments	24	RIH, LIHTC	Rental	Family
Federal Family Public Housing	10	LIPH	Rental	Family
Narragansett Affordable Housing	2	HOME	Rental	Family
Beechwood Apartments	56	RIH, Sec. 8	Rental	Elderly
Southwinds	48	RIH, Sec. 8	Rental	Elderly
Mansion Avenue	4	RHS 515	Rental	Elderly
Federal Elderly Public Housing	2	HOME	Rental	Elderly
Galilee Mission	9	HOME	Transitional	Special Needs
Group Home Beds	16	Various	Transitional	Special Needs
Total	204			

Demand & Future Need

There exists a clear demand for more affordable housing options in Narragansett. One indication of this demand is the number of elderly residents on the waiting list for subsidized housing at the Town's various elderly affordable housing developments. As of August 2004, there were 325 elderly residents on the wait list for either the Southwinds or Beechwood Apartments, both of which consist solely of elderly affordable rental housing units.

A second indication of the demand for more affordable housing in Narragansett is the U.S. Department of Housing and Urban Development's (HUD) Comprehensive Housing Affordability Strategy (CHAS) database. The CHAS data provides a means for a community to examine the housing needs and problems of its residents at all income and household levels. An examination of Narragansett's CHAS data reveals that there is a proportionally higher need for affordable housing among those classified as "other" (53 percent) as compared to family (29 percent) and elderly (19 percent). HUD defines the category of "other" as housing for singles, individuals with special needs and transient housing. Narragansett's CHAS data proportions are inconsistent with the regional Washington County and Rhode Island data. This disproportionate need among "others" may be an overestimate of the true need in Narragansett because under the classification of

"other" households includes college students. As mentioned above, Narragansett has a high student population living in town and attending the

Figure 7. Proportional Affordable Housing Need Projected

nearby University of Rhode Island. Student households will typically have both artificially low incomes and high rent burdens. In addition, the student presence in the “other” category serves to displace the affordable housing need among families, elderly and other tenants. For this reason, the Town of Narragansett will use the regional trends of Washington County as proxy for its low and moderate income housing plans.

When the Washington County CHAS data is plotted against the current low and moderate income units in Narragansett, the future need is projected. Table 11, illustrates the breakdown by household type.

Table 11. CHAS Data, Narragansett's Low & Moderate Income Housing Need
(Based on Washington County Data)

Household Type	Proportional Need Projected	Number of LMI Units Needed by 2025 <small>(834 x CHAS %)</small>	Existing Supply	Future Need
Elderly	29.7%	248	110	138
Family	40.9%	341	69	272
Other	29.3%	245	25	220
Total LMI Units		834	204	630

HOUSING PROBLEMS

Homeless

From 2002 to 2003, of the total people seeking housing from the Rhode Island Emergency Shelter Program, 28 individuals (0.5 percent) listed Narragansett as their last place of residence. This figure is well below many other municipalities in Rhode Island, but is similar to other comparable nearby towns (33 individuals in Charlestown and 55 individuals in North Kingstown).

CHAS Data

According to 2000 projected U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data, Narragansett contains 1,827 households at or below 80 percent of median income that have housing problems.

Table 12. Narragansett Household Income & Housing Problems, 2000

Percentage of Median Income	Percentage of Median Income			
	< 30%	30-50%	50-80%	80%+
Total Households	858	834	1,159	4,011
Percentage	12.5%	12.2%	16.9%	58.5%
Households with Housing Problems	669	614	549	381
Percentage	78.0%	73.6%	47.4%	9.5%

Source: Author's Tabulation of 2000 CHAS Data

AFFORDABLE HOUSING RESOURCES

Narragansett contains a number of available resources that support and encourage affordable housing development.

Narragansett Housing Authority

The Narragansett Housing Authority (NHA) is a public service agency that is a valuable asset and resource in the Town's efforts to increase housing affordability. The NHA administers 182 Section 8 vouchers in Narragansett. Other programs and goals administered by the NHA include:

- *Section 8 Home Ownership Program* – This program is designed to assist families in achieving homeownership while, having the security of the Section 8 Program. This program allows the monthly Section 8 payment to be used to cover mortgage and other home ownership costs. It is essentially the same as the current Section 8 Program with the exception that the family is the owner of the property, rather than renter. This exception allows families the opportunity to benefit from equity in the home, tax deductions and the pride involved in owning a home.
- *Homebuyer Education Program for First Time Homebuyer* – The goal of the program is to provide the foundations of knowledge necessary for an individual to move forward in the steps to homeownership. Homebuyer Education teaches the basic “financial literacy” skills of budgeting, saving, credit and debt management. Homebuyer Education helps consumers make wise financial decisions, avoid predatory lenders and other pitfalls related to home ownership. Graduates of the Program are better able to access affordable financing, become successful long-term homeowners and have a better chance of avoiding delinquency and default.

Narragansett Affordable Housing Corporation

The Narragansett Affordable Housing Corporation (NAHC) is a nonprofit corporation that works to develop affordable housing in Narragansett. The NAHC applies for, accepts and manages government grants to develop affordable housing. In addition the NAHC plans, develops, finances, and manages a variety of affordable housing projects either directly or in partnership. The NAHC has already demonstrated that it has the capacity to develop small volumes of affordable housing in Narragansett. Other programs and goals administered by the NAHC include:

- *Rehab/Construction of Affordable Units for Rent* – In September 2003, NAHC completed its first affordable housing construction project. The new duplex is located on Continental Street in Narragansett and is rented to low income families. Funding was received from CDBG funds for the asbestos removal and demolition of the condemned structure on the property. Grant funds in the amount of \$120,000 were received from RI Housing's HOME fund. Additional funding in the amount of \$40,000 was received from the Neighborhood Opportunities Program. The Town of Narragansett completed the financing package with a fixed-rate mortgage. Landscaping and planting was done by the Narragansett High School Future Farmers Association.
- *Single Family Home Construction for Ownership* – The NAHC most current project is the construction of four single family three bedroom homes that will be available for purchase to families who have successfully completed the Homeownership Education Program. The homes are located on Coffey Avenue and Frances Avenue within the Town of Narragansett. Sources of funding for this project came from RI Housing's HOME program (\$200,000) and from the State of Rhode Island's Housing Resource Commission (\$200,000). All necessary approvals have been received and construction is set to begin in March 2005, weather permitting.

- *Construction of Elderly Affordable Housing Units* – Currently, the NAHC is in the preliminary planning stages for constructing an elderly affordable housing structure that will consist of 46 one-bedroom units on the site of a former summer camp, Camp JORI. In the meantime, NAHC will continue the process of developing additional affordable housing units within the Town.

The NAHC will also serve as the monitoring agent for the Town of Narragansett to insure the affordability of dedicated units. The NAHC will provide the following monitoring services to the Town:

- For Rental Developments;
 - Determine eligibility of potential tenants at the time of rental occupancy for housing units according to relevant subsidizing program restrictions;
 - Determine consistency of proposed rents with relevant subsidizing program restrictions; and
 - Conduct annual recertification of compliance with relevant subsidizing program restrictions.
- For Homeownership Developments;
 - Determine eligibility of potential homebuyers at the time of purchase to occupy housing units according to relevant subsidizing program restrictions; and
 - Determine consistency of proposed purchase prices with relevant subsidizing program restrictions; and
 - Over the term of the affordability restrictions, certify buyers and purchase prices at the time of resale to ensure compliance with deed restrictions.
- Work with and educate existing and prospective tenants or owners about subsidy program requirements and restrictions; and
- Comply with all requirements of state and federal fair housing laws.

Narragansett Affordable Housing Board

The Town of Narragansett formed an Affordable Housing Board in April 2004 to guide the development of the Town's Affordable Housing Plan. The Affordable Housing Board was instituted and appointed by the Narragansett Town Council to replace and continue the work of the prior Affordable Housing Task Force. While that Task Force was "ad-hoc" in its charge, the new Affordable Housing Board is a permanent entity of the Town to serve as an advocate for affordable housing in Narragansett. The Affordable Housing Board is comprised of representatives of Town Government (Town Manager, Community Development Director and Housing Authority Director), members of Town boards and commissions (Town Council, Planning Board, Zoning Board, Conservation Commission, Land Trust and Housing Authority), as well as a representative of the general public (a Narragansett resident).

The Board will monitor the implementation of the Affordable Housing Plan, and report annually to the Town Council on the Plan's progress. The Town Council and Community Development Department will be responsible for ensuring the Plan is implemented according to the specified timeframe. The Board will also oversee and administer a new Housing Trust Fund that will provide financial support for the development of affordable housing within the Town of Narragansett.

POLICIES TO PROMOTE AFFORDABLE HOUSING

Inclusionary Zoning

A mandatory inclusionary zoning ordinance will require that all new residential development, whether new construction or substantial rehabilitation, of five or more units, including single family subdivisions, multi-unit buildings (condominiums or rental developments) contribute at least 25 percent of the total units as affordable housing. Half of the affordable units must be on the same site as the market-rate units so that it disperses affordable housing throughout Narragansett and prevents income-based concentrations. Up to half of the required affordable units maybe fulfilled at an off-site location in Narragansett, only if the off-site location is more desirable for the community and for the low or moderate income residents. Desirable benefits could include if the off-site location yields more affordable units than the on-site location would or if a different type of affordable housing is needed in Narragansett. For example, if Narragansett is more in need of family affordable housing, a separate site would be more desirable if the market-rate units are luxury condominiums for single or empty-nesters.

The affordable units may differ from the market-rate units in a covered project with regard to interior amenities and gross floor area; provided that:

1. These differences, excluding differences related to size differentials, are not apparent in the general exterior appearance of the project's units; and
2. These differences do not include insulation, windows, heating systems, and other improvements related to the energy efficiency of the project's units; and

A density bonus will be allowed only in zones outside of Rhode Island's Coastal Resource Management Council's (CRMC) areas designated of critical concern and self sustaining lands. Please see attached GIS Map #2 (after p.27) for CRMC's classification of areas in Narragansett. The density bonus received will be evaluated by

the Community Development Department on a case-by-case basis, according to soils, drainage, utilities and sustainability of the land. In cases where including affordable units is not feasible in CRMC's areas of critical concern, paying an in-lieu-of fee to Narragansett's Housing Trust Fund will be permitted. Payment in-lieu-of will not be allowed in all other areas. In addition, developments shall not be segmented or phased in a manner to avoid compliance with these provisions.

Housing Trust Fund

A new Housing Trust Fund will be established by the Narragansett Town Council to financially support the development of affordable housing within the Town. Sources of money for the Fund will include endowments and grants; surplus reserve funds from refinancing municipal bond issues; payments of fee-in-lieu of constructing affordable housing units; and in-kind donations. The Fund may be used for new construction, rehabilitation, retention, and operation of low and moderate income housing. The Fund will be administered by the Narragansett Affordable Housing Board.

Potential Major Subdivisions and Density Bonus Areas Town of Narragansett

Map 2

Legend

- Potential Major Subdivisions
- Critical & Sustainable Lands - No Density Bonus Available
- Density Bonus Available

Wetlands

- inland
- coastal

AFFORDABLE HOUSING IMPLEMENTATION BY TYPE

Introduction

As presented in Table 13 on the subsequent page, the distribution of affordable housing into “elderly, family, and other” is based on regional trends of housing needs identified in the CHAS data. The means by which the affordable housing goals will be met are discussed below. In 20 years the proportion of affordable housing by tenure will be 66.5 percent rental (555 units) and 33.5 percent ownership (279 units).

It is clear that any successful strategy for the Town of Narragansett to meet the 10 percent goal will have to rely on creating affordable housing opportunities not only in new developments, but also to a large extent in existing housing developments and neighborhoods. It should also be noted that the timeframe for the implementation of each housing strategy listed in Table 13, serves as a general schedule for the Town of Narragansett to follow over the next twenty years. The Town recognizes that if certain affordable housing development opportunities arise that exceed the specific 5 year project numbers they will not be discounted based on this factor.

Table 13. PROGRESS TOWARD THE 10% GOAL

Program / Type of Housing	Current	Number of New Affordable Units				Total
		5 Years	10 Years	15 Years	20 Years	
Elderly	110	46	32	30	30	248
Elderly (Rental)	110	46	32	30	30	248
Family	69	78	78	58	58	341
Inclusionary Zoning Single Family Units (Ownership)	0	15	15	8	8	46
Inclusionary Zoning Multi-Unit (Ownership)	0	15	15	5	5	40
Unmerge Lots for Single Family (Ownership)	0	25	25	24	24	98
Unmerge Lots for Single Family (Rental)	0	11	11	10	10	42
NAHC Single or Multi-Unit (Ownership)	1	3	3	3	3	13
NAHC Multi-Unit (Rental)	12	2	2	2	2	20
Privately Owned Multi-Unit (Rental)	56	3	3	3	3	68
Boon Street Special District Mixed-Use (Rental)	0	4	4	3	3	14
Other	25	91	46	43	40	245
Inclusionary Zoning Multi-Unit (Ownership)	0	10	10	10	10	40
Accessory Apartments (Rental)	0	60	15	15	12	102
Tax Incentive Programs for Multi-Unit (Rental)	0	18	18	15	15	66
Persons with Special Needs (Rental)	25	3	3	3	3	37
Total	204	215	156	131	128	834

Inclusionary Zoning Single Family Units for Ownership (New Construction)

Inclusionary Zoning Multi-Unit for Family Ownership (New Construction)

Unmerge Lots for Single Family Units for Ownership (New Construction)

Unmerge Lots for Single Family Units for Rental (New Construction)

Narragansett Affordable Housing Corporation Single or Multi-Unit for Family Ownership (New Construction)

Narragansett Affordable Housing Corporation Multi-Unit for Family Rental (Existing Buildings)

Privately Owned Multi-Unit Apartments for Family Rental (Existing, Conversion, Rehab, New Construction)

Boon Street Special District Mixed-Use Units for Rental (Conversion, Rehab, Modification, New Construction)

Inclusionary Zoning Multi-Unit (i.e. Condos) for Ownership (Rehab, Modification, New Construction)

Accessory Apartments for Rent to Singles (Conversion, New Construction)

Tax Incentive Programs for Existing Privately Owned Apartment / Multi-Unit Buildings for Rental (Conversion, Rehab)

Persons with Special Needs Housing for Rent (Existing, Conversion, Rehab, New Construction)

Table 14. Affordable Housing Progress Timeline by Strategy

Development Strategy	5 Years	10 Years	15 Years	20 Years	Total
Elderly Rental (4-5 Sites)	46	32	30	30	138
Inclusionary Zoning (Single Family & Multi-Unit)	40	40	23	23	126
Unmerge Lots for Single Family	35	35	35	35	140
NAHC - Single Family & Multi-Unit	5	5	5	5	20
Privately Owned Multi-Unit - Conversion, Expansion, Tax Incentive	21	21	18	18	78
Boon Street Special District Mixed-Use	4	4	3	3	14
Accessory Apartments - Rental Registration	60	15	15	12	102
Persons with Special Needs	3	3	3	3	12
Total	214	155	132	129	630

Table 15. Affordable Housing Progress by Type

Development Strategy	Elderly		Family		Other		Total
	Rental	Ownership	Rental	Ownership	Rental	Ownership	
Elderly Rental (4-5 Sites)	138	-	-	-	-	-	138
Inclusionary Zoning (Single Family & Multi-Unit)	-	-	-	86	-	40	126
Unmerge Lots for Single Family	-	-	42	98	-	-	140
NAHC - Single Family & Multi-Unit	-	-	8	12	-	-	20
Privately Owned Multi-Unit - Conversion, Expansion, Tax Incentive	-	-	12	-	66	-	78
Boon Street Special District Mixed-Use	-	-	14	-	-	-	14
Accessory Apartments - Rental Registration	-	-	-	-	102	-	102
Persons with Special Needs	-	-	-	-	12	-	12
Total	138	0	76	196	180	40	630

Elderly Housing

The CHAS data indicates that 138 additional units of elderly affordable rental housing will be needed within the next 20 years. Currently, Narragansett has an existing supply of 110 elderly affordable housing units. The Town and the Narragansett Affordable Housing Corporation are currently in the preliminary planning stages for constructing a 46 unit elderly affordable housing development on the site of a former summer camp, Camp JORI. The Camp JORI site is an ideal location for elderly housing due to its onsite recreational facilities which include an outdoor swimming pool, basketball court, and tennis courts, as well as multipurpose rooms and a multipurpose field. This site is also serviced by the Rhode Island Public Transit Authority's (RIPTA) Flex Zone (please see description below). As indicated in Table 13, these units should be on line within 5 years.

In addition, the Town, the Affordable Housing Board, Narragansett Housing Authority, and the Narragansett Affordable Housing Corporation will cooperate on identifying 3 or 4 additional sites, of 3 acres or more, suitable to construct more units of elderly affordable housing in the next 20 years. Sites likely for consideration could include property already owned by the Town of Narragansett or property that is donated to the Town or NHA through private charitable gifts. GIS Map #5 identifies potential locations for the development of multi-unit buildings designated for elderly affordable housing. The potential sites have been evaluated based on their availability of to public water and sewer, as well as zoning and environmental feasibility (wetlands, soils, flood plains contours, etc.). Financing for these projects will be sought from State (Rhode Island Housing) and Federal (HUD) sources or through cooperative agreements with private developers using HUD subsidies.

Many of the potential elderly housing sites are located within close walking proximity to RIPTA bus route number 14 (service from Narragansett Salt Pond Plaza to Wickford, Newport, East Greenwich, T.F. Green Airport, and Providence) and bus number 64 (service from and within Narragansett's Pier Area and North End to Wakefield, the University of Rhode Island, Kingston Railroad Station, Jamestown, and Newport). The

remaining sites are located within RIPTA's Narragansett Flex Zone, which covers most of Narragansett's South End. The RIPTA Flex Service provides door to door transportation service within the Zone and to fixed bus route stops for connections. The Narragansett Flex Service is available at specified bus stop locations and times or by reservation. Narragansett is also serviced by RIPTA's RIDE Program which provides transportation for individuals with disabilities and seniors. In addition, the Town of Narragansett provides bus transportation is for elderly Town residents. Currently, the bus provides the following transportation services:

- Tuesdays for doctor appointments,
- Wednesdays for bingo and lunch, and
- Fridays for area shopping.

The listed transportation services and routes provide the elderly with access to local and regional shopping areas, cultural amenities, and recreational facilities.

Family Housing

Family housing is indicated as the category in greatest need of affordable housing units in Narragansett according to the Washington County CHAS data. Applying the housing needs identified in the CHAS data to Narragansett's existing and anticipated housing growth, there will have to be 272 additional affordable units created for families in Narragansett, for a total goal of 341 units within the next 20 years.

Inclusionary Zoning for Single Family Units

As stated in Table 5 "Narragansett New Housing Construction, 1992 – 2004" on page 13, there are on average 80 new single family homes constructed each year in Narragansett. In addition, major subdivisions built in Narragansett since 2000 have an average size of 17 homes per subdivision. However it is expected that the number of new construction single family homes will be decreasing and the size of major subdivisions will be smaller due to increasing land scarcity in Narragansett. A conservative estimate is that there will one major subdivision built per year in Narragansett, with an average size of 12 units. Assuming that 25 percent of these 12 units are affordable, 3 new single family affordable housing units will be created per year in Narragansett through inclusionary zoning. If this level of new construction is maintained for the next 10 years there will be 30 new single family affordable housing units built through this policy in Narragansett. However, it is expected that this number will decrease to 8 new affordable units constructed every 5 years thereafter, as the price and availability of land diminishes in Narragansett as indicated in Table 13, "Progress Toward the 10 Percent Goal." These affordable units will be targeted for homeownership.

Inclusionary Zoning for Multi-Unit Family

As indicated in Table 5 "Narragansett New Housing Construction, 1992 – 2004" on page 13, there has not been a new multifamily or duplex building constructed in Narragansett since 1998. However, the Narragansett Community Development Department projects that in the coming years there will be an increasing number of new and significantly rehabilitated multi-unit buildings in Town. This shift will be attributed to increasing land

scarcity and high residential desirability in Narragansett. This will cause developers to pursue some of the following construction options:

- rehabilitate existing underutilized multifamily structures,
- convert / teardown commercial properties and build either residential or mixed-use multifamily buildings/condos,
- Add on to existing multifamily buildings or build new multifamily buildings on vacant land.

As an indication of this shift, the Community Development Department currently has multiple private developers who are either in the planning approval process for the construction of new multifamily buildings or have expressed interest in pursuing the construction or rehabilitation of multiunit developments in Narragansett. For example, a twelve-unit duplex condominium land development is scheduled for construction in spring, 2005. The developers have committed to provide the Town with an adjacent site for 3 or 4 affordable units to be built by Narragansett Affordable Housing Corporation. In addition, the Town Council is in the process of changing a lot zoned as business commercial to high density residential.

A conservative estimate for the average number of new construction or rehabilitation of multifamily units is 12 units produced per year. If a minimum of 25 percent of these 12 units are affordable, there will be 3 new affordable units produced each year. If this level of construction is continued for the next 10 years there will be 15 affordable units created every 5 years in Narragansett. However, it is expected that this number will decrease as well to 5 new affordable units every 5 years thereafter, as the availability of land diminishes in Narragansett as indicated in Table 13, "Progress Toward the 10 Percent Goal." These affordable units will be targeted for homeownership and will be subject to binding affordability requirements for a minimum of 30 years.

Unmerge Lots for Single Family Affordable Housing - Ownership

According to data from the Narragansett Tax Assessor, as of January 2005, there are approximately 320 “substandard lots of record” that are under the same ownership of an adjacent conforming lot for the applicable district. The Narragansett Zoning Ordinance defines a substandard lot of record as “a lot which does not satisfy one or more of the dimensional requirements prescribed in the dimensional regulations, but which was shown on a plat or deed recorded . . . and which has not been merged by use or ordinance.”

The Narragansett Zoning Ordinance will be amended to allow for the separation of currently merged substandard lots of record only for the construction of new single family affordable housing for ownership. Specific criteria will be set forth in each residential zone and will comply with the Narragansett Comprehensive Plan.

Development standards will require suitable front, rear and side-yard setbacks, parking, and sufficient utility capacity (sewer and water) for all units. The homes created will be subject to binding affordability requirements for a minimum of 30 years.

While there are 320 substandard lots of record under the same ownership of an adjacent conforming lot, it can be anticipated that not every owner will take advantage of the separation of merged lots for the development of affordable housing. However, this policy does provide the owner with an economic windfall, as there is no alternative use for the property. Merged lots located in the neighborhoods of Pettaquamscutt, Rio Vista, Mettatuxet, Bonnet Shores, the Pier, Briggs Farm, and Sea Breeze among others that are most suitable for separation and affordable housing development, as indicated by GIS Map #3. A conservative estimate for the average number of single family affordable units built for ownership through this policy is 5 units per year. If this level of construction is continued, there will be 25 single family affordable units created every 5 years in Narragansett for the first 10 years and then 24 units every 5 years for the subsequent 10 years, for a total of 98 units over the course of 20 years when build-out is achieved.

Unmerge Lots for Single Family Affordable Housing – Rental

In addition to the separation of merged substandard lots of record for the construction of single family housing for ownership, the construction of new single family affordable housing for rent will also be allowed. By providing the property owner with the option of rental on separated lot will enable the owner to retain some degree of control over the separated lot, will provide a source of income for the owner, as well as increase the Town's stock of affordable rental housing for families. The newly created single-family rental unit will be restricted and protected as affordable for a minimum of 30 years from the date of initial occupancy. A deed restriction will be placed on the unit to enforce its affordability. The unit will be retained as a year-round rental dwelling with at least one-year leases.

A conservative estimate for the average number of single family affordable units built for rental through this policy is 11 units every 5 years for the first 10 years, for a total of 42 units created over the course of 20 years

Potential Subdividable Lots Through Unmerger Town of Narragansett

Map 3

Legend

Subdividable Lots

1:42,000

0 0.3 0.6 1.2 1.8 2.4 Miles

Narragansett Affordable Housing Corporation Single & Multi-Family Units for Ownership

The Town of Narragansett will continue to work with the NAHC to construct and rehabilitate single family affordable housing units. As mentioned above, the NAHC will begin construction in March 2005 on four single family homes on Coffey Avenue and Frances Avenue in Narragansett. The Town and the NAHC are also in the beginning stages of planning for the construction of 4 affordable condominium units on a one-acre parcel of land at 141 Clark Road in Narragansett. Units created from both projects will be available for purchase to families who have successfully completed the Narragansett Housing Authority's Homeownership Education Program. It is estimated that the NAHC will construct and/or rehabilitate at least 3 single or multi-family units every 5 years in Narragansett. If this level of construction is continued over the course of 20 years the NAHC will produce a total of 12 single family affordable housing units in Narragansett.

Narragansett Affordable Housing Corporation Multi-Unit Family Rental

The Town of Narragansett will continue to work with the NAHC to construct and/or rehabilitate multi-unit family affordable housing that will be designated as rental units. As mentioned above, the NAHC has already constructed a duplex for rent on Continental Street in Narragansett. The NAHC plans to continue its work of creating more affordable rental units in Narragansett. It is estimated that the NAHC will construct and/or rehabilitate at least 2 multi-unit family homes every 5 years in Narragansett. If this level of construction is continued over the course of 20 years, a total of 8 multi-unit family affordable housing units will be created in Narragansett.

Development of Privately Owned Multi-Unit Family

There are a number of privately owned multi-unit family structures in Narragansett that provide rental apartment units to small families. Many of these existing buildings or properties could support the construction of additional dwelling units, however current zoning regulations prohibit this development. These buildings are ideal for affordable housing development because they are already serviced by existing infrastructure and would not require expensive extensions of roads, water / sewer lines and other facilities.

In locations where it is environmentally feasible, property owners of existing multi-family buildings will be granted a special use permit to construct additional units on their property, provided that the developer produce a number of affordable units equal to 50 percent of the net increase of units in the development. The developer may opt to build new affordable units, or convert existing unsubsidized units to affordable housing. The affordable units must be rented to low or moderate income families. The incentive for building owners to take advantage of this program, is that they are able to increase the number of units (and in turn their profits) on property that would otherwise be ineligible for the development of additional units under current zoning regulations. For example, an existing 18 unit complex wants to add 20 new units to the property. In order to be granted the special use permit for construction, the developer will have to provide 10 affordable units within the housing complex. At present, two such projects which would yield 16 affordable units are under preliminary discussion with the Planning Board.

A conservative estimate for this policy will result in 3 affordable rental units created every 5 years in Narragansett. If this level of infill development is continued for the next 20 years, there will be a total of 12 multi-family affordable rental units produced in Narragansett through this program.

Boon Street Special District Mixed-Use Units

As part of the "Design Plan for the Boon Street Neighborhood, 1998-2001," the Planning Board envisions creating a special district plan to encourage revitalization of this vital low and moderate income neighborhood, located in the area between Caswell Street on the West, South Pier Road on the South, and Kingstown Road on the North (please refer to GIS Map #4). One of the proposed measures is to construct new two-story mixed-use buildings with retail or commercial uses at street level, and an apartment above that would be rented to low or moderate income persons. The corner of the present parking lot facing Congdon Street lends itself to this type of development as the buildings form would emphasize the importance of the corner to vehicles and pedestrians approaching from Ocean Road.

Another design measure calls for adding second floor apartments to existing one-story buildings within the Boon Street Neighborhood. These buildings would also have retail uses such as antique or clothing shops at the street level and affordable residential rental units on the upper floor. Adding a second story to these buildings would improve the visual harmony of buildings along Boon Street, as well as maximize the advantageous and appropriate economic and social interaction of mixed-used within the neighborhood. The intensification of residential use would be allowed, provided the property owners enter into agreement with the Town of Narragansett protecting the affordability of the units.

The affordable housing component of the Boon Street Revitalization Project will be managed by the Narragansett Housing Authority. Funding available via State grants and the Town's existing Housing Rehabilitation Loan Program will be used to provide a combination of matching grants and low interest loans for property owners within the Boon Street Revitalization Project Area. Low interest loans could also be made available for the cost involved in the conversion of existing units into affordable housing and for the maintenance of low and moderate income units from the Town's Revolving Rehabilitation Loan Program. The additional dwelling units gained from this district would principally address small families in need of affordable rental housing.

There are approximately 50 buildings and sites for infill development in the Boon Street Neighborhood. It is estimated that within the next 10 years the Boon Street Neighborhood Revitalization Project will yield approximately 8 units of affordable housing through building modifications and infill development. However, it is expected that this number will slightly decrease to 3 new affordable units every 5 years thereafter. Within 20 years it is expected that there will be a total of 14 affordable rental housing created through this project.

Boon Street Revitalization Area

Map 4

1:2,700

0 105 210 420 630 840 Feet

Others

The “other” category of housing needs indicated in the CHAS data consists of affordable housing for singles, individuals with special needs and transient housing. Currently there are 25 units in Narragansett that count toward the 20 year goal of 245 units for individuals under the category of “others.”

Inclusionary Zoning Multi-Unit for Ownership

As mentioned above, due to increasing land scarcity and high residential desirability in Narragansett, the Community Development Department projects that there will be a growing number of multi-unit new construction buildings or significant rehabilitation to existing multi-unit structures in Town. Multi-unit/condominium buildings will be particularly attractive to the Town’s significant aging population, residents aged 55 to 69. Many of these empty nesters will be looking to downsize from their large single family homes to smaller condominium type units that have less maintenance responsibilities, such as lawn-care, interior cleaning, and major home repairs. Small condominium units for ownership are also attractive to single young professionals who would rather own than rent their home, however they do not need or desire the large space found in a house.

A conservative estimate for the average number of new construction or rehabilitation of multi-unit buildings is 8 units produced per year. If a minimum of 25 percent of these 8 units are affordable, there will be 2 new affordable units produced each year. If this level of construction is maintained for next 20 years there will be 10 affordable units created every 5 years through this inclusionary zoning ordinance as indicated in Table 13, “Progress Toward the 10 Percent Goal.” These affordable units will be available for ownership and will be subject to binding affordability requirements for a minimum of 30 years.

Accessory Apartments

While no survey data is currently available, it is estimated from discussions with local rental agents and reviewing real estate listings that there may be up to 500 accessory apartments already existing in Narragansett. These accessory apartments have been developed without zoning and building approval, and are kept “hidden” from the Narragansett Tax Assessor to avoid an increase in the property’s tax appraisal. These units usually accommodate a one-bedroom or studio unit either in the principal dwelling or in accessory buildings on the property. Many of these non-conforming accessory units are located throughout the Town’s older residential neighborhoods, such as the Historic Pier and Ocean Road districts.

Notwithstanding their current legal status, accessory apartments provide housing to individuals in need of affordable rental housing as well as providing a source of income for homeowners. When designed attractively and in relation to the principal structure, accessory apartments will maintain the single family composition of the neighborhood. In addition, accessory apartments create additional living units without the expense of new infrastructure (streets, sewers, utilities, and public services). Accessory apartments are attractive to a diverse array of people: Young homeowners who need additional income to help pay their monthly mortgage payments. Middle-aged children who desire private living situations where elderly parents can maintain their privacy but remain within close living proximity. In addition, renting out an accessory apartment can be particularly attractive to an elderly homeowner because the additional source of income generated can enable them to continue to live in their own home. Tenants can also provide personal services to the elderly homeowner such as maintenance work around the house and yard, shovel snow, and provide occasional transportation.

It is proposed that the Town permit such accessory units via a use restriction that would grant amnesty for existing accessory dwellings in need of rehabilitation or an allowance to build a new accessory unit for the purpose of providing affordable rental housing in Narragansett. For existing accessory units, the Town of Narragansett will assist in the rehabilitation costs incurred in bringing the unit into conformance with the local codes

(zoning, building, housing and fire codes, and related health and safety standards). To be granted amnesty by the Town of Narragansett the owner must agree to the following provisions for the accessory unit:

1. The unit must be a single unit accessory structure to an owner occupied single family dwelling on the same single lot.
2. The accessory unit shall be designed so that the appearance of the principal structure remains that of a one-family residence.
3. The unit for which amnesty is sought will be rented and occupied by an individual of low to moderate income.
4. The unit will be retained as a year-round rental dwelling with at least one-year leases.
5. The rental unit will be restricted and protected as affordable for a minimum of 30 years from the date of initial occupancy. A deed restriction will be placed on the unit to enforce its affordability.
6. Total square footage and number of bedrooms will be limited to provide a service for one or two person occupants.
7. Development and building standards will require adequacy of utilities and parking, as well as water availability and wastewater disposal sufficient to support one or more individuals.
8. The unit will be subject to frequent monitoring and enforcement of the affordable restrictions listed by the Town of Narragansett.

In order to encourage compliance and to induce owners of existing unauthorized accessory units to dedicate their unit as affordable, the Town of Narragansett will strictly enforce its zoning ordinances and rental registration laws. Family members related by blood or marriage living in the accessory unit are not subject to this enforcement, as it is

still considered single family occupancy. It is estimated that within the first 5 years of implementing the amnesty program there will be approximately 60 accessory units that get designated as affordable. However, it is expected that this number will decrease to about 3 units designated per year for the following 10 years or 15 units every 5 years, as the many of the existing accessory units would be captured during the first 5 years of the amnesty program. The number is expected to further decrease to 12 units for the final 5 years of 20 year "Progress Toward the 10 Percent Goal." At the end of the 20 year progress plan, the Town of Narragansett estimates that 102 accessory units will be dedicated as long-term affordable rental housing.

Tax Incentive Program for Multi-Unit Rental Housing

The Town of Narragansett will develop a tax incentive program for multiunit property owners who are willing to rehabilitate and convert their existing rental apartment units into protected affordable housing for a minimum of 30 years. There currently exist approximately one dozen apartment buildings (with a combined total of roughly 132 units) that are already rented to predominantly low and moderate income residents (see GIS Map # 5). Many of these buildings are ideal candidates for affordable housing because they are in need of rehabilitation and are already serviced by the necessary infrastructure (roads, water, sewer, etc.). However there is no guarantee that these units remain affordable due to the fact that they are all privately owned and operated.

The Town of Narragansett will encourage the property owners to keep these units as affordable by offering them a reduction on their property taxes if they commit their units to remain affordable for a minimum of 30 years. The Town will also offer grant funds and low interest loans to provide an incentive for these units to be rehabilitated and brought up to local codes (building, housing and fire codes, and related health and safety standards). In addition, in locations where it is environmentally feasible, the building's owner will be granted a special use permit to construct additional units on their property, provided that the new units as well as the existing units are guaranteed as affordable. Proposals for expansion will be reviewed on a case-by-case basis

according to zoning standards, density, soils, drainage, water, sewer, utilities and sustainability of the land.

As stated above, it is estimated that there are approximately one dozen privately owned apartment buildings (with a combined total of roughly 132 units) that are rented to predominantly low and moderate income residents in Narragansett. It is expected that within 20 years around half of these units will be converted (or created) to a protected affordable rental unit through this property tax incentive program. It is estimated that within the first 10 years of implementation there will be approximately 18 rental units that get designated as affordable every 5 years. However, it is expected that this number will decrease to around 15 units every 5 years for the remaining 10 years. At the end of 20 years there will be 66 affordable rental units created through this program as indicated by Table 13 "Progress Toward the 10 Percent Goal."

Housing for Persons with Special Needs

The Town of Narragansett has had positive experience with special needs and group homes located in Town. The Town will continue to support the homes that already exist as well as promote the construction and or conversion of new special needs facilities. Residents with special needs will be accommodated through subsidies from Mental Health, Retardation & Hospitals (MHRH) and the McKinney Homeless Act. The success of adding additional special needs housing is mainly dependant upon MHRH subsidies and their housing programs, The Town of Narragansett's goal is to support the construction and or conversion of 12 additional beds in as many as 3 sites over the next 20 years.

Table 14. Project Based Affordable Housing Opportunities

Map Reference #	Plat	Lots	Reference Name	Acreage	Zoning District	Requires Zoning Change	Construction Type	Program
1	NE	588-597		1.141	R-80	No	Conversion or Expansion	Family
2	NH	133-1, 133-2, 133-3		2.593	R-20	No	Conversion or Expansion	Other
3	A	125, 129, 130, 131	Ocean Breeze	3.878	R-80	No	Conversion or Expansion	Elderly
4	B2	2	First Baptist Church Lot	24.857	R-80	Yes	New Construction	Family
5	C	344-A		0.146	R-10A	No	Conversion or Expansion	Family
6	C	O-R1	Pier Village	5.125	U-R	No	Conversion or Expansion	Family
7	D	189	Continental Arms	0.47	R-10	No	Conversion or Expansion	Family
8	D	210	Atlantic East	3.436	R-10A	No	Conversion or Expansion	Elderly
9	D	221	Pier Dive Shop/Laundry	0.46	B-B	No	Conversion or Expansion	Family
10	H	13-32	North Village	7.592	R-40	No	Conversion or Expansion	Family
11	P	285		3.824	R-10	No	Conversion or Expansion	Other
12	W	86		3.021	R-40	No	New Construction	Elderly
13	W	various lots		-	R-40	No	New Construction	Family
14	V	22	Clark Farm	12.682	R-20	No	New Construction	Elderly
15	V	28	Camp Jori	6.956	R-20	No	New Construction	Elderly
16	Z1	6	Christian Brothers	98.836	R-80	No	New Construction	Elderly
17	S1	303		4.493	B-B	Yes	New Construction	Other
18	S1	291	Knowles Camp	11.689	R-10	No	New Construction	Family
19	S1	84-91	Black Point	1.205	R-10	No	New Construction	Family
20	K	362-364	Coffey Avenue	0.337	R-10	No	New Construction	Family
21	K	371-373	Frances Avenue	0.341	R-10	No	New Construction	Family
22	IG	71-74	George's of Galilee	3.257	G-B	Yes	Conversion or Expansion	Other

Project Based Affordable Housing Opportunities Town of Narragansett

Map 5

Legend

- Bikeways
- RIPTA Bus Service

Areas, Program

- Conversion or Expansion, Family
- Conversion or Expansion, Elderly
- Conversion or Expansion, Other
- ▲ New Construction, Family
- ▲ New Construction, Elderly
- ▲ New Construction, Other

IMPLEMENTATION CONSIDERATIONS

Water Supply

The Town of Narragansett purchases most of its potable water from United Water of Rhode Island (about 75 – 80 percent). The remaining source of water for Narragansett comes from the Town of North Kingstown (about 20 – 25 percent). At this time, and for the foreseeable future, these will be the Town of Narragansett's only two sources of water supply.

According to the Town of Narragansett's Engineering Department the Town has not received any information from the Rhode Island Water Resources Board that would suggest that demand of water would prevent an increase of 1,557 dwelling units (16%) representing anticipated normal growth and the affordable housing increment cannot be sustained over a period of 20 years. The town would welcome more information on safe yield from the aquifers that provide Narragansett's water supply.

Public Sewers

It is estimated that the above actions would create a potential of 630 units of affordable housing over the next 20 years. However, a majority of the potential affordable units slated for the North End of Narragansett are tributary to the Westmoreland Street Regional Wastewater Treatment Facility (Westmoreland WWTF) which currently has insufficient capacity to service more than 388 additional units. The Westmoreland WWTF and its tributary collection system in Narragansett are currently being studied by the Town for potential upgrades, which may increase treatment capacity or decrease peak flow in the future. Consequently, this plan assumes only merged lots in the South End of Narragansett which are tributary to the Scarborough WWTF will be prioritized for affordable housing development during the first five years of this plan's implementation. As treatment capacity is increased, or alternatively, as the Town is successful in reducing infiltration and inflow into the North End collection system, it is strongly recommended that a significant portion of new flow capacity (50%) be set aside as a priority for affordable housing development.

Action Steps

Once the Town of Narragansett's Affordable Housing Plan is adopted and approved by the State of Rhode Island the Town of Narragansett will implement the following action measures:

Abbreviations	
AH	Affordable Housing
TC	Town Council
PB	Planning Board
ZB	Zoning Board
TM	Town Manager
CD	Community Development Department
BD	Narragansett Building Official / Department
NTC	Narragansett Tax Collector
HA	Narragansett Housing Authority
AHB	Narragansett Affordable Housing Board
NAHC	Narragansett Affordable Housing Corporation
NPD	Non-Profit Developer
FPD	For-Profit Developer
HUD	U.S. Department of Housing and Urban Development
RIH	Rhode Island Housing and Mortgage Finance Corporation
HRC	Rhode Island Housing Resource Commission
HOME	Federal funds administered by Rhode Island Housing
SWP	Rhode Island Statewide Planning Program
NPO	Neighborhood Opportunities Program
RRLP	Town of Narragansett's Revolving Rehabilitation Loan Program
CDBG	Community Development Block Grants
MHRH	Rhode Island Department of Mental Health Retardation & Hospitals

Table 15. Implementation Actions

Action	Responsible Party	Resource	Timeframe	Action
Zoning Strategies				
Mandate Inclusionary Zoning for all Land Developments of 5 or More Units	TC PB ZB CD AHB	FPD	1 -3 months	Adopt zoning amendment to subdivision/land development requirements
Allow on a District-by-District Basis, Unmerge Substandard Lots of Record for the Development of AH	TC PB ZB CD AHB		Within 1 year	Adopt zoning amendment
Revise the Accessory Apt. Ordinance for AH Use	TC ZB CD BD HA AHB	Narragansett Home Owners RRLP	Within 1 year	Adopt zoning ordinance amendments
Permit Affordable Residential Units in Mixed-Use Commercial Districts	ZB CD	RRLP	Within 1 year	Adopt zoning amendment
Additional Development of Privately Owned Multi-Unit Buildings for AH	TC ZB CD AHB FPD		Within 1 year	Adopt zoning amendment & special use permits
Resources for Affordable Housing Development				
Narragansett Affordable Housing Board	TC AHB		Completed	
Establish Housing Trust Fund	TC AHB		1- 3 months	Adopt Resolution
Affordable Housing Development / Rehabilitation / Conversion				
Monitor for Potential Sites of AH Development	PB CD AHB NAHC		Ongoing	Provide administrative assistance
Target Existing Housing in Need of Rehabilitation for AH	CD BD HA AHB NAHC	CDGB HOME NPO	Ongoing	Identify building/housing code violations, offer assistance for rehab
Develop AH at Appropriate Identified Sites	CD AHB NAHC NPd FPD		Ongoing	Acquire sites for development

Action	Responsible Party	Resource	Timeframe	Action
Affordable Housing Development / Rehabilitation / Conversion Continued				
Create AH via Infill Development	CD AHB FPD NPD		Ongoing	Encourage AH construction/rehab in existing developments
Adaptively Reuse Underutilized Sites & Buildings to Create Mixed-Use Communities Containing AH	CD FPD		Ongoing	Encourage AH construction/rehab
Boon St Special District Mixed-Use AH	TC PB CD HA	RRLP CDGB	Ongoing	Develop Special District Plan, Zoning Amendments
Tax Incentive Programs for Multi-Unit AH Conversion	TC CD BD NTC AHB		Within 1 year	Amend tax assessment policy for AH
Affordable Housing Development Projects				
Construction of AH located on Coffey Ave & Frances Ave	HA NAHC RIH	HOME HRC	1 - 6 months	Access grant funding
Construction of Camp Jori Elderly AH	CD HA NAHC		Within 5 years	Access grant funding
Construction of Condos on Clark Road	CD HA NAHC		Within 5 years	Access grant funding
Create Additional Units for Persons with Special Needs	CD RIH MHRH	MHRH McKinney Homeless Act	Ongoing	Assist state agencies in finding suitable sites
Monitoring				
Monitoring Agent of Affordable Housing Units	NAHC		1 - 6 months	Formalize agreement
Monitoring for Implementation of Plan	TC TM CD AHB NAHC SWP		Ongoing	Annual Progress Evaluation & Update

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----- Year End 1992-1996

----- Year End 1997

----- Year End 1998

----- Year End 1999

----- Year End 2000

----- Year End 2001

----- Year End 2002

----- Year End 2003

----- Year End 2004

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- State of Rhode Island

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Appendix A

Town of Narragansett Rental Property Map

Town of Narragansett Rental Property

Created May 16, 2005

Legend

Rental Properties

Parcels

Roads

1:42,000

0 0.3 0.6 1.2 1.8 2.4 Miles

This map is for reference purposes only. The Department of Community Development utilizes this information as a reference tool for review. This map is not intended for use as a site plan.

Appendix B

Criteria for Review of Housing Plans that Meet the Requirements of the Low-Moderate Income Housing Act

CRITERIA FOR REVIEW OF HOUSING PLANS THAT MEET THE REQUIREMENTS OF THE LOW-MODERATE INCOME HOUSING ACT

To be certified as meeting the threshold requirements of the Low-Moderate Income Housing Act for the provision of at least 10% low and moderate income housing, an affordable housing plan as a component of the housing element of the local comprehensive plan must identify steps that the municipality will take to increase the supply of qualifying housing and identify resources to be used in this regard. Specifically the affordable housing plan should be a clear statement and guide to the housing development community that allows them to identify the types and number of low and moderate income housing units needed by the community and the specific areas deemed suitable by the community for siting (and/or rehabilitation) of the needed units. Locations designated by the community to address their affordable housing plan needs must be identified with sufficient detail to establish their suitability and capacity to accommodate the - needs documented in the plan. The plan must satisfy the following requirements:

- ☐ *Has the affordable housing plan been adopted by a municipality as part of the Housing Element of its local comprehensive plan? Is it internally consistent with other applicable elements of the Comprehensive Plan in terms of build-out assumptions, land use, economic development, and infrastructure plans?*

MEETS THE REQUIREMENTS OF THE LOW & MODERATE INCOME HOUSING ACT
(Sources of information and examples of responses to requirements are provided via the "➤" items below each requirement.)

- ☐ 1. *Does the plan identify the number of low and moderate income units needed to achieve the threshold requirement as quantified in the most recent "Low and Moderate Income Housing by Community" tabulation published by RIHMFC?*
 - *For the latest tabulation contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com. Please note that the most recently updated tabulation, dated July 2004, accommodates the subtraction of seasonal units as defined by the 2000 US Census from the total number of housing units*
- ☐ 2. *Does the plan identify specific strategies to attain the threshold over a reasonable period of time, taking into consideration anticipated residential growth based on expected building permit activity, and build-out estimates established in the comprehensive plan?*
 - *History of building permit activity and details on any local building restrictions, such as permit caps, and on planned major land developments*
 - *Population, build-out, and job growth estimates established in the Comprehensive Plan*
 - *List of proposed actions and expected outcomes*
 - *Locations where strategies would be implemented (e.g., municipality-wide or in targeted areas)*

- ☐ 3. Are the number and type (including unit size and target population, e.g. family, elderly, special needs) of low and moderate income units produced by these strategies in proportion to the unmet local, regional, and state housing needs identified in the needs analysis?
 - Most recent local, regional, and state CHAS data (<http://socds.huduser.org>)
 - Most recent Rhode Island Emergency Shelter Annual Report (to access the pdf go to <http://www.uwri.org/newsPage.cfm?articleID=200>)
 - Most recent housing costs (<http://www.riliving.com/oceanstate/SalesStats/default.asp>)
 - Most recent rental costs (please contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com)
 - Current housing inventory, based on 2000 US Census data, and the most recent Low and Moderate Income units tabulation as established by RI Housing (see #1 above)
- ☐ 4. Does the plan provide quantitative estimates of how each strategy will contribute to attainment of the threshold and the timeframe for implementation of each?
 - Inclusion of early-action (<1 yr) items relative to land management changes needed to support key strategies identified in the plan.
- ☐ 5. Does the implementation program cover a minimum period of five years
- ☐ 6. Does the plan identify responsible parties, partners, and resources for each implementation strategy?
- ☐ 7. Are the number of low and moderate income units projected to be produced consistent with build-out estimates, zoning and fee requirements, geographic building constraints (e.g. wetlands, ledge, flood plains), and infrastructure and services established in the comprehensive plan for targeted areas?
 - Analysis demonstrating the feasibility of attaining the low and moderate unit production targets within the geographic areas identified in the plan for specific production strategies, based upon:
 - Current and proposed land management standards
 - Current and proposed infrastructure and service availabilities
 - Land availability and capability analyses
- ☐ 8. For redevelopment and/or reuse of existing buildings, are specific areas or properties identified and the number of low and moderate income units projected for each?
 - Analysis demonstrating the feasibility of attaining the low and moderate unit reuse targets within the geographic areas identified in the plan for specific redevelopment strategies, based upon:
 - Current and proposed land management standards
 - Current and proposed infrastructure and service availabilities
 - Land/structure availability inventories and capability/reuse analyses

Appendix C

First Set of Comments Received from Statewide Planning
and RI Housing & Mortgage Finance Corporation

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
Beverly E. Najarian
DIRECTOR
One Capitol Hill
Providence, RI 02908-5890

OFFICE (401) 222-2280
FAX (401) 222-6436
TDD (401) 222-1227

Local Comprehensive Plan Review Process: Notice of Deficiency

January 20, 2005

Mr. Clarkson Collins
Community Development Director
Town Hall
25 Fifth Ave.
Narragansett, RI 02882

Re: Comprehensive Plan Amendment: Affordable Housing Plan

Dear Mr. Collins:

In accordance with my responsibilities as assigned by R.I.G.L. 45-22.2-9 I hereby provide notice that the above-referenced Local Comprehensive Plan Amendment has been found deficient under the State review process and cannot be granted State approval.

Attached you will find a detailed explanation of the deficiencies.

The Act provides that you have up to 60 days from the date of this letter to submit proposed corrections. I will render a final decision within 30 days of the end of that period.

Please submit corrections to Kevin Nelson, Principal Planner, Statewide Planning Program, One Capitol Hill, Providence, RI 02908. If you have questions, please contact Mr. Nelson at knelson@planning.state.ri.us or 222-2093.

Very Truly Yours,

Beverly E. Najarian
Director

RECEIVED

Enclosure

COMMUNITY DEVELOPMENT

RHODE ISLAND STATEWIDE PLANNING PROGRAM One Capitol Hill, Providence, RI 02908
	LOCAL COMPREHENSIVE PLAN STATE REVIEW PROCESS REPORT <small>Issued pursuant to RIGL 45-22.2-9(C) (3)</small>
	Municipal document reviewed: Affordable Housing Plan
	Date of report: 20 January 2005 Date due for correction of deficiencies: 21 March 2005

I. Report of Deficiencies: Comments under this section involve statutory or regulatory deficiencies that must be resolved in order for the Plan, Update, or Amendment to receive State approval.

(1) Inconsistencies with State Guide Plan elements:

None noted.

(2) Defects relative to completeness, internal consistency, and/or omission of plan components required by the Comprehensive Planning Act, the Low and Moderate Income Housing Act, or State Planning Council guidelines:

Please see the attached comments submitted by the Statewide Planning Program and Rhode Island Housing.

(3) Conflicts with the goals and policies of State agencies:

The Water Resources Board states that, "Demonstrations of water availability should be required and addressed in the Comprehensive Plan... A section on water availability...should be included in this amendment." Please see the attached Water Resources Board memo for additional information.

The Coastal Resources Management Council (CRMC) noted several inconsistencies between the Affordable Housing Plan and the Special Area Management Plan for the Narrow River and Salt Ponds. Please see the attached CRMC memo for additional information.

II. Other Comments and Recommended Changes: Comments under this Section relate to issues that are not classified as "deficiencies" under the Comprehensive Planning Act or guidance issued pursuant thereto. *While not essential for State approval, these comments should be addressed if at all possible to improve the accuracy, readability, and usability of the plan*

Please refer to the attached comments submitted by Statewide Planning, Rhode Island Housing, and the Department of Environmental Management.

**CRITERIA FOR REVIEW OF HOUSING PLANS
THAT MEET THE REQUIREMENTS OF THE LOW-MODERATE INCOME
HOUSING ACT**

To be certified as meeting the threshold requirements of the Low-Moderate Income Housing Act for the provision of at least 10% low and moderate income housing, an affordable housing plan as a component of the housing element of the local comprehensive plan must identify steps that the municipality will take to increase the supply of qualifying housing and identify resources to be used in this regard. Specifically the affordable housing plan should be a clear statement and guide to the housing development community that allows them to identify the types and number of low and moderate income housing units needed by the community and the specific areas deemed suitable by the community for siting (and/or rehabilitation) of the needed units. Locations designated by the community to address their affordable housing plan needs must be identified with sufficient detail to establish their suitability and capacity to accommodate the needs documented in the plan.

The plan does not provide specific areas for many of the implementation strategies and as such lacks any analysis of suitability and or capacity to determine if said strategies can accommodate the affordable housing needs.

The plan must satisfy the following requirements:

- ☐ *Has the affordable housing plan been adopted by a municipality as part of the Housing Element of its local comprehensive plan? Is it internally consistent with other applicable elements of the Comprehensive Plan in terms of build-out assumptions, land use, economic development, and infrastructure plans?*

MEETS THE REQUIREMENTS OF THE LOW & MODERATE INCOME HOUSING ACT

(Sources of information and examples of responses to requirements are provided via the "➤" items below each requirement.)

- ☐ 1. *Does the plan identify the number of low and moderate income units needed to achieve the threshold requirement as quantified in the most recent "Low and Moderate Income Housing by Community" tabulation published by RIHMFC?*
 - *For the latest tabulation contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com. Please note that the most recently updated tabulation, dated July 2004, accommodates the subtraction of seasonal units as defined by the 2000 US Census from the total number of housing units*
- ☐ 2. *Does the plan identify specific strategies to attain the threshold over a reasonable period of time, taking into consideration anticipated residential growth based on*

expected building permit activity, and build-out estimates established in the comprehensive plan?

- *History of building permit activity and details on any local building restrictions, such as permit caps, and on planned major land developments.*

There is no analysis of the level of recent building activity under major subdivisions and/or PRD's that would substantiate the affordable unit estimates provided in Table 10.

- *Population, build-out, and job growth estimates established in the Comprehensive Plan*

- *List of proposed actions and expected outcomes.*

The narrative that follows Table 10 should explain each Program or strategy as presented in the table in the same sequence it is presented in the table.

- *Locations where strategies would be implemented (e.g., municipality-wide or in targeted areas)*

P25 refers to Planned Residential Districts. Where are these proposed and can they be mapped? Presume these districts are the same as the PRD (Developments) referred to in Table 10. Identify on Map 2 the Boon Street area as referenced on p24.

- 3. *Are the number and type (including unit size and target population, e.g. family, elderly, special needs) of low and moderate income units produced by these strategies in proportion to the unmet local, regional, and state housing needs identified in the needs analysis?*

The plan does identify unmet need according to household type but it fails to identify the need according to tenure.

- *Most recent local, regional, and state CHAS data (<http://socds.huduser.org>)*
- *Most recent Rhode Island Emergency Shelter Annual Report (to access the pdf go to <http://www.uwri.org/newsPage.cfm?articleID=200>)*
- *Most recent housing costs (<http://www.riliving.com/oceanstate/SalesStats/default.asp>)*
- *Most recent rental costs (please contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com)*
- *Current housing inventory, based on 2000 US Census data, and the most recent Low and Moderate Income units tabulation as established by RI Housing (see #1 above)*

- 4. *Does the plan provide quantitative estimates of how each strategy will contribute to attainment of the threshold and the timeframe for implementation of each?*

- *Inclusion of early-action (<1 yr) items relative to land management changes needed to support key strategies identified in the plan.*

On p25 of the implementation discussion the plan states that the town will adopt amendments to its zoning ordinance within twelve months and then goes on to list the required amendments as well as other actions such as petitioning the General Assembly. The other actions should be listed separately with a committed time frame. A key to implementing the Town's plan will be the identification of a monitoring agent to insure affordability. This implementation action is not listed.

- 5. *Does the implementation program cover a minimum period of five years*

- ☐ 6. *Does the plan identify responsible parties, partners, and resources for each implementation strategy?*

No responsible parties or resources are identified.

- ☐ 7. *Are the number of low and moderate income units projected to be produced consistent with build-out estimates, zoning and fee requirements, geographic building constraints (e.g. wetlands, ledge, flood plains), and infrastructure and services established in the comprehensive plan for targeted areas?*

What is the estimate of the number of substandard lots that may be available from current merged lots? Do the proposed sites for elderly rental units meet basic siting criteria such as proximity to services and/or location on transit lines?

- *Analysis demonstrating the feasibility of attaining the low and moderate unit production targets within the geographic areas identified in the plan for specific production strategies, based upon:*

- *Current and proposed land management standards*
- *Current and proposed infrastructure and service availabilities*
- *Land availability and capability analyses*

- ☐ 8. *For redevelopment and/or reuse of existing buildings, are specific areas or properties identified and the number of low and moderate income units projected for each?*

The tax incentive program (p23) that provides for conversion of existing units to subsidized units will not add to the production of units and as such cannot be counted towards the Town's threshold unless the units assigned to this strategy are those new units granted under a special use permit.

- *Analysis demonstrating the feasibility of attaining the low and moderate unit reuse targets within the geographic areas identified in the plan for specific redevelopment strategies, based upon:*

- *Current and proposed land management standards*
- *Current and proposed infrastructure and service availabilities*
- *Land/structure availability inventories and capability/reuse analyses*

**CRITERIA FOR REVIEW OF HOUSING PLANS
THAT MEET THE REQUIREMENTS OF THE LOW-MODERATE INCOME
HOUSING ACT**

To be certified as meeting the threshold requirements of the Low-Moderate Income Housing Act for the provision of at least 10% low and moderate income housing, an affordable housing plan as a component of the housing element of the local comprehensive plan must identify steps that the municipality will take to increase the supply of qualifying housing and identify resources to be used in this regard. Specifically the affordable housing plan should be a clear statement and guide to the housing development community that allows them to identify the types and number of low and moderate income housing units needed by the community and the specific areas deemed suitable by the community for siting (and/or rehabilitation) of the needed units. Locations designated by the community to address their affordable housing plan needs must be identified with sufficient detail to establish their suitability and capacity to accommodate the needs documented in the plan. The plan must satisfy the following requirements:

- ☐ *Has the affordable housing plan been adopted by a municipality as part of the Housing Element of its local comprehensive plan? Is it internally consistent with other applicable elements of the Comprehensive Plan in terms of build-out assumptions, land use, economic development, and infrastructure plans?*

Yes, the plan was adopted by the Municipality on November 1, 2004.

MEETS THE REQUIREMENTS OF THE LOW & MODERATE INCOME HOUSING ACT
(Sources of information and examples of responses to requirements are provided via the "➤" items below each requirement.)

- ☐ *1. Does the plan identify the number of low and moderate income units needed to achieve the threshold requirement as quantified in the most recent "Low and Moderate Income Housing by Community" tabulation published by RIHMFC?*
- *For the latest tabulation contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com. Please note that the most recently updated tabulation, dated July 2004, accommodates the subtraction of seasonal units as defined by the 2000 US Census from the total number of housing units*

Yes, on page 15, the plan identifies the current number of year-round housing units and LMI units using the most recent RIH tabulation.

- ❑ 2. Does the plan identify specific strategies to attain the threshold over a reasonable period of time, taking into consideration anticipated residential growth based on expected building permit activity, and build-out estimates established in the comprehensive plan?
- History of building permit activity and details on any local building restrictions, such as permit caps, and on planned major land developments
- Population, build-out, and job growth estimates established in the Comprehensive Plan
- List of proposed actions and expected outcomes
- Locations where strategies would be implemented (e.g., municipality-wide or in targeted areas)

The plan lists a number of strategies in pages 20-25 that projects achieving the 10% threshold in a 20 year period. A number of these strategies likely hold significant promise for the Town in creating LMI units. However, it is also noted that there is no strategy that would provide for a (portion) of multifamily rental housing.

Each strategy is handled a little differently within the plan, sometimes mixing the household type it is intended to serve with the development strategy and planned actions.

In order to better analyze the suggested strategies, a table is attached that reviews the development strategies mentioned in the plan and plots each against the unit types and households. Below each “development strategy” is specifically examined for its contribution toward the LMI goal:

Camp JORI—Elderly rental development: There is a 46-unit development of elderly housing currently in preliminary planning in conjunction with the Narragansett Housing Authority (p22). Table 10 on p20 indicates that these units should be on line within 5 years.

Other elderly rental with Narragansett Housing Authority: The plan indicates cooperation between the Town and its Housing Authority in finding 3 or 4 more suitable sites of 3 or more acres for a total of 97 more units of elderly rental housing. GIS Map #2 gives 6 sites where this may occur. No zoning or feasibility information, such as availability to public water and sewer, is provided about these sites. *The plan should indicate that these sites are adequate for the units it is suggesting.*

Inclusionary Zoning in major developments: The plan indicates that the Zoning Ordinance will be amended to require inclusionary zoning for developers of major subdivisions and land developments “requir[ing] developers to include a density bonus of 25 percent over the allowable zoning density for the construction of affordable units” (p21); and it will amend section 7 “Supplementary Zoning Regulations” accordingly within one year (p. 25)

However, it is unclear what is actually meant by the language regarding the 25% density bonus:

- First, please confirm the definition being used for “major subdivisions and land developments.” What number of unit development actually triggers the zoning be inclusionary?
- Does this apply to the amount of units that will be granted or to the requirement of the number of units needing to be affordable? Both pieces of information must be included in the plan.
- Also, the plan needs to explain the methodology by which it arrived at the 56 units used in Table 10 on p20. This methodology should be based on the average number of major subdivisions and land developments built each year.
- Clarify that the use of “inclusionary zoning” under Program/Type of Housing in that line item refers only to units within major subdivisions and land developments

Inclusionary Zoning in Planned Residential Developments: The same questions as above also apply to this strategy and the 16 units projected in Table 10.

Rental Registration Laws for Unauthorized Accessory Apartments: The plan relies heavily on the creation of LMI units from pre-existing stock, estimating 147 units in Table 10 on p20, and the area designated for these units appear on GIS Map #2.

First, in order to create LMI units there must be a subsidy that either constructs or rehabilitates the unit, and the unit must be deed restricted for affordability for at least 30 years. The plan must clearly state that these units will meet these criteria.

However, several other issues are unclear:

- There is no methodology for the 147 estimated LMI units.
- While the units projected in Table 10 for this strategy appear only within housing for “Other” households, it appears as a strategy for provision of LMI units under the Family Housing section on p21 and indicates that it may be used for small families. If this is the case, please indicate this on Table 10 as well.
- The plan states that the Town intends to “grant covenants for accessory apartments rented as affordable housing in residential zones” (p21, #2). Does this pertain only to the “unauthorized” units mentioned in the next item?
- What is meant by the “AMI of the Narragansett statistical area”? The income guidelines for affordable units will be set by using the HUD income limits.

The town should keep in mind that even with such an “amnesty program” (p26) not all units will become LMI, some owners may reject the opportunity and discontinue their use; also many will not require rehabilitation. If the number of

projected units is based on 100% of the estimated number of unauthorized apartments, it should be reduced to take that fact into account.

Separation of merged substandard lots: The plan projects 153 units of family ownership or rental housing from this strategy (pp20-21), but does not offer a methodology from which to derive this number. Also, it is unlikely that single-family homes will be constructed as rental housing, unless the town is permitting duplexes to be built, which may provide a few rental units. It is stated that “specific criteria will be set forth in each residential zone” (p21). Since these areas are not mapped and criteria has not yet been determined, it is not understood how the number for these units was determined. And again, as with the unauthorized rental amnesty program, if the number of projected units is based on 100% of the estimated number of substandard lots, it should be reduced to a reasonable estimate of the number of expected to be built.

Tax Incentive for conversion of existing MF units into LMI, plus additional: The Town intends to create a tax incentive program for owners of existing multifamily properties to convert market-rate units into LMI units (pp23-24).

- First, just as with the conversion of accessory apartments into LMI units, there must be a subsidy that either constructs or rehabilitates the unit and be deed-restricted for at least 30 years for affordability.
- Secondly, it is unclear why an owner would voluntarily create such units.
- The GIS Map #2 indicates sites where the “approximately one dozen apartment buildings” exist, but there is no zoning or feasibility information provided to describe how the estimate of 66 units used in Table 10 is derived, nor if the Town is assuming 100% participation (if so, the same caveat as presented above applies). Since it is implied that the owners may apply for an “expansion” of the facility by “special use permit,” where will this be feasible and at what density?
- Also, when it is stated that additional units may be allowed “provided that the *majority* of the units” be LMI, it is unclear if this refers to the majority of the units that are being created or of the overall number. This may be highly financially unfeasible for any private property owner unless there is a substantial subsidy available.
- Also, why are the units in Table 10 ascribed only to “Other”? Since this is already multifamily housing, would these units also be available for family rental?

Mixed-Use in Boon Street “Special District Plan”: This strategy is described on page 24 as a mixed-use district where accessory apartments, increased density, and conversion of units may be allowed for LMI units. There are no details of the mixed-use intentions. Will second-story residential units be involved? Since this strategy is not specifically mentioned in Table 10, it is unclear if it contributes to any of the estimated number of units to be achieved (particularly in Family or Special Needs Rental).

Narragansett HA Section 8 Homeownership: While this strategy does not appear in the text, 18 units are projected in Table 10 on p20. The plan needs to explain what the strategy is and how the number was derived.

Finally, in Table 10, 49 units are attributed to the two strategies entitled “Family Rental” (37 units) and “Rental Housing for Special Needs” (12 units). Since these categories actually refer to a type of LMI housing and not a development strategy, it is unclear whether these units pertain to one of the strategies described above. If so, the plan should distribute the units accordingly.

The achievement of the 10 percent goal is projected by using the same share of seasonal to year-round units that currently exists. While building permit activity is provided in Figure 4 on p. 10 specific numbers are not given. The plan should include a table of these figures or denote the actual numbers within the figure. Of specific concern, is the number of permits in 2003, which appears to be somewhere between 40-50. Was a building cap implemented last year? If so, it needs to be noted in the plan, and any exemption for the building of affordable units should be explained. The share of seasonal to year-round units for recent years should be included as it may not be correct to project the current proportion all the way to build-out. Since the timeline for achieving the 10% LMI goal is based their share as the number of units built each year, it is important to establish reliable figures upon which to base the projections.

Specifically pertaining to this, it is unclear how the numbers in Table 6 on p15 were derived. If 10,950 total units are projected for build-out in 20 years and there are currently 9,159 total units that suggests that there will be 1,791 units built over the next 20 years (avg 90 units/yr). But if one uses the current total units of 9,159 and adds the 1,557 total units expected to be built, the sum of total units is 10,716 units (avg 78 units/yr). These numbers are important not only because the 10% goal is based on the number of projected year-round units, but also because it is unlikely to expect that more than one-third of the year-round units being built will be LMI. Given that the plan intends to create 648 LMI units in 20 years, an average of 32.4 units/yr, and according to the number of current and projected seasonal units will average 20 units/yr (2,341 minus 2,035 equals 396/20 yrs) this implies that as much as 46% to 55% of year-round units will need to be LMI (depending on whether one uses the 78 units/yr or 90 units/yr cited above).

Build-out information is provided on p4, while a build-out projection is provided in Table 6 on p15.

There is no mention of local building restrictions or planned major land developments (see comment above regarding 2003 building permits).

Appropriate population information is provided on pages 5-7, pointing out in particular the peculiar situation of Narragansett as a home to a significant population of students for a 9-month rental season as well as tourists for a complementary 3-month rental season. There are no job growth estimates.

There is a proposed set of actions regarding land use management in the Implementation Section on pages 24-26, some of which are also mentioned in the previous pages regarding the suggested strategies. A “summary chart” of these actions and their relationship to the strategies is attached to this criteria review in an effort to clarify what the town is proposing.

The locations for “potential affordable housing areas” for four strategies (accessory apartments, conversion or expansion of existing units, elderly development, and planned residential development with inclusionary zoning) are presented on GIS Map #2. There is no mapping for three strategies (neighborhood infill/use of merged lots, special needs housing, inclusionary zoning for PDRs) nor for the Boon Street Special District. As has been stressed in the previous comments, the plan needs to include the information regarding the methodology for projecting LMI units to these sites.

- ❑ 3. *Are the number and type (including unit size and target population, e.g. family, elderly, special needs) of low and moderate income units produced by these strategies in proportion to the unmet local, regional, and state housing needs identified in the needs analysis?*
- *Most recent local, regional, and state CHAS data (<http://socds.huduser.org>)*
- *Most recent Rhode Island Emergency Shelter Annual Report (to access the pdf go to <http://www.uwri.org/newsPage.cfm?articleID=200>)*
- *Most recent housing costs (<http://www.riliving.com/oceanstate/SalesStats/default.asp>)*
- *Most recent rental costs (please contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com)*
- *Current housing inventory, based on 2000 US Census data, and the most recent Low and Moderate Income units tabulation as established by RI Housing (see #1 above)*

The plan does identify the proportional unmet need for the LMI households locally, regionally and statewide. In addition, rather than use the artificially high number of “other” in the Narragansett CHAS data, which is grossly inflated due to the student population, the plan applies the regional need for South County when projecting the appropriate number of units for each household type.

However, because of the difficulties mentioned above regarding some of the strategies, the units projected for those strategies will need to be adjusted based on new or revised strategies.

The plan examines CHAS data on pages 17-19; identifies number of shelter residents on p19; provides information on housing and rental costs on pages 11-14; and a current housing inventory on pages 8-9.

- ☑ 4. *Does the plan provide quantitative estimates of how each strategy will contribute to attainment of the threshold and the timeframe for implementation of each?*
 - *Inclusion of early-action (<1 yr) items relative to land management changes needed to support key strategies identified in the plan.*

In Table 10 on p20, the plan does provide quantitative estimates of how each strategy will contribute to the attainment of the threshold and the timeframe for the implementation of each. However, the Town should recognize that certain development opportunities may arise through use of federal or state programs that necessitate a minimum number of units that may exceed their projection for a given strategy in a particular timeframe. For example, rather than 3 rental units per 5 years for Special Needs, a development opportunity may arise that suggests the use of HUD 811 funds, in which case the minimum number of units to be developed may be 10.

- ☑ 5. *Does the implementation program cover a minimum period of five years*
Yes, the implementation program covers a minimum period of five years.

- ☐ 6. *Does the plan identify responsible parties, partners, and resources for each implementation strategy?*

The attached table reviews the parties, partners and resources for each strategy that has been gleaned from the plan. It is assumed for several strategies that the Town Council is the responsible party. However, several strategies that will require a subsidy to establish the unit do not mention resources. These need to be indicated in the plan.

- ☐ 7. *Are the number of low and moderate income units projected to be produced consistent with build-out estimates, zoning and fee requirements, geographic building constraints (e.g. wetlands, ledge, flood plains), and infrastructure and services established in the comprehensive plan for targeted areas?*
 - *Analysis demonstrating the feasibility of attaining the low and moderate unit production targets within the geographic areas identified in the plan for specific production strategies, based upon:*
 - *Current and proposed land management standards*
 - *Current and proposed infrastructure and service availabilities*
 - *Land availability and capability analyses*

Due to the lack of information regarding some of the strategies (see #2), consistency between the LMI units projected and land use cannot be determined.

- 8. *For redevelopment and/or reuse of existing buildings, are specific areas or properties identified and the number of low and moderate income units projected for each?*
- *Analysis demonstrating the feasibility of attaining the low and moderate unit reuse targets within the geographic areas identified in the plan for specific redevelopment strategies, based upon:*
 - *Current and proposed land management standards*
 - *Current and proposed infrastructure and service availabilities*
 - *Land/structure availability inventories and capability/reuse analyses*

While the plan does mention the intention and sites for possible redevelopment of units, there is no accompanying demonstration of land-use feasibility with regard to the related strategies (see #2).

WATER RESOURCES BOARD

INTER-OFFICE MEMO

To: Kathleen Crawley, Acting General Manager
From: Beverly O'Keefe, Supervising Planner
Date: 12/14/04
Subject: Local Comprehensive Plan, Affordable Housing Amendment Review - Narragansett

BACKGROUND: The Town of Narragansett submitted proposed Local Comprehensive Plan Amendments (NAR 04-1- Affordable Housing Plan) to the Statewide Planning Program. The agency review and comment request to determine whether the Amendments are consistent with the RI Water Resources Board goals and policies was received with a response date of December 16, 2004. Staff reviewed the proposed amendment with the following findings:

1. **Page 21: #2:** "Amend zoning ordinance to grant covenants for accessory apartments....adequacy of utilities and parking." Recommend that language be included clearly stating water availability and wastewater disposal sufficient to support 1 or more individuals."
2. The use of accessory apartments is a rental strategy that may provide short-term solutions to the lack of affordable housing in the town. Actually, the proposed amnesty to identify existing units (upwards to 75 units) may bring increased conformance to current zoning requirements but may not provide sufficient housing for "other." Review of the amendment reveals that "other" is defined as not family and not elderly. Does "other" include special needs individuals? Homeless? What are the other groups included in this category? What is the percentage of college students?
3. Water availability and wastewater treatment issues within the North end of Narragansett (Westmoreland Waste Water Treatment Facility) and the South End of Narragansett (Scarborough Waste Water Treatment Facility) currently exist. The recommendation (p. 25) that a portion of the new flow capacity be set aside as a priority for affordable housing development is a strategic option that combined with other incentives and options may be useful for the town when negotiating with developers.

DISCUSSION: Demonstrations of water availability should be required and addressed in the Local Comprehensive Plan and subsequent amendments. A discussion on water availability, similar to the sewerage discussion should be included in the affordable housing amendment. This will be especially important for all residential development, especially affordable housing units where income will be below the median income of the town.

RECOMMENDATION: Recommend developers identify the source of water supply, the amount of water required to support development, and demonstrate that the source can supply the amount needed for the proposed development.

Memo

Date: 10 January 2005
To: Grover J. Fugate, John O'Brien, Clark Collins
From: Kevin R. Cute
Re: Town of Narragansett Affordable Housing Plan
cc: Jeff Willis

I recently reviewed the Town of Narragansett Affordable Housing Plan (the Plan) for consistency with the Rhode Island Coastal Resources Management Program, and noticed the following inconsistencies:

1. At p.21, no.1, under "Family Housing," the Plan proposes amending the Zoning Ordinance to require inclusionary zoning for developers of major subdivisions and land developments. The required 25% density bonus over the allowable zoning density for construction of affordable housing units conflicts with CRMC density requirements for Self Sustaining Lands (1 residential unit per 80,000 square feet) and Lands of Critical Concern (1 residential unit per 120,000 square feet). While the density bonus does not necessarily conflict with CRMC's goals for Lands Developed Beyond Carrying Capacity (no density requirements apply), the SAMPs recommendation for undeveloped areas previously platted at extremely high densities as "priority areas for amendments to zoning ordinances and other actions to provide for *reduced density*, i.e., a minimum of 80,000 square feet" [Section 920.1.C.3(a)].
2. At p.21, no.4, under "Family Housing," the Plan proposes to "Amend the zoning ordinance to allow the separation of currently merged substandard lot of record for the construction of new single family homes for ownership or rental. Specific criteria will be set forth in each residential zone and comply with the Narragansett Comprehensive Plan." As above, this proposal conflicts with the SAMP's density requirements.
3. At pp. 25-26, the Plan proposes that the town adopt the following amendments to the zoning ordinance, each of which conflicts with the SAMP requirements:
 - Amend section 4.8.3 "Planned Residential Districts" to allow up 25% bonus in density for affordable housing units.
 - Amend section 7 "Supplementary Zoning Regulations" to provide mandatory inclusionary measures requiring a minimum addition of 25% affordable units in each major subdivision or land development.

7 December 2004
RIDEM Office of Waste Management
Town of Narragansett Affordable Housing Plan

The RIDEM Office of Waste Management (OWM) has reviewed the above referenced plan, specifically, with respect to whether housing is proposed on or near any contaminated sites, and whether the property is in compliance with OWM goals and policies, specifically the Rules and Regulations for the Investigation and Remediation of Hazardous Material Releases, amended February 2004 (Remediation Regulations) and Regulations for Underground Storage Facilities Used for Petroleum and Hazardous Materials (10/22/02), and Rules and Regulations for Composting and Solid Waste Management Facilities, amended April 2001 (Solid Waste Regulations).

The Narragansett Affordable Housing Plan identifies various areas of potential affordable housing, as identified on GIS Map #2 of the plan. In reviewing the map in relation to locations of sites listed on the OWM Contaminated Sites list, it appears that a property identified on this map, located on the south side of South Pier Road, abuts the former Narragansett Town Dump on Walt's Way. This site is currently listed as 'Inactive' by the OWM and OWM has very little information on the site. However, OWM recommends that, in accordance with the Remediation Regulations and Solid Waste Regulations, the Town determine the suitability of residential development on properties adjacent to any active or former industrial site or landfill.

Appendix D

Second Set of Comments Received from Statewide
Planning and RI Housing & Mortgage Finance Corporation

RIH COMMENTS TO NARRAGANSETT'S REVISED PLAN

5/16/05

PLEASE NOTE: QUESTIONS OR REMEDIAL ACTIONS ARE UNDERLINED IN EACH COMMENT

CRITERIA FOR REVIEW OF HOUSING PLANS THAT MEET THE REQUIREMENTS OF THE LOW-MODERATE INCOME HOUSING ACT

To be certified as meeting the threshold requirements of the Low-Moderate Income Housing Act for the provision of at least 10% low and moderate income housing, an affordable housing plan as a component of the housing element of the local comprehensive plan must identify steps that the municipality will take to increase the supply of qualifying housing and identify resources to be used in this regard. Specifically the affordable housing plan should be a clear statement and guide to the housing development community that allows them to identify the types and number of low and moderate income housing units needed by the community and the specific areas deemed suitable by the community for siting (and/or rehabilitation) of the needed units. Locations designated by the community to address their affordable housing plan needs must be identified with sufficient detail to establish their suitability and capacity to accommodate the needs documented in the plan. The plan must satisfy the following requirements:

- ☑ *Has the affordable housing plan been adopted by a municipality as part of the Housing Element of its local comprehensive plan? Is it internally consistent with other applicable elements of the Comprehensive Plan in terms of build-out assumptions, land use, economic development, and infrastructure plans?*

Yes, the plan was adopted by the Municipality on November 1, 2004.

MEETS THE REQUIREMENTS OF THE LOW & MODERATE INCOME HOUSING ACT

(Sources of information and examples of responses to requirements are provided via the "➤" items below each requirement.)

- ☑ *1. Does the plan identify the number of low and moderate income units needed to achieve the threshold requirement as quantified in the most recent "Low and Moderate Income Housing by Community" tabulation published by RIHMFC?*
- *For the latest tabulation contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com.*

Please note that the most recently updated tabulation, dated July 2004, accommodates the subtraction of seasonal units as defined by the 2000 US Census from the total number of housing units

Yes, on page 15, the plan identifies the current number of year-round housing units and LMI units using the most recent RIH tabulation.

- ❑ 2. *Does the plan identify specific strategies to attain the threshold over a reasonable period of time, taking into consideration anticipated residential growth based on expected building permit activity, and build-out estimates established in the comprehensive plan?*
- *History of building permit activity and details on any local building restrictions, such as permit caps, and on planned major land developments*
- *Population, build-out, and job growth estimates established in the Comprehensive Plan*
- *List of proposed actions and expected outcomes*
- *Locations where strategies would be implemented (e.g., municipality-wide or in targeted areas)*

The plan lists a number of strategies in pages 20-25 that projects achieving the 10% threshold in a 20 year period. A number of these strategies likely hold significant promise for the Town in creating LMI units. However, it is also noted that there is no strategy that would provide for a (portion) of multifamily rental housing.

REVISED PLAN: As revised the strategies still do not provide enough family rental housing (34 units out of a projected total of 272) as such the plan will not be able to meet the needs of its lower-income families, who typically cannot afford homeownership (please see comment #3). Please see comments below that suggest changes to the plan's formatting of its development strategies and examination of its housing needs, which will clarify RIH's analysis of the revised plan.

Each strategy is handled a little differently within the plan, sometimes mixing the household type it is intended to serve with the development strategy and planned actions.

In order to better analyze the suggested strategies, a table is attached that reviews the development strategies mentioned in the plan and plots each against the unit types and households. Below each "development strategy" is specifically examined for its contribution toward the LMI goal:

REVISED PLAN: Attached please find a set of tables that separate the analyses of development strategies and housing needs. Please note that Table 13 on p. 30 attempts to assign each development strategy to a household type; however, some strategies will be able to address multiple household types. Please separate these two sets of information from Table 13 in order to provide a clearer interpretation of what opportunities exist for LMI housing development. The two tables provided could be used, or the town could devise its own.

Camp JORI--Elderly rental development: There is a 46-unit development of elderly housing currently in preliminary planning in conjunction with the Narragansett Housing Authority (p22). Table 10 on p20 indicates that these units should be on line within 5 years.

REVISED PLAN: Reference to Camp JORI now appears on p. 31. Map #5 should indicate the location of this new development and its 46 units should be separated out from the estimated total of elderly units in Table 13 on p. 30 as a distinct

development strategy. (If the plan is revised according to the remarks and tables above this will be addressed.)

Other elderly rental with Narragansett Housing Authority: The plan indicates cooperation between the Town and its Housing Authority in finding 3 or 4 more suitable sites of 3 or more acres for a total of 97 more units of elderly rental housing. GIS Map #2 gives 6 sites where this may occur. No zoning or feasibility information, such as availability to public water and sewer, is provided about these sites. *The plan should indicate that these sites are adequate for the units it is suggesting.*

REVISED PLAN: GIS Map #5 provides the additional sites for elderly housing via conversion, expansion, or new construction. While it is explained in the narrative that the sites have been evaluated for environmental impact and availability to public water and sewer, the plan needs to also include the information regarding the parcel size, planned density/unit yield, and zoning of these sites, and whether these will necessitate changes to current land-management practices The table on Map #5 should also be included in the narrative description of the strategy on p. 31 that describes the cooperation between the Town and NHA.

Inclusionary Zoning in major developments: The plan indicates that the Zoning Ordinance will be amended to require inclusionary zoning for developers of major subdivisions and land developments “requir[ing] developers to include a density bonus of 25 percent over the allowable zoning density for the construction of affordable units” (p21); and it will amend section 7 “Supplementary Zoning Regulations” accordingly within one year (p. 25)

However, it is unclear what is actually meant by the language regarding the 25% density bonus:

- First, please confirm the definition being used for “major subdivisions and land developments.” What number of unit development actually triggers the zoning be inclusionary?
- Does this apply to the amount of units that will be granted or to the requirement of the number of units needing to be affordable? Both pieces of information must be included in the plan.
- Also, the plan needs to explain the methodology by which it arrived at the 56 units used in Table 10 on p20. This methodology should be based on the average number of major subdivisions and land developments built each year.
- Clarify that the use of “inclusionary zoning” under Program/Type of Housing in that line item refers only to units within major subdivisions and land developments

REVISED PLAN: On pp. 27, 32-33, and 38, inclusionary zoning is discussed as a program and separately for the kind of units it is projected to develop; however, the plan should consolidate its reference to its inclusionary housing program (please see example tables attached and referenced above). The Town’s program will apply not only to new subdivisions, but to all major developments of 5 or more units, including

substantial rehabilitation, and require 25% targeted inclusion. The program will include density bonuses in areas outside CRMC areas, and indicated on Map #2. The subdivision building activity provided on p. 13 for the period from 2000-2004 appears to substantiate the projected estimate of a total of 126 LMI units, especially since the program will also pertain to non-subdivision development. Please see comments regarding the projected distribution of these units in criteria #3 below.

Inclusionary Zoning in Planned Residential Developments: The same questions as above also apply to this strategy and the 16 units projected in Table 10.

REVISED PLAN: This no longer appears as a separate strategy.

Rental Registration Laws for Unauthorized Accessory Apartments: The plan relies heavily on the creation of LMI units from pre-existing stock, estimating 147 units in Table 10 on p20, and the area designated for these units appear on GIS Map #2.

First, in order to create LMI units there must be a subsidy that either constructs or rehabilitates the unit, and the unit must be deed restricted for affordability for at least 30 years. The plan must clearly state that these units will meet these criteria.

However, several other issues are unclear:

- There is no methodology for the 147 estimated LMI units.
- While the units projected in Table 10 for this strategy appear only within housing for “Other” households, it appears as a strategy for provision of LMI units under the Family Housing section on p21 and indicates that it may be used for small families. If this is the case, please indicate this on Table 10 as well.
- The plan states that the Town intends to “grant covenants for accessory apartments rented as affordable housing in residential zones” (p21, #2). Does this pertain only to the “unauthorized” units mentioned in the next item?
- What is meant by the “AMI of the Narragansett statistical area”? The income guidelines for affordable units will be set by using the HUD income limits.

The town should keep in mind that even with such an “amnesty program” (p26) not all units will become LMI, some owners may reject the opportunity and discontinue their use; also many will not require rehabilitation. If the number of projected units is based on 100% of the estimated number of unauthorized apartments, it should be reduced to take that fact into account.

REVISED PLAN: It appears from the discussion of the Accessory Apartment Strategy on pp. 39-41 that currently no Accessory Dwellings are allowed in Narragansett, which has been confirmed by the Town’s Planning Intern Lindsey Cameron. However, it is clear from the existence of an estimated 500 illegal units that Accessory Dwellings play a significant role in the town’s housing landscape. As the strategy currently stands, it is understood that the town is projecting that it will be

able to encourage the “legality” of approximately 20% of the current illegitimate stock by granting amnesty to those units where the owner agrees to allow the units to become “LMI housing” stock; i.e., the town will provide a subsidy for rehabilitation costs in return for the unit’s long-term deed restriction. While it appears that potentially the town can achieve 102 units of LMI housing through this program, the plan should explore the benefits in retaining a larger stock of “affordable” housing despite whether or not they are considered “LMI housing.” Since the plan does not clearly articulate any corrective action for the remaining unauthorized units, other than the intention to “strictly enforce its zoning ordinances and rental registration laws” (p. 40), the town might explore the value of having at least a two-tier system of ADUs—one for LMI housing stock (with appropriate incentives) and one for family members—so as not to displace what may be hundreds of units of housing.

Separation of merged substandard lots: The plan projects 153 units of family ownership or rental housing from this strategy (pp20-21), but does not offer a methodology from which to derive this number. Also, it is unlikely that single-family homes will be constructed as rental housing, unless the town is permitting duplexes to be built, which may provide a few rental units. It is stated that “specific criteria will be set forth in each residential zone” (p21). Since these areas are not mapped and criteria has not yet been determined, it is not understood how the number for these units was determined. And again, as with the unauthorized rental amnesty program, if the number of projected units is based on 100% of the estimated number of substandard lots, it should be reduced to a reasonable estimate of the number of expected to be built.

REVISED PLAN: An analysis of land records indicates approximately 320 “substandard lots of record,” which are indicated by neighborhood on Map #3. The plan presents as “conservative” the estimate of 140 owners who will take advantage of the opportunity to subdivide and sell a lot for development of a single-family LMI housing unit. The percentage of participation is a direct result of the incentives offered. Currently, unless there is a more substantial incentive, the assumption is high. Similar strategies from other municipal plans are assuming participation in a range of 20%-35%, which is more reasonable. Unless the town provides more substantial incentives to justify the higher estimate, the plan should adjust its projection toward this lower range. Also, the town should consider, where possible, whether these new parcels could be permitted to have duplexes (perhaps as owner-occupied allowing one LMI rental unit) in order to maximize the number of units possible.

Tax Incentive for conversion of existing MF units into LMI, plus additional: The Town intends to create a tax incentive program for owners of existing multifamily properties to convert market-rate units into LMI units (pp23-24).

- First, just as with the conversion of accessory apartments into LMI units, there must be a subsidy that either constructs or rehabilitates the unit and be deed-restricted for at least 30 years for affordability.
- Secondly, it is unclear why an owner would voluntarily create such units.

- The GIS Map #2 indicates sites where the “approximately one dozen apartment buildings” exist, but there is no zoning or feasibility information provided to describe how the estimate of 66 units used in Table 10 is derived, nor if the Town is assuming 100% participation (if so, the same caveat as presented above applies). Since it is implied that the owners may apply for an “expansion” of the facility by “special use permit,” where will this be feasible and at what density?
- Also, when it is stated that additional units may be allowed “provided that the *majority* of the units” be LMI, it is unclear if this refers to the majority *of the units that are being created* or *of the overall number*. This may be highly financially unfeasible for any private property owner unless there is a substantial subsidy available.
- Also, why are the units in Table 10 ascribed only to “Other”? Since this is already multifamily housing, would these units also be available for family rental?

REVISED PLAN: As mentioned previously for other strategies, these strategies (on pp. 35 and 41) should be combined under a development strategy entitled “multi-unit development,” which will serve several types of households. The strategy does have two components, one in which the town is permitting an “expansion” of the number of units as long as 50% or more of the new units created are LMI housing; and the second being the “conversion” of existing conventional rental units to LMI via a tax incentive program seeking rehabilitation and long-term deed restriction. The “expansion” program estimates a creation of 12 new LMI housing units, but does not include any indication that the existing buildings have been surveyed for such capacity. However, since 16 units are under preliminary discussion with the Planning Board, the current estimate of 12 seems reasonable. The “conversion” program assumes as many as half of the units (p. 42) that are currently conventional rental will become LMI housing. As with the unmerging of lots, the percentage of participation is a direct result of the incentives offered. Currently, there is not enough information regarding the tax incentive to know if the current estimate is appropriate. The program will be incented by a reduction of taxes and possible grants and low-interest loans for rehabilitation. The subsidy program that provides for the unit must be related to its rehabilitation or construction.

Mixed-Use in Boon Street “Special District Plan”: This strategy is described on page 24 as a mixed-use district where accessory apartments, increased density, and conversion of units may be allowed for LMI units. There are no details of the mixed-use intentions. Will second-story residential units be involved? Since this strategy is not specifically mentioned in Table 10, it is unclear if it contributes to any of the estimated number of units to be achieved (particularly in Family or Special Needs Rental).

REVISED PLAN: The description of the strategy has been expanded and mapped on pp. 36-37 and Map #4. The LMI housing component is being managed in conjunction with Narragansett Housing Authority and now projects a total of 14 family rental units over the 20-year timeframe.

Narragansett HA Section 8 Homeownership: While this strategy does not appear in the text, 18 units are projected in Table 10 on p20. The plan needs to explain what the strategy is and how the number was derived.

REVISED PLAN: This no longer appears as a strategy.

NEW STRATEGY IN REVISED PLAN: The revised plan includes references to development of LMI ownership and rental housing with the Narragansett Affordable Housing Corporation (again, this should be referenced as one strategy providing multiple kinds of housing). It is unclear if the developments mentioned in the plan and the locations of the projected units are on Map #5, as they should be. If they are, as suggested for the elderly developments, the table should be reproduced on the page where the strategy is discussed. Any projection of units must be accompanied by information that provides the size of the parcel, assumed density/yield of units, and whether any zoning changes will be required.

Finally, in Table 10, 49 units are attributed to the two strategies entitled “Family Rental” (37 units) and “Rental Housing for Special Needs” (12 units). Since these categories actually refer to a type of LMI housing and not a development strategy, it is unclear whether these units pertain to one of the strategies described above. If so, the plan should distribute the units accordingly.

REVISED PLAN: The reference to “elderly rental” in Table 13 (p. 30) has been discussed above as well as creating separate tables for strategies and household and tenure projections (see attached examples). Table 13 includes a reference to “persons with special needs” with the narrative explanation on p. 42 describing the town’s intention to work with MHRH on siting of these units. It is not a violation of MHRH policy for the town to describe where in the town any multi-unit structures could be sited (just as it has for elderly and family). It would be up for discussion with MHRH as to which of the sites are most suitable. The locations should be listed on Map #5 but need not be identified specifically for special needs. However, as with the other locations, density and appropriate zoning would need to be included.

The achievement of the 10 percent goal is projected by using the same share of seasonal to year-round units that currently exists. While building permit activity is provided in Figure 4 on p. 10 specific numbers are not given. The plan should include a table of these figures or denote the actual numbers within the figure. Of specific concern, is the number of permits in 2003, which appears to be somewhere between 40-50. Was a building cap implemented last year? If so, it needs to be noted in the plan, and any exemption for the building of affordable units should be explained. The share of seasonal to year-round units for recent years should be included as it may not be correct to project the current proportion all the way to build-out. Since the timeline for achieving the 10% LMI goal is based their share as the number of units built each year, it is important to establish reliable figures upon which to base the projections.

Specifically pertaining to this, it is unclear how the numbers in Table 6 on p15 were derived. If 10,950 total units are projected for build-out in 20 years and there are currently 9,159 total units that suggest that there will be 1,791 units

built over the next 20 years (avg 90 units/yr). But if one uses the current total units of 9,159 and adds the 1,557 total units expected to be built, the sum of total units is 10,716 units (avg 78 units/yr). These numbers are important not only because the 10% goal is based on the number of projected year-round units, but also because it is unlikely to expect that more than one-third of the year-round units being built will be LMI. Given that the plan intends to create 648 LMI units in 20 years, an average of 32.4 units/yr, and according to the number of current and projected seasonal units will average 20 units/yr (2,341 minus 2,035 equals 396/20 yrs) this implies that as much as 46% to 55% of year-round units will need to be LMI (depending on whether one uses the 78 units/yr or 90 units/yr cited above).

REVISED PLAN: Table 4 on p. 13 now provides actual figures for building permit data; and Table 9 on p. 19 addresses some of the concerns mentioned above. While seasonal housing is still assumed at the current level and the creation of LMI units is somewhat below 40% of total building permits, these numbers meet a standard of reasonableness in light of the current conditions in town.

Build-out information is provided on p4, while a build-out projection is provided in Table 6 on p15.

There is no mention of local building restrictions or planned major land developments (see comment above regarding 2003 building permits).

Appropriate population information is provided on pages 5-7, pointing out in particular the peculiar situation of Narragansett as a home to a significant population of students for a 9-month rental season as well as tourists for a complementary 3-month rental season. There are no job growth estimates.

There is a proposed set of actions regarding land use management in the Implementation Section on pages 24-26, some of which are also mentioned in the previous pages regarding the suggested strategies. A “summary chart” of these actions and their relationship to the strategies is attached to this criteria review in an effort to clarify what the town is proposing.

The locations for “potential affordable housing areas” for four strategies (accessory apartments, conversion or expansion of existing units, elderly development, and planned residential development with inclusionary zoning) are presented on GIS Map #2. There is no mapping for three strategies (neighborhood infill/use of merged lots, special needs housing, inclusionary zoning for PDRs) nor for the Boon Street Special District. As has been stressed in the previous comments, the plan needs to include the information regarding the methodology for projecting LMI units to these sites.

REVISED PLAN: There are an additional three maps, including Map #5 which identifies further locations. Please note comments above regarding inclusion of parcel size, density/yield of units, and zoning issues for these sites, and the inclusion of the table on the pages where the locations are pertinent to the strategy (as well as the mapping of any strategies that concern siting; i.e., elderly and special needs rental and the NAHC strategies).

- ❑ 3. *Are the number and type (including unit size and target population, e.g. family, elderly, special needs) of low and moderate income units produced by these strategies in proportion to the unmet local, regional, and state housing needs identified in the needs analysis?*
 - *Most recent local, regional, and state CHAS data (<http://socds.huduser.org>)*
 - *Most recent Rhode Island Emergency Shelter Annual Report (to access the pdf go to <http://www.uwri.org/newsPage.cfm?articleID=200>)*
 - *Most recent housing costs (<http://www.riliving.com/oceanstate/SalesStats/default.asp>)*
 - *Most recent rental costs (please contact Annette Bourne at RI Housing at 457-1116 or abourne@rihousing.com)*
 - *Current housing inventory, based on 2000 US Census data, and the most recent Low and Moderate Income units tabulation as established by RI Housing (see #1 above)*

The plan does identify the proportional unmet need for the LMI households locally, regionally and statewide. In addition, rather than use the artificially high number of “other” in the Narragansett CHAS data, which is grossly inflated due to the student population, the plan applies the regional need for South County when projecting the appropriate number of units for each household type.

However, because of the difficulties mentioned above regarding some of the strategies, the units projected for those strategies will need to be adjusted based on new or revised strategies.

REVISED PLAN: In making revisions to Table 13 (formerly Table 10) the plan now shows a disproportionate number of units serving family ownership needs over family rental. On the attached table analyzing each strategy’s projected tenure the number of units for family rental is a small share (12.5%) of the total number of units. This adversely affects filling the needs of family households below 60% AMI. The plan should review its strategies as it pertains to the mix of family rental and ownership units and provide more to rental (e.g., is there a development opportunity similar to Camp JORI that could help develop family rental?).

Secondly, please note that the plan needs to address the housing needs of “special needs” as opposed to “other,” which in HUD’s definition includes households beyond “special needs.” Therefore, the entire number identified in the CHAS data as “other” should not be totally correlated to “special needs,” as occurs in Table 13 on p. 30. This narrowing of the definition may provide opportunity for the town to redistribute some of the 220 units currently projected for “other” to elderly or family needs.

The plan examines CHAS data on pages 17-19; identifies number of shelter residents on p19; provides information on housing and rental costs on pages 11-14; and a current housing inventory on pages 8-9.

- ☑ 4. *Does the plan provide quantitative estimates of how each strategy will contribute to attainment of the threshold and the timeframe for implementation of each?*

- *Inclusion of early-action (<1 yr) items relative to land management changes needed to support key strategies identified in the plan.*

In Table 10 on p20, the plan does provide quantitative estimates of how each strategy will contribute to the attainment of the threshold and the timeframe for the implementation of each. However, the Town should recognize that certain development opportunities may arise through use of federal or state programs that necessitate a minimum number of units that may exceed their projection for a given strategy in a particular timeframe. For example, rather than 3 rental units per 5 years for Special Needs, a development opportunity may arise that suggests the use of HUD 811 funds, in which case the minimum number of units to be developed may be 10.

- ☑ 5 *Does the implementation program cover a minimum period of five years*

Yes, the implementation program covers a minimum period of five years.

- ☑ 6. *Does the plan identify responsible parties, partners, and resources for each implementation strategy?*

The attached table reviews the parties, partners and resources for each strategy that has been gleaned from the plan. It is assumed for several strategies that the Town Council is the responsible party. However, several strategies that will require a subsidy to establish the unit do not mention resources. These need to be indicated in the plan.

REVISED PLAN: Table 14 on pp. 45-46 has been expanded and now adequately addresses the criterion.

- ☐ 7. *Are the number of low and moderate income units projected to be produced consistent with build-out estimates, zoning and fee requirements, geographic building constraints (e.g. wetlands, ledge, flood plains), and infrastructure and services established in the comprehensive plan for targeted areas?*

- *Analysis demonstrating the feasibility of attaining the low and moderate unit production targets within the geographic areas identified in the plan for specific production strategies, based upon:*

- *Current and proposed land management standards*
- *Current and proposed infrastructure and service availabilities*
- *Land availability and capability analyses*

Due to the lack of information regarding some of the strategies (see #2), consistency between the LMI units projected and land use cannot be determined.

REVISED PLAN: There is still no information regarding the density or feasibility of the sites identified on Map #5, and it is unclear if these sites include the strategies for NAHC and special needs developments. Information regarding the projected

density and zoning of these locations (and the NAHC and special needs developments, if they are not included) need to be included in the plan.

- 8. *For redevelopment and/or reuse of existing buildings, are specific areas or properties identified and the number of low and moderate income units projected for each?*
 - *Analysis demonstrating the feasibility of attaining the low and moderate unit reuse targets within the geographic areas identified in the plan for specific redevelopment strategies, based upon:*
 - *Current and proposed land management standards*
 - *Current and proposed infrastructure and service availabilities*
 - *Land/structure availability inventories and capability/reuse analyses*

While the plan does mention the intention and sites for possible redevelopment of units, there is no accompanying demonstration of land-use feasibility with regard to the related strategies (see #2).

REVISED PLAN: The units projected through expansion of multi-family structures do not provide any feasibility information. The plan should at least provide information that supports the 16 units that are under preliminary discussion with the Planning Board.

Appendix E

Minutes from Narragansett Affordable Housing Board Meetings

DRAFT

**TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD**

**Minutes of the Initial Meeting
held July 16, 2004, at 8:30 AM, in the Board Room at the Town Hall**

This was the organizational meeting of the new Affordable Housing Board which was instituted and appointed by the Narragansett Town Council to replace and continue the work of the prior Affordable Housing Task Force that worked with the Washington County Regional Planning Commission (WCRPC) and the designated consultant in developing the drafts of the regional and town Affordable Housing Plans to be incorporated into the Comprehensive Plan. While that Task Force was "ad-hoc" in its charge, This new Board is a permanent entity of the town in the general area of affordable housing.

The meeting was properly called and posted at the Town Hall. Notice of future meetings will also be included on the meeting calendar, on the Cable channel and on the Town Web site.

Members Present:

John R. Hickey,	Council President pro-tem
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
Michael DeLuca	Chairman of the Planning Board
Camilla Lee	Member of the Conservation Commission
Geraldine Citrone	Member of the Zoning Board

Members Absent:

James DeAngelis	Chairman of the Narragansett Housing Authority
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Also present:

Michael McLoughlin	Director of the Narragansett Housing Authority
Lindsey	Intern in the Community Development Office

Mr. Collins prepared the agenda which was distributed. A copy is attached as APPENDIX A. The agenda used the word "committee" rather than the word "board" in the heading.

Chairman Hickey started the meeting by recapping the chain of events leading to the establishment and appointment of the Board and its initial charge. Since this was the initial / organizational meeting the members were encouraged to help define the overall scope and duties of the Board. The fact that the town was waiting for the final version of the new / amended legislation was explained. Copies of the revised and final version of the legislation were distributed to the members.

An update on the affordable housing percentage was presented. Even with the inclusion of the camp Jori and Coffey Avenue units Narragansett would only reach an estimated 3.57% of the required 10%. It was stated that the year 2000 census figures are being used as baseline. We would have to determine a method to do our own updates.

A document from Grow Smart RI was distributed to the members: "Smart Growth e-Briefs - Legislative Update - Acts Relating to Affordable Housing". No specific discussion of this document was held. Members will review the document for the next meeting.

In order to meet the initial requirement for town response under the revised legislation a report had to be submitted before June 30. Mr. Collins had responded for the town in his letter of July 9, 2004 to Mr. John P. O'Brien, Chief, Statewide Planning, which is attached as APPENDIX B.

The present situation relative to the Coffey Avenue and Camp Jori properties was reviewed. Later in the meeting Mr. Mc Loughlin said the first response on the Coffey Avenue funding was received today.

The initial discussion included updates on the town's current status, census figures and questions relative to definitions in the revised legislation. The interpretation of seasonal and student housing was discussed relative to being counted for affordable housing purposes.

The possibility of talking to landlords of present multi-family complexes about making a 30 year commitment to low / moderate was brought up. A number of possible properties were mentioned. This topic also relates to the discussion of letter report topics enumerated below.

Coordination with the land trust was discussed as a possible information source for available land. Also the possibility of obtaining donations of land for affordable housing purposes was discussed. The Board will always have representation from the land trust because the chairman of the zoning board sits on both entities and the Community Development Department handles staff responsibility for both.

At Mr. Loontjens suggestion the 6 points in Mr. Collins letter to Mr. O'Brien were then used as an outline for further discussion and action. The 6 original points had now been expanded to 8 points. These are presented below by their original numbers.

1. "Inclusionary Zoning":

Mr. Collins explained the definition as it relates to the Zoning Ordinance. It was felt that a change to the ordinance could be drafted by the town solicitor if so directed by the town council. Mr. Collins will draft a proposed agenda item for the Town Council to consider for referral.

There will also be a need to estimate impact of such a change relative to an increase affordable (low/mod) housing units.

2. "Modifying lot merger regulations in existing neighborhoods to allow infill with affordable housing."

The item was discussed without definitive recommendations. A change to the zoning ordinance would probably be required. The number of possible affordable housing opportunities needs to be assessed from existing plat maps. Possible tax incentives were mentioned. Neighbor reaction was considered as a possible negative impact.

3. "Considering accessory apartments for use by low/moderate income residents in the Pier area."

There appears to be no reason to limit this possibility to the Pier area. Additions which are sometimes called in-law apartments, or extended family accessory uses are included in the revised legislation as possible candidates. There are probably many illegal such units in the town on existing housing stock. Mr. Collins suggested a possible "amnesty" for those who are willing to use the units for low/mod housing. The exact definition relative to the 30 year requirement needs to be clarified since many in-law apartments have a limited lifetime because of the age of the original residents. A method of identification and counting needs to be developed. Possibly the building inspectors office could be of help here. Again tax incentives were mentioned as a possible stimulus.

4. "Additional elderly housing developments"

Basically we only know of Coffey Ave. and Camp Jori. While there is a possibility of others on Church related land, we have no information at present. It is unlikely that other large parcels would become available for this purpose.

5. "Amending our Planned Residential District (PRD) regulations to provide more incentives for low/moderate"

The same higher density and tax incentive possibilities were discussed. The town solicitor must be consulted.

6. "Continued scattered-site housing projects in concert with the Narragansett Housing Authority / Narragansett Affordable Housing Corporation"

This would require that the town acquire more land. The possibility of splitting potential Land Trust donations was discussed. The possibility of acquiring "tax-sale" land was mentioned but it was felt that the any good / buildable land would be paid up by the owner for which they have a year.

7. The question of having an Affordable Housing Land Trust was presented.

It was felt that the name could not include the words land trust so that persons wishing to donate open

space would not be deterred on the basis of the town building on it. It was suggested and generally agreed that this Board could be the town's affordable housing land receiver and manager. We need to talk to the town solicitor about how to accomplish this by ordinance or other means. The Town Council will have to agree for this to proceed.

8. The possibility of accepting houses which are to be demolished for relocation was discussed. Some recent cases were cited where houses were offered. It was felt that the moving of the houses would cost as much as building new ones and that they may not meet the new building code requirements. The idea was left open as still being a possibility. However, we don't have land to move the houses to.

Mr. Collins brought the discussion back to the next deadline we have to meet at the end of this year. The consultants report from the previous effort, i.e. draft section of the Comprehensive Plan will be the starting point for the final Comp Plan housing section revision. The Community Development Department will circulate a draft of proposed by the next meeting. That plan change has to clear the Planning Board and the Town Council (including required Public Hearings) for submission by year's end. Mr. Hickey said we should try to get this done with the present council before the November elections since they are already familiar with the previous work on the subject.

The Town Council Resolution relative its position concerning the pending legislation as of February 2004 is attached as APPENDIX C.

Wrap up:

Mr. Hickey reminded the members and staff that under the new state records law requirements all notices, minutes, proceedings etc. of any town board or commission must be on record in the Town Clerks office, since the Town Council has appointed the Town Clerk as the responsible person as required by state law. A copy of any document generated by this Board must be filed with the Town Clerk.

The next meeting was scheduled for Friday, August 13, 2004 at 8:30 AM.

The meeting adjourned at 10:10 AM.

**TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD**

**Approved Minutes of the 2nd Meeting
held August 13, 2004, at 8:30 AM, in the Board Room at the Town Hall**

This was the second meeting of the new Affordable Housing Board.

The meeting was properly called and posted at the Town Hall. Notice of future meetings will also be included on the meeting calendar, on the Cable channel and on the Town Web site.

Members Present:

John R. Hickey,	Council President pro-tem (chairman)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
Camilla Lee	Member of the Conservation Commission

Members Absent:

Michael DeLuca	Chairman of the Planning Board
James DeAngelis	Chairman of the Narragansett Housing Authority -
Geraldine Citrone	Member of the Zoning Board

Also present:

Michael McLoughlin	Director of the Narragansett Housing Authority
Linsey Cameron	Intern in the Community Development Office

The chairman declared a quorum present.

The minutes of the previous meeting had been sent out by e-mail and were distributed to those not having copies.

The minutes of the previous meeting (2nd Draft) were approved (Loontjens-Collins).

Mr. Hickey presented a copy of the WCRPC RFP for a regional housing entity.

Mr. Collins prepared the agenda which was distributed. A copy is attached as APPENDIX A. The agenda still used the word "committee" rather than the word "board" in the heading.

Considerable effort has been expended by the Community Development Department since the previous meeting.

Mr. Collins distributed a letter dated August 12, 2004; Subject: Towards an implementable Housing Plan. The letter is attached as Appendix B. The letter sets out the required schedule for Board, Planning Board and Town Council actions. The next meeting of this board will be held August 27, 2004 at *:30 AM in order to meet this schedule.

Mr. Collins also passed out an updated list of board members with pertinent contact information.

Leslie Cameron passed out 2 tables of research results statistics which have been recently generated. The first is entitled Affordable Housing in Narragansett. This chart updates the accepted numbers as of this time and as projected to build out. The second is entitled Progress Toward the 10% Goal. Leslie and Clark then explained these charts line by line to the board members. There was discussion on each line of the "Progress" chart since the meaning of the types of housing needed to be reviewed. There was discussion of possible amnesty programs for compliance (and consequent inclusion) for some of the categories.

The actual draft of the plan should be ready for the next meeting.

Mike Mc Loughlin said he would send a letter for the record to the town council relative to status and progress of the Camp Jori and Coffey Ave. projects.

The meeting adjourned at 9:40 AM.

1st Draft
TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD

Minutes of the 3rd Meeting
held August 27, 2004, at 8:30 AM, in the Board Room at the Town Hall

This was the third meeting of the new Affordable Housing Board.

The meeting was properly called and posted at the Town Hall. Notice of future meetings will also be included on the meeting calendar, on the Cable channel and on the Town Web site.

Members Present:

John R. Hickey,	Council President pro-tem (chairman)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
Michael DeLuca	Chairman of the Planning Board

Members Absent:

James DeAngelis	Chairman of the Narragansett Housing Authority
Geraldine Citrone	Member of the Zoning Board
Camilla Lee	Member of the Conservation Commission

Also present:

Linsey Cameron	Intern in the Community Development Office
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The chairman declared a quorum present.

The minutes of the previous meeting had been sent out by e-mail and were distributed to those not having copies.

The minutes of the previous meeting (1st Draft) were approved (Loontjens-Collins) with corrections. The final corrected minutes will be redistributed.

Mr. Hickey mentioned receiving a large document concerning Affordable Housing by e-mail this morning. It is 98 pages long in Adobe Acrobat ".pdf" format. It will be sent to others and the town clerk by e-mail. It was prepared by a company called I² Community Development Consulting.

Mr. Collins prepared the agenda which was distributed. A copy is attached as APPENDIX A

Mr. Hickey noted that the letter, dated August 14, 2004, previously requested for an update on the Camp Jori and Coffey/Francis Avenue properties had been received. It was prepared by Mike McLoughlin of the Narragansett Affordable Housing Corporation.

The Grow Smart "on-line" AH questionnaire was mentioned. Mr. Hickey said he had submitted one.

Mr. Collins reported on the "Grow Smart Meeting" held at URI. He said that Mr. O'Brien of statewide planning presented the requirements for towns in preparing their Affordable Housing Plans. These were somewhat different than what we had believed. Mr. Collins said we would have to change the numbers in the charts presented at our last meeting to conform. Among the points made was the proportionality issue that had been discussed previously under the WCRPC AH planning effort. This essentially states that the AH must be supplied in proportion to age / needs groups; e.g. all AH cannot be elderly housing. There was discussion of the CHAS report from HUD. Statewide Planning is saying that we must comply with this. Mr. DeLuca said he was familiar with this from his work in Cranston. He described that activity to the Board. Mr Collins said the CHAS numbers have to be used. There was discussion as to how realistic these numbers are for Narragansett since we have a unique situation, not only relative to the state but even with other South County towns. This is especially true relative to seasonal housing and URI student off-campus rentals. The second major requirement was for maps of potential AH sites. Mr. Collins felt that these maps would supply developers with target properties.

Mr. Collins and Ms. Cameron had prepared new sets of charts and tables (which were distributed).

These are relevant to the topics above and included:

- 1) Narragansett's Future Low / Moderate (LMI) Housing Needs, by CHAS 2000 Data. The breakdown is by elderly, family and other. The total future need is projected at 672 units.
Note: the definition of "Other" was discussed.
- 2) Age Distribution: a chart of Percent of Total vs. Age in years with traces for Narragansett, Washington County and Rhode Island.
Note: The bump at college age was a topic of major discussion.
Mr. Hickey said the impact of off-campus housing is a reality and that statewide planning must be made to appreciate this.
- 3) Proportional Need Projected: a shaded histogram chart of percentage for Narragansett, Washington County and Rhode Island. The categories in the bars are Other, Family and Elderly.
Note: it was noted that the elderly waiting list number was 320. Other waiting lists such as vouchers were unknown but may be able to be determined.
- 4) Population Projections: a Table of percentages by year to 2030 for the 3 subdivisions.
Narragansett is projected to have an average growth rate of 3.63% vs. 3.41% for Washington County and only 1.42% for the state.
- 5) Affordable Housing in Narragansett: a Table of housing numbers and percentages for the present and through build-out
- 6) Single Family Home Sales: a chart of price vs. year from 1980 to 2001. The increase over that period was from approximately \$45000 to \$24000 for Narragansett. There was no real discussion on this chart at this meeting.
- 7) Building Permits: a bar chart showing the numbers from 1996 to 2003 for single and multi family.

There was a long discussion relative to how to handle accessory apartments. Identification is primary for existing units. Possible stipulations relative AH were discussed for future units. This brought up the topic of rental registration. If current accessory apartments are rented then they are in violation. Mr. Loontjens is looking into the sending out of rental registration notices, which is a topic more appropriately related to off-campus housing (Narragansett/URI coalition) but also applies to this topic. The amnesty possibilities discussed at the last meeting were brought up again.

Relative to the map issue mentioned above the Board then discussed possible locations for inclusion on the required map(s). Mr. Collins recorded all suggestions for future consideration. Mr. Collins also cautioned about including environmentally sensitive areas which are also being considered for open-space on this AH development map.

The meeting ended because of other commitments by the members.

The next meeting was set for Friday, September 10, 2004 at 8:30 AM in the small Board Room.

The Board adjourned at 9: 50 AM

1st Draft
TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD

Minutes of the 4th Meeting
held September 10, 2004, at 8:30 AM, in the Small Board Room at the Town Hall

This was the fourth meeting of the Affordable Housing Board.
The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	Council President pro-tem (chairman)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
Michael DeLuca	Chairman of the Planning Board
Geraldine Citrone	Member of the Zoning Board

Members Absent:

James DeAngelis	Chairman of the Narragansett Housing Authority
Camilla Lee	Member of the Conservation Commission

Also present:

Linsey Cameron	Intern in the Community Development Office
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Public Present:

Mrs. Joan Garceau

The chairman declared a quorum present.

Some members had not received the minutes of the last meeting by e-mail (cause unknown) so the chairman passed around a copy of the minutes for review. The minutes are on file with the Town Clerk and the Community Development Department.

Mr. Hickey reviewed the last meeting for those not present. The requirement of "proportionality" was discussed. The minutes were approved unanimously (Loontjens - DeLuca).

Mr. DeLuca explained the meaning of the acronym CHAS: viz. "Comprehensive Housing Affordability Strategy".

The main topic of this meeting is the formulation of the draft plan. The required schedule was reviewed. The plan is due at the state by December 31, 2004. The board wishes that the plan be completed before the election so that the present council will hold the hearing because of their familiarity with the topic and requirements. In order to accomplish this the plan must be on the September 20th Council agenda. It will be to set down and advertise the hearing and 1st reading at the October 18th Council meeting. Since the October Planning Board meeting is not until October 19th they will have to hold a special meeting or a joint meeting with the Town Council. This Board will meet to finalize the plan on October 8th at 8:30 AM. Coordination with the Town Solicitor must be accomplished to meet this schedule. Mr. Loontjens will contact Mr. McSally relative to this matter (ordinance for) and send copies by e-mail of the reply and/ or discussion.

Linsey Cameron had prepared a new chart (copy attached) on which to base the plan. Note that the "new Construction Substract section was on the back of the page. She will supply an explanation of the chart in writing.

Mr. Hickey asked for the status and schedule for the plan's text regarding the chart. Mr. Collins stated that they would be using the Burrillville plan presented at the Grow Smart meeting mentioned at the last meeting and in the minutes.

Mr. Loontjens suggested that the chart on which the plan is based should be voted on at this meeting, even

though there may need to be changes and/or adjustments at a later date. The attached chart was approved unanimously (Citrone - DeLuca).

Mr. Loontjens had to leave for another meeting. Later Mr. Collins also had to leave for another meeting. Mrs. Garceau had some questions, which were answered by the board. She was directed to the Housing Authority for information on the waiting list for elderly housing, which we believe is in excess of 300. The reason for the 20-year time frame in the plan was explained. It was also mentioned that we might reach build-out before that time and also that we cannot stop other building to allow for available space to be used solely for affordable housing. She was told that communities, which already meet the 10% goal, still compete for and receive funding from the same sources as Narragansett. Relative to a program of reduced mortgage rates in Woonsocket the board did not know the answer.

The Board adjourned at 9:30 AM (Citrone - DeLuca).

09/10/04

PROGRESS TOWARD THE 10% GOAL

Program / Type of Housing	Current	5 Years	10 Years	15 Years	20 Years	Total	Proposed
Elderly	110	48	34	34	34	260	150
Elderly Rental	110	48	34	34	34	260	150
Family	69	77	72	74	66	358	289
Inclusionary Zoning	0	15	15	17	16	62	82
Narragansett Housing Authority Sect. 8	0	5	5	5	5	20	20
Family Rental	69	13	8	10	7	107	38
Planned Residential Developments (PRD)	0	4	4	4	4	16	16
Tax Incentive Programs	0	40	40	38	35	153	153
Accessory Apartments	25	56	46	46	44	217	233
Accessory Apartments	0	75	25	25	25	150	150
Lot Merger Infill	0	18	18	18	17	71	71
Rental Housing for Persons with Special Needs	25	3	3	3	3	37	12
Total	204	221	152	154	145	876	672

Inclusionary Zoning - Single Family Homeownership Units (New Construction)

Narragansett Housing Authority Section 8 - Homeownership (New Construction)

Family Rental Housing - Multifamily Apartment Units (Conversion, Rehab, New Construction)

PRD - Single & Multi-Family Ownership (New Construction)

Tax Incentive Programs - Multi-Family Rental (Conversion / Rehab)

Accessory Apartments - Rental, non-family (Conversion / New Construction)

Lot Merger - Mixed-use, Duplex, rental & ownership (Conversion / New Construction)

New Construction Unit
323

New Construction Subtract

Accessory Apts, Tax Incentives, 11 Special Needs Units, half of Infill

**1st Draft
TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD**

**Minutes of the 5th Meeting
held October 8, 2004, at 8:40 AM, in the Large Board Room at the Town Hall**

This was the fifth meeting of the Affordable Housing Board.
The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	Council President pro-tem (chairman)
Clarkson Collins	Community Development Director
James DeAngelis	Chairman of the Narragansett Housing Authority
Michael DeLuca	Chairman of the Planning Board
Camilla Lee	Member of the Conservation Commission

Members Absent:

Geraldine Citrone	Member of the Zoning Board
Maurice J Loontjens Jr.	Town Manager

Also present:

Linsey Cameron	Intern in the Community Development Office
Michael McLoughlin	Director of the Narragansett Housing Authority

Public Present:

Kyle Kluth	URI Journalism Student: as part of assignment
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The chairman declared a quorum present.

Members had received the minutes of the last meeting by e-mail

The minutes are on file with the Town Clerk and the Community Development Department.

The minutes were approved (DeLuca, Collins)

The primary reason for this meeting was to review and approve the new Draft Affordable Housing Plan developed by the Community Development Department. The draft had been circulated by e-mail to the members and printed copies were available at the meeting. Only one copy of the required maps was available for all to view.

Mr. Hickey and other members congratulated Mr. Collins and Ms. Cameron on the good job they did writing the plan and in meeting the deadline.

Mr. DeLuca had a number of suggested wording changes and a suggestion to change the type of one graph from a line plot to a bar chart. Mr. Hickey also had some typographical corrections. Because time was short these changes were referred to the Community Development Department to be incorporated before the Planning Board hearing on the plan to be held on Tuesday, October 12, 2004.

Mr. DeLuca and others also suggested more details in the lead in sections relative to economic forces beyond our control such as banking forces, low interest rates. etc. This was left until later.

Mr. Hickey requested that the board concentrate on the conclusions and recommendations since the preliminary and demographic data had been previously discussed. Mr. Collins noted that we this plan is based on the Washington County numbers rather than the town numbers since they appear to be more realistic for our purpose. They don't expect any adverse comments from the state on this choice. Mr. Collins then proceeded to direct the deliberations to the latter sections. Under Family Housing (page 21) there was a typo in subsection 1 and revision to the wording of subsection 4. The wording will be changed to " separation of currently merged lots". Mr. DeLuca's insertion was " Specific Criteria will be required

ATTACHMENT

This is the IMPLEMENTATION section of the Draft Affordable Housing Plan as discussed at the Board meeting of October 8, 2004. (was on Pages 24 through 26)

Implementation

It is estimated that the above actions would create a potential of 648 units of affordable housing over the next 20 years. However, a majority of the potential affordable units slated for the North End of Narragansett are tributary to the Westmoreland Street Regional Wastewater Treatment Facility (Westmoreland WWTF) which currently has insufficient capacity to service more than 388 additional units. The Westmoreland WWTF and its tributary collection system in Narragansett are currently being studied by the Town for potential upgrades, which may increase treatment capacity or decrease peak flow in the future. Consequently, this plan assumes only merged lots in the South End of Narragansett which are tributary to the Scarborough WWTF will be prioritized for affordable housing development during the first five years of this plan's implementation. As treatment capacity is increased, or alternatively, as the Town is successful in reducing infiltration and inflow into the North End collection system, it is strongly recommended that a significant portion of new flow capacity (50%) be set aside as a priority for affordable housing development.

Within twelve (12) months of the adoption of the Town of Narragansett's Affordable Housing Plan by the State of Rhode Island the Town of Narragansett shall adopt amendments to the zoning ordinance for the following actions:

1. Amend section 4.8.3 "Planned Residential Districts" to allow up to 25% bonus in density for affordable housing units.
2. Amend section 7 "Supplementary Zoning Regulations" to allow accessory apartments on existing residential lots in designated areas as approved by the Narragansett Affordable Housing Board, subject to covenants guaranteeing that all tenants are certified as qualifying for affordable housing under RIGL 45-53, and suitable development standards..
3. Amend section 7 "Supplementary Zoning Regulations" to provide mandatory inclusionary zoning measures requiring a minimum addition of 25% affordable units in each major subdivision or land development.

4. Amend section 8.1 (b) and (d) “Substandard Lots of Record” to allow for the development of affordable housing as defined in RIGL 45-53 on substandard lots, subject to compliance with appropriate development standards, and approval by the Narragansett Affordable Housing Board.
5. Amend section 8.1 (e) “Standards for merger of substandard lots on a district-by-district basis” to specify the areas suitable for development of affordable housing.
6. Amend Article XVI of the Town ordinances regarding rental registration to require that un-permitted accessory apartments must be occupied as affordable housing, or be discontinued in use. Also develop an amnesty program for un-permitted, un-registered accessory apartments, provided the owner agrees to affordable housing covenants.
7. Petition the General Assembly to allow the Town of Narragansett to create a property tax abatement program for owners of multi-family dwellings who commit to affordable housing covenants with the town.
8. Enter into a cooperative agreement with the Narragansett Housing Authority, the Narragansett Affordable Housing Corporation, or other state-approved affordable housing agency under which that agency will verify compliance with affordable housing covenants.
9. Petition the General Assembly to support municipal costs associated with low/ moderate income housing through school budget formulas and increased revenues from real estate transfer taxes.

These measures will be supplemented by actions on the part of the Town of Narragansett to generate affordable housing to meet the requirements of RIGL 45-53 through the above regulatory changes, and pro-active efforts to assist other public sector agencies and other non-profit agencies to find suitable sites for elderly and special needs populations.

1st Draft
TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD

Minutes of the 6th Meeting
held October 4, 2004, at 8:30 AM, in the Large Board Room at the Town Hall

This was the sixth meeting of the Affordable Housing Board.
The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	chairman (public member)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
Michael DeLuca	Chairman of the Planning Board
Camilla Lee	Member of the Conservation Commission

Members Absent:

James DeAngelis	Chairman of the Narragansett Housing Authority
Geraldine Citrone	Member of the Zoning Board
George Tracy	Town Council representative

Also present:

Linsey Cameron	Intern in the Community Development Office
Michael McLoughlin	Director of the Narragansett Housing Authority

Public Present:

No public or press attended the meeting.

The chairman declared a quorum present.

Members had received the minutes of the last meeting by e-mail

The minutes are on file with the Town Clerk and the Community Development Department.

The minutes of the last meeting were approved (Loontjens,DeLuca)

Preamble:

The last meeting was prior to the November 2004 election. At that time the draft Affordable Housing Plan had been heard at a public hearing of the planning board and later by the previous town council. It was sent to the State for review, comment and possible approval. The last meeting had been adjourned to the call-of-the-chair anticipating a reply from the state at some unspecified time. Mr. Hickey who was the council representative prior to the election was not re-elected to the Town Council. The new council appointed him as a public member of the board at the January 3, 2005 meeting. It was assumed that Mr. Hickey would remain the chairman of the board barring any motion to the contrary.

It was also noted that the application by the Housing Authority for funding of the proposed Camp Jori housing for the elderly had not been funded, the project finishing 3rd in the competition. The Town Council has appointed an ad-hoc committee to look at the situation relative to the Camp Jori housing project. Alternate funding and proposals will be discussed by that committee. Mr McLoughlin requested that this board wait for the results of that study.

AGENDA:

The agenda had been circulated and posted prior to the meeting.

The main reason for this meeting was to review the state's preliminary comments and to discuss possible response or modifications to our proposed plan. There were 2 sets of state responses to date. Neither is the official response. The official state response is not due until April 2005. We must respond to that by June 2005.

Clark Collins said there is a proposal for new rules. There will be a public hearing on these.

The comments dated November 1, 2004 were passed out to those who did not have them. These will be available with these minutes in the Town Clerk's office and the Community Development office.

It was mentioned that CRMC will be involved in the review process. To what extent and with what authority was not known. There are certain areas of the town which do not fall under CRMC jurisdiction. We will need further information on this aspect of the review.

The draft report of the consultant to the WCRPC regarding a "Regional AH Entity" was circulated. Narragansett was mentioned as the only town which had a fully functioning housing authority which actually controlled property. The recommendation is for a "not for profit" entity if the regional approach is followed. Further discussion awaits the final report. Mr. Hickey is still a member of the steering committee of that effort.

The remainder of the meeting was consumed by discussion of our strategies which were questioned by the state in the preliminary review comments. Mike Mc Loughlin mentioned that he could give us an update relative to Camp Jori housing but not at this time since the council had appointed an ad-hoc committee for that. He also mentioned holding a seminar on how owners could become eligible for Ah rental properties by performing improvements to existing property. The question of identifying accessory apartments was discussed at length with no conclusion.

The committee decided to wait for the final state and agency comments which should be received by the next meeting. There were no votes taken.

The committee adjourned at 9: 55 AM since members had other commitments.

The next meeting was scheduled for Friday, February 11, 2005 at 8:40 AM in the large conference room of the Town Hall. The chairman will notify the town clerk.

**TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD
2nd DRAFT**

Minutes of the 7th Meeting

held February 11, 2005, at 8:40 AM, in the Large Board Room at the Town Hall

This was the seventh meeting of the Affordable Housing Board.

The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	chairman (public member)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
George Tracy	Town Council representative
Camilla Lee	Member of the Conservation Commission

Members Absent:

Michael DeLuca	Chairman of the Planning Board
James DeAngelis	Chairman of the Narragansett Housing Authority
Geraldine Citrone	Member of the Zoning Board

Also present:

Linsey Cameron	Intern in the Community Development Office
Michael McLoughlin	Director of the Narragansett Housing Authority

Public Present:

No public or press attended the meeting.

The chairman declared a quorum present.

Members had received the minutes of the last meeting by e-mail

The minutes are on file with the Town Clerk and the Community Development Department.

The minutes of the last meeting were approved (Loontjens, Collins): vote unanimous

Preamble:

It had been expected that Clark Collins would be retiring in March 2005, which would have brought up the question of this being his last meeting. Mr. Collins said his plans had been changed to July 2005 so that he would be available through the remainder of the next submission process.

Mr McLoughlin reported that the Housing Authority has no new information on funding of the proposed Camp Jori housing for the elderly. The ad-hoc committee to look has no new information at this time. There will be a meeting on Tuesday, February 15 in Providence concerning this project.

AGENDA:

The agenda had been circulated and posted prior to the meeting.

The main reason for this meeting was to review the state's final comments on our Affordable Housing Plan and to discuss possible response or modifications to our proposed plan. The state's comments were circulated to the members for review prior to the meeting. Mr. DeLuca , who was unable to attend this meeting prepared a letter with his comments on the latest state response. Copies of this were passed out.

The timetable was reviewed. The next round has a limit of 60 days. The Planning Board and Town Council do not need to hold hearings in that period. The response from this board is sufficient..

Linsey had prepared a response to the latest state comments. This did not include all listed items. In addition there were 3 Attachments to the state comments: Water Resources Board, CRMC and RIDEM, Office of Waste Management. These must also be addressed in our response.

At the chairman's suggestion the board then reviewed the state comments item by item in the order

presented. Since the order of the comments and the reply are not directly "in-order" and have "cross-referenced and interrelated paragraphs" it was felt that a matrix or table relating replies to comments would be helpful. Clark and Linsey said they would try to prepare one.

In the Community Development document on changes to our plan the following sections are included:

- Development Potential (including Build-Out Analysis).

 - Building Permits

 - Availability of Developable Land

 - Occupancy

- Affordable Housing

 - 10% Affordable Housing Goal

 - Existing Affordable Housing

- Affordable Housing Resources

 - Narragansett Housing Authority

 - Narragansett Affordable Housing Board

- Policies to Promote Affordable Housing

 - Inclusionary Zoning

- Affordable Housing Implementation by Type

 - Introduction

 - Elderly Housing

 - Family Housing

 - Inclusionary Zoning for Single Family Units

 - Inclusionary Zoning for Multifamily Units

 - Un-merge Lots Under Same Ownership for Single Family Affordable Housing

Note: The section on the Town's Actions on page 31 of the "changes document" has been lined out and will be rewritten.

Note: A letter from Jeff Cesarine, Town Engineer, was attached which answers the questions relative to the water supply.

It was noted that there is not a computer friendly version of the state comments, only hard copy. This makes it difficult to circulate to members and the archives.

A discussion was held concerning and "Affordable Housing Trust" which would hold and manage funds for this purpose. It was recommended that this "Affordable Housing Board" would be the custodian if such a trust were established.

Relative to PRDs, there had been 4 under consideration. Clark updated us on these. Greenberg has withdrawn the proposal for Ocean Road at the Atlantic East apartments temporarily. The Clark road development is proceeding. The one at open land near Christafaro Park in the North End is now slated for 4 units, not considered affordable. 56 units of affordable housing had been considered previously. The plan for the land at the old Pier Pharmacy on Matthewson St. is not known.

Linsey noted that the section relating to PRD (page 3) had not been answered yet.

There was some confusion over the mention of AMI (area median income) for Narragansett as brought up by the reviewer. These number are developed by HUD and not by the Town or the State. Maury or Clark will check on this.

Clark mentioned that we now have mapping of the merged lots.

Next Meeting:

There was a problem scheduling the next meeting with a quorum in March because of member commitments. Since the reply must be reviewed and submitted it was decided to hold another meeting in February. The next meeting will be held Friday, February 25, at 8:40 AM in the large conference room at the Town Hall.

The chairman requested that copies of the documents, with attachments, reviewed at this meeting be given to the town clerk for inclusion with the minutes.

The meeting adjourned at 10:20 AM.

**TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD
1st DRAFT**

Minutes of the 8th Meeting

held February 25, 2005, at 8:40 AM, in the Large Board Room at the Town Hall

This was the eighth meeting of the Affordable Housing Board.

The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	chairman (public member)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
George Tracy	Town Council representative
Camilla Lee	Member of the Conservation Commission
Michael DeLuca	Chairman of the Planning Board

Members Absent:

James DeAngelis	Chairman of the Narragansett Housing Authority
Geraldine Citrone	Member of the Zoning Board

Also present:

Linsey Cameron	Intern in the Community Development Office
Michael McLoughlin	Director of the Narragansett Housing Authority

Public Present:

No public or press attended the meeting.

The chairman declared a quorum present.

Members had received the minutes of the last meeting by e-mail. There was also a corrected draft.

The minutes are on file with the Town Clerk and the Community Development Department.

The minutes of the last meeting were approved (Loontjens, Collins): vote unanimous

This meeting was conducted as a read-through of the latest version of the revised plan to be submitted to the state from new pages passed out by Clark Collins and Linsey Cameron.

Mr. Hickey reviewed the WCRPC plan for the regional entity. Mr. Tracy mentioned the upcoming regional WCRPC meeting and congress. Mr. Hickey mentioned that the state moratorium had indeed ended on January 30, 2005 as he had thought earlier.

Mr. Collins stated that the town's reply to the state was due by March 20, 2005 which in turn will require us to have another meeting before that since the plan is not complete at this time. Then the state must reply with a final decision in 30 days which we believe to be April 22, 2005. At that time the plan will have to set up for review and public hearings by both the planning board and later by the Town Council.

The missing section of our plan is "Job-Growth" prediction section. This will have to be finished before submission. Mr. Collins thought he might get help from a consultant presently working for the town on a different project. The members felt that job growth would actually be negative because of factors which affect local employers, such as decreases in the fishing industry. Some felt that job growth needed to be considered on a regional basis since Narragansett is becoming more of a residential (bedroom) community. Help will be sought from the Department of Labor and Training.

Relative to "Special Needs" the town will work with MHRH.

Relative "Accessory Use" the town will have to petition the General Assembly for special legislation.

The new AH Land Trust was discussed. This will have the AH Board as custodian. This must be

established and approved by the Town Council.

The board then reviewed the changes to the plan on a page by page basis. There was some problem with page numbering and the lead-in paragraphs which will be corrected for the final version. The Board was in general agreement on the current draft. The additions and corrections will be made in the interim.

The revised version will be distributed to the board before the next meeting for review because of the time factor. It was difficult to schedule the next meeting because of other commitments of those present. Many have travel and other commitments during the critical period.

The next meeting was scheduled for Monday, March 21, 2005 at 8:40 AM in the large conference room. This was later changed to Friday, March 18, 2005 @ 8:45 AM in the large conference room of the town hall.

The meeting adjourned at 10:00 AM

**TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD
1st DRAFT**

Minutes of the 9th Meeting

held Friday, March 18, 2005, at 8:45 AM, in the Large Board Room at the Town Hall

This was the ninth meeting of the Affordable Housing Board.

The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	chairman (public member)
Maurice J Loontjens Jr.	Town Manager
Clarkson Collins	Community Development Director
George Tracy	Town Council representative
Camilla Lee	Member of the Conservation Commission
Michael DeLuca	Chairman of the Planning Board
James DeAngelis	Chairman of the Narragansett Housing Authority

Members Absent:

Geraldine Citrone Member of the Zoning Board
Linsey Cameron was not able to be present: Intern in the Community Development Office

Public Present:

No public or press attended the meeting.

The chairman declared a quorum present.

Members had received the minutes of the last meeting by e-mail. There was also a corrected draft.

The minutes are on file with the Town Clerk and the Community Development Department.

The minutes of the last meeting were approved (Loontjens, DeLuca): vote was unanimous.

This meeting was intended for the FINAL read-through of the latest version of the revised plan to be submitted to the state. The latest version had been circulated to the members prior to the meeting.

Mr. Collins stated that the town's reply to the state was due by March 20, 2005.

The missing section of our plan was "Job-Growth" prediction section. Mr. Collins submitted this at this meeting for review and inclusion.

Mr. Hickey mentioned that an article in the Providence Journal quoted a spokeswoman for the state as saying that they understood that Narragansett had some unique conditions relative to low-mod housing.

The board then reviewed the changes to the plan on a page by page basis. Mr. Loontjens presented a number of grammatical and content corrections. Mr. DeLuca presented a number of suggested changes from his review. Some of these will be incorporated in the finished document.

Mr. Hickey noted that the final table could be used as an action-item list for further Board activity. He noted that Mr. Tracy would need to introduce agenda items to the town council for their required actions under the plan. This includes the requests for legislation.

Mr. Collins will have to make the changes quickly and bring the final plan to the state.
The FINAL PLAN when available will be a part of these minutes.

Copies of the final plan will be distributed to the Board Members and the Town Council.
A formal **motion to accept / approve** the amended FINAL PLAN was made by Mr. Tracy and seconded by Mr. DeAngelis: It passed unanimously.

The next meeting was scheduled for Friday, April 29th, 2005 at 8:45 AM in the large conference room.
The meeting adjourned at 10:15 AM

**TOWN of NARRAGANSETT
AFFORDABLE HOUSING BOARD
1st DRAFT**

Minutes of the 10th Meeting

held Friday, May 6, 2005, at 8:45 AM, in the Small Board Room at the Town Hall

This was the tenth meeting of the Affordable Housing Board.

The meeting was rescheduled from the previously planned April 29th meeting

The meeting was properly called and posted at the Town Hall

Members Present:

John R. Hickey,	chairman (public member)
Clarkson Collins	Community Development Director
George Tracy	Town Council representative
Camilla Lee	Member of the Conservation Commission
Michael DeLuca	Chairman of the Planning Board
James DeAngelis	Chairman of the Narragansett Housing Authority

Members Absent:

Maurice J Loontjens Jr.	Town Manager
Geraldine Citrone	Member of the Zoning Board

Also Present

Linsey Cameron: Intern in the Community Development Office

Public Present:

Mrs. Joan Garceau

The chairman declared a quorum present.

Members had received the minutes of the last meeting by e-mail.

The minutes are on file with the Town Clerk and the Community Development Department.

The minutes of the last meeting were approved (DeLuca; DeAngelis): vote was unanimous.

This meeting was intended for review of the state agency comments on the 3rd version of the plan that has been submitted. We had thought that the last version (see last minutes) would be the final plan.

Mr. Collins informed the board that there were 2 new sets of comments: one from statewide planning and one from RI Housing. The former was not critical so Mr Collins had answered already. They involved proximity to the public transportation (bus) routes and designation of a monitoring agent. Narragansett Affordable Housing Corporation was named as the agent. The new pages for these 2 items were not yet included in the plan. Linsey Cameron will reassemble / repaginate the document when all changes are finalized.

The comments from RIH were more extensive so they were discussed in order from the comment sheet. Because of a misunderstanding (by RIH) of the effect of un-merged lots it will be necessary to rearrange the number in the layout of Table 13. 30% of the 140 units will be switched from owner occupied to rental. 3 tables will replace the single table we now have. Relative to Camp Jori, they wanted it as a separated entity. We do not believe this to be in our interest. The reasons will be discussed in the cover letter of the next submission. We do not intend to change the plan in this regard. They want an analysis of each lot re: page 3 Map 5. Other comments related to changes on page 4 for accessory apartments, page 6, and page 7. Relative to MHRH (group homes) the comments cannot be included by the town. MHRH requires confidentiality when siting these facilities. There were also changes on pages 9 and 10. Mr. Collins will address these in the redraft and the cover letter.

The gist of some comments is that we have to provide all the details of zoning, utilities, wetlands etc. to developers for designated parcels. This information is included in other town land evidence records and

property descriptions and also in the land use maps. The board feels the developers should acquire this information in the usual manner and it need not be included in the plan.

Mr. Collins stated he needs to prepare a letter from the staff to Kevin Nelson of statewide planning by May 16th. Copies of the letter will also be sent to the members of this board.

Mr. Tracy brought up a draft resolution relative to the proposed regional affordable housing entity which had been proposed by the WCRPC. Mr. Hickey (the former WCRPC representative) explained why he was not in favor of the entity. Mr. Collins also stated that he didn't believe it to be necessary. This had been discussed at previous meetings of this board.

Mr. Collins mentioned that a landlord with many existing units had visited him relative to the merits of switching over to affordable housing. This was an encouraging sign.

The next meeting was scheduled for Thursday, May 26th, 2005 at 8:45 AM in the large conference room. The meeting adjourned at 9:45 AM

Appendix F

Possible Language on Developing an Affordable Housing Program and Drafting Ordinances

Inclusionary Zoning
Developing a Program & Drafting an Ordinance

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PART 1
SECTION A: Purpose and Intent
RHODE ISLAND LEGISLATIVE LANGUAGE

TITLE 45 Towns and cities
CHAPTER 45-24 Zoning Ordinances
SECTION 45-24-30

§ 45-24-30 General purposes of zoning ordinances. – Zoning regulations shall be developed and maintained in accordance with a comprehensive plan prepared, adopted, and as may be amended, in accordance with chapter 22.2 of this title and shall be designed to address the following purposes. The general assembly recognizes these purposes, each with equal priority and numbered for reference purposes only.

(1) Promoting the public health, safety, and general welfare.

(2) Providing for a range of uses and intensities of use appropriate to the character of the city or town and reflecting current and expected future needs.

(3) Providing for orderly growth and development which recognizes:

(i) The goals and patterns of land use contained in the comprehensive plan of the city or town adopted pursuant to chapter 22.2 of this title;

(ii) The natural characteristics of the land, including its suitability for use based on soil characteristics, topography, and susceptibility to surface or groundwater pollution;

(iii) The values and dynamic nature of coastal and freshwater ponds, the shoreline, and freshwater and coastal wetlands;

(iv) The values of unique or valuable natural resources and features;

(v) The availability and capacity of existing and planned public and/or private services and facilities;

(vi) The need to shape and balance urban and rural development; and

(vii) The use of innovative development regulations and techniques.

(4) Providing for the control, protection, and/or abatement of air, water, groundwater, and noise pollution, and soil erosion and sedimentation.

(5) Providing for the protection of the natural, historic, cultural, and scenic character of the city or town or areas in the municipality.

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(6) Providing for the preservation and promotion of agricultural production, forest, silviculture, aquaculture, timber resources, and open space.

(7) Providing for the protection of public investment in transportation, water, stormwater management systems, sewage treatment and disposal, solid waste treatment and disposal, schools, recreation, public facilities, open space, and other public requirements.

(8) Promoting a balance of housing choices, for all income levels and groups, to assure the health, safety and welfare of all citizens and their rights to affordable, accessible, safe, and sanitary housing.

(9) Providing opportunities for the establishment of low and moderate income housing.

(10) Promoting safety from fire, flood, and other natural or unnatural disasters.

(11) Promoting a high level of quality in design in the development of private and public facilities.

(12) Promoting implementation of the comprehensive plan of the city or town adopted pursuant to chapter 22.2 of this title.

(13) Providing for coordination of land uses with contiguous municipalities, other municipalities, the state, and other agencies, as appropriate, especially with regard to resources and facilities that extend beyond municipal boundaries or have a direct impact on that municipality.

(14) Providing for efficient review of development proposals, to clarify and expedite the zoning approval process.

(15) Providing for procedures for the administration of the zoning ordinance, including, but not limited to, variances, special-use permits, and, where adopted, procedures for modifications.

(16) Providing opportunities for reasonable accommodations in order to comply with the Rhode Island Fair Housing Practices Act, chapter 37 of title 34, the United States Fair Housing Amendments Act of 1988 (FHAA), the Rhode Island Civil Rights of Persons with Disabilities Act, chapter 87 of title 42, and the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. § 12101 et seq.

TITLE 45

Towns and cities

CHAPTER 45-24

Zoning Ordinances

SECTION 45-24-33

§ 45-24-33 Standard provisions. – (a) A zoning ordinance addresses each of the purposes stated in § 45-24-30 and addresses, through reasonable objective standards and criteria, the following general provisions which are numbered for reference purposes only:

(1) Permitting, prohibiting, limiting, and restricting the development of land and structures in zoning districts, and regulating those land and structures according to their type, and the nature and extent of their use;

(2) Regulating the nature and extent of the use of land for residential, commercial, industrial, institutional, recreational, agricultural, open space, or other use or combination of uses, as the need for land for those purposes is determined by the city or town's comprehensive plan;

(3) Permitting, prohibiting, limiting, and restricting buildings, structures, land uses, and other development by performance standards, or other requirements, related to air and water and groundwater quality, noise and glare, energy consumption, soil erosion and sedimentation, and/or the availability and capacity of existing and planned public or private services;

(4) Regulating within each district and designating requirements for:

(i) The height, number of stories, and size of buildings;

(ii) The dimensions, size, lot coverage, floor area ratios, and layout of lots or development areas;

(iii) The density and intensity of use;

(iv) Access to air and light, views, and solar access;

(v) Open space, yards, courts, and buffers;

(vi) Parking areas, road design, and, where appropriate, pedestrian, bicycle, and other circulator systems;

(vii) Landscaping, fencing, and lighting;

(viii) Appropriate drainage requirements and methods to manage stormwater runoff;

(ix) Public access to waterbodies, rivers, and streams; and

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- (x) Other requirements in connection with any use of land or structure;
- (5) Permitting, prohibiting, limiting, and restricting development in flood plains or flood hazard areas and designated significant natural areas;
- (6) Promoting the conservation of energy and promoting energy-efficient patterns of development;
- (7) Providing for the protection of existing and planned public drinking water supplies, their tributaries and watersheds, and the protection of Narragansett Bay, its tributaries and watershed;
- (8) Providing for adequate, safe, and efficient transportation systems; and avoiding congestion by relating types and levels of development to the capacity of the circulation system, and maintaining a safe level of service of the system;
- (9) Providing for the preservation and enhancement of the recreational resources of the city or town;
- (10) Promoting an economic climate which increases quality job opportunities and the overall economic well-being of the city or town and the state;
- (11) Providing for pedestrian access to and between public and private facilities, including, but not limited to schools, employment centers, shopping areas, recreation areas, and residences;
- (12) Providing standards for and requiring the provision of adequate and properly designed physical improvements, including plantings, and the proper maintenance of property;
- (13) Permitting, prohibiting, limiting, and restricting land use in areas where development is deemed to create a hazard to the public health or safety;
- (14) Permitting, prohibiting, limiting, and restricting extractive industries and earth removal and requiring restoration of land after these activities;
- (15) Regulating sanitary landfill, except as otherwise provided by state statute;
- (16) Permitting, prohibiting, limiting, and restricting signs and billboards, and other outdoor advertising devices;
- (17) Designating airport hazard areas under the provisions of chapter 3 of title 1, and enforcement of airport hazard area zoning regulations under the provisions established in that chapter;
- (18) Designating areas of historic, cultural, and/or archaeological value and regulating development in those areas under the provisions of chapter 24.1 of this title;

(19) Providing standards and requirements for the regulation, review, and approval of any proposed development in connection with those uses of land, buildings, or structures specifically designated as subject to development plan review in a zoning ordinance;

(20) Designating special protection areas for water supply and limiting or prohibiting development in these areas, except as otherwise provided by state statute;

(21) Specifying requirements for safe road access to developments from existing streets, including limiting the number, design, and location of curb cuts, and provisions for internal circulation systems for new developments, and provisions for pedestrian and bicycle ways; and

(22) Reducing unnecessary delay in approving or disapproving development applications, through provisions for preapplication conferences and other means.

(23) Providing for the application of the Rhode Island Fair Housing Practices Act, chapter 37 of title 34, the United States Fair Housing Amendments Act of 1988 (FHAA), the Rhode Island Civil Rights People with Disabilities Act, chapter 37 of title 42, and the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. § 12101 et seq.

(24) Regulating drive-through windows of varied intensity of use when associated with land use activities and providing standards and requirements for the regulation, review and approval of the drive-through windows, including, but not limited to:

(i) Identifying within which zoning districts drive-through windows may be permitted, prohibited, or permitted by special use permit;

(ii) Specifying requirements for adequate traffic circulation; and

(iii) Providing for adequate pedestrian safety and access, including issues concerning safety and access for those with disabilities.

(b) A zoning ordinance may include special provisions for any or all of the following:

(1) Authorizing development incentives, known as incentive zoning, for purposes of providing increases in the permitted use or dimension as a condition for, but not limited to:

(i) Increased open space;

(ii) Increased housing choices;

(iii) Traffic and pedestrian improvements;

(iv) Public and/or private facilities; and/or

(v) Other amenities as desired by the city or town and consistent with its comprehensive plan. The provisions in the ordinance shall include maximum allowable densities of population and/or

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intensities of use and shall indicate the type of improvements, amenities, and/or conditions. Conditions may be made for donation in lieu of direct provisions for improvements or amenities;

(2) Establishing a system for transfer of development rights within or between zoning districts designated in the zoning ordinance; and

(3) Regulating the development adjacent to designated scenic highways, scenic waterways, major thoroughfares, public greenspaces, or other areas of special public investment or valuable natural resources.

SECTION A: Purpose and Intent

EXAMPLES OF MUNICIPAL ORDINANCE LANGUAGE

Boulder, CO

The purposes of this chapter are to:

- (a) Implement the housing goals of the City Master Plan;
- (b) Promote the construction of housing that is affordable to the community's workforce;
- (c) Retain opportunities for people that work in the City to also live in the City;
- (d) Maintain a balanced community that provides housing for people of all income levels; and
- (e) Insure that housing options continue to be available for very low-income, low-income, and moderate-income residents, for special needs populations and for a significant proportion of those who both work and wish to live in the City.

Burlington, VT

The intent of these regulations is:

- a. To meet the specific mandates of *24 V.S.A. Section 4302* related to housing opportunities for all of Vermont's citizens, particularly for those citizens of low or moderate income;
- b. To mitigate the impact of market rate housing construction on the limited supply of available land suitable for housing, thus preventing the city's zoning ordinances which allow residential development from having the effect of excluding housing that meets the needs of all economic groups within the municipality; and
- c. To prevent overcrowding and deterioration of the limited supply of affordable housing, and thereby promote the public health, safety and general welfare.

Sample Inclusionary Zoning Ordinance, developed by the Institute for Local Government

SECTION 10-10-100. PURPOSE.

The purpose of this Chapter is to:

- (a) Encourage the development and availability of housing affordable to a broad range of Households with varying income levels within the City as mandated by State Law, California Government Code Sections 65580 and following.
- (b) Promote the City's goal to add affordable housing units to the City's housing stock in proportion to the overall increase in new jobs and housing units;
- (c) Offset the demand on housing that is created by new development and mitigate environmental and other impacts that accompany new residential and Commercial Development by protecting the economic diversity of the City's housing stock, reducing traffic, transit and related air quality impacts, promoting jobs/housing balance and reducing the demands placed on transportation infrastructure in the region;
- (d) *[Identify additional local policies, especially in the General Plan, which this ordinance serves, to provide a stronger policy basis and deeper record to support the ordinance.]*

SECTION B: Mandatory vs. Voluntary Inclusionary Zoning

LANGUAGE FOR VOLUNTARY INCLUSIONARY ZONING

Bellevue, WA

- A. *Purpose.* The purpose of this section is to offer dimensional flexibility and density bonuses to encourage construction of housing affordable to low and moderate income households.
- B. *General.* The provisions of this section are available, at the sole discretion of the property owner, as incentives to encourage the construction of affordable housing in new multifamily residential development.
1. *Multifamily Development.* One bonus market rate unit is permitted for each affordable unit provided, up to 15 percent above the maximum density permitted in the underlying zoning district.
 2. *Duration.* An agreement in a form approved by the City must be recorded with King County Department of Records and Elections requiring affordable housing units which are provided under this section to remain as affordable housing for the life of the project. This agreement shall be a covenant running with the land, binding on the assigns, heirs and successors of the applicant.
 3. In zoning districts where density limitation is expressed as floor area ratio (FAR), density bonuses will be calculated as an equivalent FAR bonus.
- C. *Dimensional Standard Modification.* The following requirements of the Land Use Code may be modified through the procedures outlined in paragraph D of this section, to the extent necessary to accommodate affordable housing units and bonus units on-site.
1. *Lot Coverage.* The maximum percent of lot coverage may be increased by up to five percent of the total square footage over the maximum lot coverage permitted by the underlying zoning district for those properties or lots containing affordable housing units.
 2. *Parking Requirements.* For those buildings containing affordable housing, the percent of compact parking stalls may be increased up to 75 percent of the total required parking in non-Downtown Zoning Districts and up to 85 percent of the total required parking in Downtown Zoning Districts. Tandem parking stalls are permitted to the extent feasible to satisfy required parking ratios.
 3. *Building Height.* Except in Transition Areas, the maximum building height in R-10, R-15, R-20 and R-30 Zoning Districts may be increased by up to six feet for those portions of the building(s) at least 20 feet from any property line.
 4. *Lot Area.* Lots which contain affordable housing units in single-family subdivisions may be reduced by up to 20 percent of the minimum lot area required by the underlying zoning district; provided, that the density in the

subdivision does not exceed 15 percent above the maximum permitted by the underlying zoning district.

5. *Open Space.* The Open and Recreation Space Requirement within a residential planned unit development containing affordable housing may be reduced to 35 percent of gross land area. All other requirements of LUC 20.30D.60 shall continue to apply.

Snohomish, WA

Eligibility. A low-income housing density incentive may be granted to multiple-family projects being developed within land use designations Multifamily Residential 12, Multifamily Residential 18 and Multifamily Residential 24 as regulated by SMC Title 14. This chapter shall amend the permitted density provisions of these land use designations such that multifamily residential developments may be granted a 10 percent unit density incentive if all of the following criteria are met:

- A. The property owner is either a governmental agency or a non-profit corporation, incorporated pursuant to Chapter 24.03 RCW, which will manage the development of project to meet the housing needs of low-income persons as defined by the federal or state low-income standards.
- B. The owner will covenant with the City of Snohomish to manage the development for low-income housing purposes for a minimum of thirty years.
- C. The owner will enter into a binding covenant with the City, which covenants site and building design, and other conditions required to grant the density incentive.
- D. The density incentive will not be permitted for projects with a pre-incentive development containing more than forty units upon any given site, or within any given development. To qualify for a density incentive, a development must be no more than forty units, and any development shall be separated from other developments qualifying for density incentive by an unrelated land use, under separate ownership, other than a public or private street, easement, or buffer strip. However, where a 10 percent density bonus is requested for projects between twenty and forty units, the 10 percent density bonus may be denied or reduced if shopping opportunities are not available within reasonable proximity and if neighborhood parks are not within reasonable proximity or recreational opportunities are not provided on site.
- E. The project proponent will demonstrate through occupancy studies that the Snohomish Municipal Code (Update October 2001) 14.37-2 increase in density will not result in a significant increase in the on-street parking, traffic, park and utility impacts in the neighborhood over those which would be expected by a project developed at the pre-incentive density.

Tiburon, CA

(a) Pursuant to Government Code Section 65915 et seq., the town shall provide density bonuses of twenty-five percent for projects which provide twenty percent of the total units of a residential development for lower income households, ten percent of the total units of a residential development for very low income households, or fifty percent of the total units of a residential development for people 62 years of age or older, or 55 years of age or older in a senior citizen housing development; or the town shall provide a density bonus of ten percent for condominium projects which provide twenty percent of the total units for moderate income households, in addition to the other incentives described in sections 6.03 (g), (h), (i) and (j).

(b) Applicants who propose residential development which complies with the affordability requirements described in section (a) may submit to the town a proposal for the specific incentive described in sections 6.03(g), (h), (i) and (j). The town shall award the incentive unless either of the following written findings is made based upon substantial evidence:

1. The incentive is not required in order to provide for affordable housing costs, or
2. The incentive would have a specific adverse impact upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low and moderate income households.

(c) The town shall grant density bonuses, which allow the re-establishment of developments containing affordable housing units when such developments are destroyed by fire, earthquake, or similar disaster, even when such developments may exceed current allowable densities.

SECTION C: Applicability
APPLICABILITY – SIZE AND TYPE OF PROJECT

Burlington, VT

Except as otherwise provided in this ordinance, these regulations shall apply only to permit requests including:

- a. The creation of five (5) or more dwelling units through new construction and/or substantial rehabilitation of existing structures; or
- b. The creation of ten (10) or more dwelling units through adaptive reuse or conversion of a nonresidential use to residential use.

Multiple developments or projects by the same applicant or responsible party within any consecutive twelve (12) month period that in the aggregate equal or exceed the above criteria shall be subject to these regulations.

Any project meeting the criteria of this section shall be deemed a covered project.

Somerville, MA

The affordable housing requirements of this Article shall apply to all residential developments seeking special permits with site plan review to develop 8 or more dwelling units, whether new construction, substantial rehabilitation, or adaptive reuse.

SECTION D: Required Set-Asides and Options

REQUIRED SET-ASIDES

Boulder, CO

(a) Developments of Five or More Dwelling Units: Any development containing five or more dwelling units is required to include at least twenty percent of the total number of dwelling units within the development as permanently affordable units.

(b) Developments Containing Four Dwelling Units or Less: Any development containing four dwelling units or less may comply with the obligations of this chapter either by including one permanently affordable unit within the project, by dedicating an off-site permanently affordable unit, by dedicating land that meets the requirements set forth in Section 9-6.5-7, "Off-Site Inclusionary Zoning Option," B.R.C. 1981, or by providing a cash-in-lieu financial contribution to the city's affordable housing fund established by Section 9-6.5-6, "Cash-in-Lieu Equivalent for a Single Permanently Affordable Unit," B.R.C. 1981.

Sacramento, CA

In developments covered by this section, the inclusionary housing component shall consist of affordable units leased or sold as follows:

- x% to very low income families (earning no more than 50% of area median income);
- x% to low income (earning more than 50% of area median income but no more than 80% of area median income); and
- x% to moderate income families (earning more than 80% of area median income but no more than 115% of area median income).

Davis, CA

A developer of multifamily rental developments containing 50 or more units shall provide at least 25% of the units affordable to low income households (earning more than 50% of area median income but no more than 80% of area median income) and at least 10% percent of the units affordable to very low income households (earning no more than 50% of area median income). A developer of multifamily rental developments containing between five and nineteen units, inclusive, shall provide 15% percent of the units to low income households and 10% percent to very low income households.

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Burlington, VT

Sec. 14.1.7 Inclusionary Units (Rental). For projects where units are offered for rent, fifteen percent (15%) of all of the dwelling units in the project shall be designated as inclusionary units except that in any waterfront zoning district twenty-five percent (25%) of all the dwelling units in the project shall be designated as inclusionary units.

Sec. 14.1.8 Inclusionary Units (For Sale). For covered projects where units are offered for sale via the conveyance of a deed or share for individual units, inclusionary units shall be designated in accordance with the following table:

Table 14-A: Inclusionary Zoning Percentages		
If the average sale price of project units is affordable to household earning:	The percentage of units which are subject to rents and selling prices as per <u>Sec. 14.1.10</u> and are subject to marketing and continued affordability provisions (<u>Sec. 14.1.11</u> and <u>Sec. 14.1.12</u>) shall be:	The percentage of units which are subject to marketing and continued affordability provisions (<u>Sec. 14.1.11</u> and <u>Sec. 14.1.12</u>) shall be:
Less than 80% of median income	0%	15%
80% - 99% of median income	10%	5%
100% - 139% of median income	15%	0%
140%-179% of median income	20%	0%
180% of median income and above	25%	0%

SECTION D: Required Set-Asides and Options

OPTION OF PAYMENT IN LIEU

Boulder, CO

Fees in lieu of half of the required affordable units is permitted as a right. Developers may only pay fees in lieu of a larger percentage of units if a developer can demonstrate that payment of a fee would accomplish more benefit to the City than construction on site. Whenever this chapter permits a cash-in-lieu contribution as an alternative to the provision of a single permanently affordable housing unit, the cash-in-lieu contribution shall be as follows:

- (a) For each unrestricted detached dwelling unit, the cash-in-lieu contribution shall be the lesser of \$13,200.00, or \$55.00 multiplied by twenty percent of the total floor area of the unrestricted unit.
- (b) For each unrestricted attached dwelling unit, the cash-in-lieu contribution shall be the lesser of \$12,000.00, or \$50.00 multiplied by twenty percent of the total floor area of the unrestricted unit

Santa Fe, NM

The city manager is authorized to adjust the cash-in-lieu contribution on an annual basis to reflect changes in the median sale price for detached and attached housing, using information provided by County Assessor records for the City.

Developers may pay a fee in lieu of developing hard units if they show that as a direct consequence of the inclusionary zoning ordinance they (1) are deprived of all economically viable use of their property as a whole, or (2) would lose money on the development as a whole and can demonstrate to the Housing Opportunity Program administrator's satisfaction that the loss is an unavoidable consequence of the affordable housing requirement. A fee in lieu of development procedures for implementing such a fee shall be determined by administrative regulations.

Boston, MA

Subject to the approval of the head of the relevant City agency, developers may also propose to achieve these affordable housing obligations by making a dollar contribution to an affordable housing fund calculated by multiplying the total number of dwelling units in the proposed residential development by 0.15, and by multiplying the result by the Affordable Housing Cost Factor, currently standing at \$52,000. This Affordable Housing Cost Factor is defined as the average total public subsidy per new construction affordable housing unit permitted in the City for the previous calendar year, and will be adjusted annually on July 1 of each year in an amount commensurate with the cost of producing affordable housing.

Inclusionary Zoning
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Davidson, NC

Payment In-Lieu Fee

Pay to the Town a sum determined by the following formula:

$$P = (L \times 0.125) \times V, \text{ where}$$

P = Mitigation payment to be remitted

L = Number of residential units proposed. In a straight subdivision, one unit per lot will be assumed, Subsequent development activity will incur the appropriate fee.

V = Average appraised value of 1/8 acre in the proposed development as developed for residential uses. The value of the lots shall be determined by an M.A.I. appraiser selected and paid for by the applicant, and in accordance with generally accepted appraisal techniques. In the event the Planning Director accepts the methodology of the appraisal but disagrees with the appraised value, he may engage another M.A.I. appraiser at the Town's expense and the value shall be an amount equal to the average of the two appraisals. If either party does not accept the average of the two appraisals, a third appraisal shall be obtained, with the cost of said third appraisal being shared equally by the Town and the property owner. The third appraiser shall be selected by the first two appraisers and the third appraisal shall be binding on both parties.

The Town shall apply any mitigation payments paid pursuant to this subsection (c) to a reserve fund, that shall be used solely and exclusively for the acquisition of land for, or the construction of, affordable dwelling units.

These funds shall not be commingled with the general funds of the Town.

East Providence, RI

- C. Before issuance of any building permit, the applicant may request that the Commission allow the applicant to make a payment of an in-lieu fee for constructing affordable housing units. The Commission shall consider the following issues, among others, in making this determination: the reasons the applicant desires to pay the in-lieu fee; the types of housing proposed for the development; the difference in price between the affordable units and the market priced units; and the public benefit that would be obtained by not building the units on-site. The applicant shall pay for the number of affordable dwelling units, or partial units that subsection B above would otherwise require, according to the following fee schedule.
- D. The Commission shall promulgate rules and regulations regarding calculation of the Housing In-Lieu Fee, said fee to be commensurate with the value that would have been provided through the actual construction of the affordable units. The Housing In-Lieu Fee shall be reviewed by the Commission every three years. The Commission shall use money received under this subsection only for the construction and promotion of affordable housing.
 - 1. Fifty percent of any fee required pursuant to this Section shall be paid prior to the issuance of a building permit for the project. The remaining fifty percent shall be paid in full before a certificate of occupancy is issued for any unit in the housing project.
 - 2. Any fee required by this section shall be secured by execution of an irrevocable letter of credit in favor of the Commission or other security acceptable by the Commission for the total amount of the obligation. The letter of credit or other acceptable security shall be delivered to the Commission prior to the issuance of a building permit for the housing development. The letter of credit or other security shall be released and returned to the applicant immediately upon final payment of said fees.

SECTION D: Required Set-Asides and Options

OPTION OF OFF-SITE CONSTRUCTION

Burlington, VT

Sec. 14.1.15 Off-Site-Option. The development review board at its sole discretion may allow any developer of a covered project that is not located within a waterfront zoning district to comply with the requirements of Sec. 14.1.8 and Sec. 14.1.9 by constructing inclusionary units on a site other than that on which the covered project is located, subject to the following conditions:

- a. The number of inclusionary units to be provided by the developer or by the developer's designee through off-site development shall be no fewer than 1.25 times the number otherwise required by this article;
- b. The bonus provisions of Sec. 14.1.14 shall not be granted to the units constructed off-site; and
- c. All of the provisions of Sec. 14.1.5 through 14.1.7 shall apply without exception to off-site inclusionary units under the provisions of this section.

Draft Ordinance by Herr Associates

Off-site Location

With the approval of the Planning Board, the inclusionary housing requirement may be met through the provision of some or all of the required affordable units on an alternative site or sites suitable for housing use. Affordable off-site units shall be newly created and at least equal in number to the affordable units that would have been provided on-site. Affordable off-site units required by this Section may be located in an existing structure, provided that their construction constitutes a net increase in the number of dwelling units contained in the structures. Affordable units provided through this provision shall comply, in all respects other than on-site location, with the requirements of this section.

SECTION E: Density Bonuses/Cost Offsets

DENSITY BONUS

Cambridge, MA

To facilitate the objectives of this Section, modifications to the dimensional requirements in any zoning district shall be permitted as of right for an Inclusionary Project, as set forth below:

- (i) The Floor Area Ratio (FAR) normally permitted in the applicable zoning district for residential uses shall be increased by 40% percent, and at least 50% of the additional FAR should be allocated for the Affordable Units required by this Section. In a Mixed Use Development, the increased FAR permitted in this paragraph (i) may be applied to the entire lot; however, any gross floor area arising from such increased FAR shall be occupied by residential uses, exclusive of any hotel or motel use.
- (ii) The minimum lot area per dwelling unit normally required in the applicable zoning district shall be reduced by that amount necessary to permit up to 2 additional units on the lot for each 1 affordable unit required by this Section.

Implementation of a density bonus under this section would work as follows: Assume a 50-unit development, and a 20% set-aside. Thus, 10 of the 50 units must be affordable. Paragraph (ii) of the density bonus above awards a bonus of two market units for every one affordable unit, so 70 units would be permitted. In addition, paragraph (i) would permit a 40% increase in the lot's FAR, which corresponds to the 40% increase in units over the original 50. If considered in reference to the base number of units, the developer essentially gets 10 additional market units to offset the 10 required affordable units.

Somerville, MA

The affordable housing requirements of this Article shall apply to all residential developments seeking special permits with site plan review to develop 8 or more dwelling units, whether new construction, substantial rehabilitation, or adaptive reuse. Developments shall not be segmented or phased in a manner to avoid compliance with these provisions. Developers providing more than 12.5% of the total units in the development as affordable units may apply for an additional density bonus under the terms of this Article. Bonuses may be awarded on the basis of a 2 to 1 ratio of market rate units to affordable housing units. For every additional unit provided beyond the 12.5% required, 2 additional market rate units may be authorized.

**SECTION E: Density Bonuses/Cost Offsets
COST OFFSETS – FEE WAIVERS**

Santa Fe, NM

Impact fees and building permit fees may be waived for affordable units, subject to agreement of the entities receiving revenues from such fees. Any developer of affordable units may submit a request for a waiver of other City development standards, and the City shall respond within thirty calendar days of its receipt. The City shall approve a waiver if each of the following requirements are met:

- (a) The proposed waiver will make the housing more affordable. The developer must show how real costs will be reduced and how the savings will be passed on to affordable home-buyers or renters.
- (b) The proposed waiver does not compromise health, safety or welfare as determined by the City.
- (c) Vehicular and pedestrian circulation, storm drainage and utilities are provided for adequately.

Sacramento, CA

Upon application as provided herein,

- (1) the City shall make available to a Residential Project Developer a program of waiver, reduction or deferral of development fees, administrative and financing fees for affordable units;
- (2) the City may modify for affordable units, to the extent feasible, in light of the uses, design, and infrastructure needs of the Development Project, standards relating to road widths, curbs and gutters, parking, lot coverage, and minimum lot sizes; and
- (3) the City may, to the maximum extent appropriate in light of project design elements, allow builders to finish out the interior of affordable units with less expensive finishes and appliances.

The Planning Director may issue Special Permits for Inclusionary Projects, and shall develop further procedures for streamlining and priority processing which relieve affordable units of permit processing requirements to the maximum extent feasible consistent with the public health, safety, and welfare. The developer may apply to the City's Housing Trust Fund for assistance in the financing and development of the affordable units in a development.

SECTION F: Income Levels

Massachusetts small town INCLUSIONARY ZONING ARTICLE

C. Affordable housing.

- "(1) Requirement for affordable units. Each Major Residential Development [ed. note: more than 8 housing units of any kind] authorized under this section shall provide affordable housing consistent with community and regional needs, evidenced through compliance with one or the other of the following:
 - "(a) At least ten percent (10%) of the dwelling units shall be affordable units, with fractions of one-half ($\frac{1}{2}$) dwelling unit or less rounded downward, and other fractions rounded upward; or
 - "(b) An alternative housing effort approved by the Planning Board shall be made, provided that it is included as part of the submission at the public hearing and also provided that it is determined by the Board to make no less contribution than the above towards meeting the goal of providing affordable housing.
- "(2) Definition of 'affordable.' 'Affordable unit' shall mean one assured of being affordable to households having incomes below 80% of the area median income (AMI) as annually determined by the US Department of Housing and Urban Development for the statistical region which includes [town], adjusted for household size (assuming one more person in the household than the number of bedrooms), while spending not more of that income on housing than the following:
 - "(a) Paying not more than 30 percent of income on rent, including utilities and parking;
 - "(b) Paying not more than 33 percent of income on mortgage principal and interest, private mortgage insurance, property taxes, condominium and/or homeowner's association fees, hazard insurance, and parking.

PART 2

SECTION G: Establishing original sales price / rental rate GENERAL LANGUAGE

Boulder, CO

Affordable Housing Requirements For Ownership Units.

(a) Maximum Sales Price for Permanently Affordable Units: The maximum sale price for an affordable ownership unit shall be set by the city on a quarterly basis.

(b) Average Price within a Development: The prices charged for permanently affordable units in any one project shall average a price affordable to a household earning the HUD low-income limit, with no unit exceeding a price affordable to a household earning ten percentage points more than the HUD low-income limit for the Boulder PMSA.

Burlington, VT

The following provision shall apply to the calculation of rents, selling prices and/or carrying charges of inclusionary units:

- a. Inclusionary rental units shall be rented at a price which, on average, is affordable for a household with an annual income that is sixty-five percent (65%) of median income adjusted for household size;
- b. Inclusionary units for sale shall be sold at a price which is affordable for a household with an annual income that is seventy-five percent (75%) median income adjusted for household size;

SECTION G: Establishing original sales price / rental rate
ESTABLISHING SALES PRICES / RENTAL RATES FOR DIFFERENT INCOME
BRACKETS

Burlington, VT

The following provision shall apply to the calculation of rents, selling prices and/or carrying charges of inclusionary units:

.....

- c. In calculating the rents or carrying charges of inclusionary units, the following relationship between unit size and household size shall apply:

Efficiency units: 1 person household

One-bedroom units: 1.5 person household (average of 1 and 2-person household incomes)

Two-bedroom units: 3 person household

Three-bedroom units: 4.5 person household (average of 4 and 5-person household incomes)

Four-bedroom units: 6 person household

- d. With respect to inclusionary units offered for sale, prices will be calculated on the basis of:

1. An available fixed-rate thirty-year mortgage, consistent with a "blended rate" for Burlington banks plus the Vermont Housing Finance Agency. A lower rate may be used in calculating affordable prices if the developer can guarantee the availability of a fixed-rate thirty-year mortgage at this lower rate from the Vermont Housing Finance Agency for all of the inclusionary units required for the covered project;
2. A down payment of no more than ten percent (10%) of the purchase price;
3. A calculation of property taxes; and
4. A calculation of homeowner insurance or homeowner association fees. Homeowner association fees shall be calculated in the same manner as those calculated for the residents of market units in the same development.

**SCENARIOS FOR HOUSEHOLD SIZES
OF 2, 3 & 4 PERSONS
AT 75% MEDIAN INCOME**

(Mortgages calculated at 6.25% for 30 years with a \$10,000 downpayment (utilizing ADDI funds); real estate taxes estimated at \$225.00/ mo. and homeowners insurance at \$45.00/ mo.)

2 PERSON HOUSEHOLD – 75% of median is \$43,500/yr. / 12 = \$3625/mo.

Purchase price of \$123,000 and a loan amount of \$113,000

P&I.....\$752
Taxes..... 225
Homeowners.....45
Mortgage Ins.....74
PITI....\$1096 / \$3625 = 30.2% front ratio

3 PERSON HOUSEHOLD - 75% of median is \$48,938/yr. / 12 = \$4078/mo.

Purchase price of \$142,000 and a loan amount of \$132,000

P&I.....\$870
Taxes..... 225
Homeowners.....45
Mortgage Ins......86
PITI.....\$1226 / \$4078 = 30% front ratio

4 PERSON HOUSEHOLD - 75% of median is \$54,375/yr. / 12 = \$4531/mo.

Purchase price of \$162,000 and a loan amount of \$152,000

P&I.....\$993
Taxes.....225
Homeowners.....45
Mortgage Ins.....99
PITI.....\$1280 / \$4531 = 30% front ratio

**SCENARIOS FOR HOUSEHOLD SIZES
OF 2, 3 & 4 PERSONS
AT 80% MEDIAN INCOME**

(Mortgages calculated at 6.25% for 30 years with a \$10,000 downpayment (utilizing ADDI funds); real estate taxes estimated at \$225.00/ mo. and homeowners insurance at \$45.00/ mo.)

2 PERSON HOUSEHOLD – 80% of median is \$46,400/yr. / 12 = \$3867/mo.

Purchase price of \$132,000 and a loan amount of \$122,000

P&I.....\$808
Taxes..... 225
Homeowners.....45
Mortgage Ins.....79
PITI....\$1157 / \$3867 = 30% front ratio

3 PERSON HOUSEHOLD - 80% of median is \$52,200/yr. / 12 = \$4350/mo.

Purchase price of \$155,000 and loan amount of \$145,000

P&I.....\$950
Taxes..... 225
Homeowners.....45
Mortgage Ins..... 94
PITI.....\$1314 / \$4350 = 30.2% front ratio

4 PERSON HOUSEHOLD - 80% of median is \$58,000/yr. / 12 = \$4833/mo.

Purchase price of \$175,000 and loan amount of \$165,000

P&I.....\$1073
Taxes.....225
Homeowners.....45
Mortgage Ins.....107
PITI.....\$1450 / \$4833 = 30% front ratio

SECTION H: Defining Affordability Period

RI LEGISLATION

§ 45-24-46.1 Inclusionary zoning. – A zoning ordinance requiring the inclusion of affordable housing as part of a development shall provide that the housing will be affordable housing, as defined in § 42-128-8.1(d)(1), that the affordable housing will constitute not less than ten percent (10%) of the total units in the development, and that the units **will remain affordable for a period of not less than thirty (30) years from initial occupancy enforced** through a land lease and/or deed restriction enforceable by the municipality and the state of Rhode Island.

EXAMPLES FROM MUNICIPAL ORDINANCES

Draft Ordinance by Herr Associates

Continuing affordability. Using deed restrictions or other means, continuing affordability shall be assured for the life of the development or until this bylaw provision is amended to require only a shorter period.

Burlington, VT

Sec. 14.1.12 Continued Affordability Requirements. All covered projects shall comply with the following provisions to ensure continued affordability of inclusionary units provided under this article and units required to be continually affordable under Sec. 14.1.8.

- a. *99-Year Requirement.* All inclusionary units shall remain affordable for a period of no less than ninety-nine (99) years commencing from the date of initial occupancy of the units. Where a developer can establish that regulatory or other considerations make it impossible to provide the required inclusionary units if subject to the full extent of this requirement, the development review board, under the provisions of Sec. 14.1.17, may modify the duration of the period of continued affordability only to the extent necessary to render the development feasible;
- b. *Deed Restrictions.* Provisions to ensure continued affordability of inclusionary units shall be embodied in legally binding agreements and/or deed restrictions, which shall be prepared by the developer, but which shall not be recorded or filed until reviewed and approved by the Housing Trust Fund with such modifications as it may deem necessary to carry out the purpose of this article. Such review and approval shall be completed within forty-five (45) days following date of submission of such documents to the Housing Trust Fund. Failure of the Housing Trust Fund to respond within the forty-five (45) day period as set forth herein shall constitute approval of the documents;
- c. *Resale Restrictions.* Provisions to ensure continued affordability of inclusionary units offered for sale shall include a formula for limiting equity appreciation to an amount not to exceed twenty-five percent (25%) of the increase in the inclusionary unit's value, as determined by the difference between fair market appraisal at the time of purchase of the property and a fair market appraisal at the time of resale, with such adjustments for

improvements made by the seller and necessary costs of sale as may be approved by the Housing Trust Fund;

- d. *Rent Increases.* Provisions for continued affordability of inclusionary rental units shall limit annual rent increases to the percentage increase in the median household income within the Burlington Metropolitan Statistical Area (MSA), except to the extent that further increases are made necessary by hardship or other unusual conditions, and shall provide that no rent increase may take effect until it has received the approval of the Housing Trust Fund in writing;
- e. *Purchase Option.* Provisions for continued affordability of inclusionary units shall provide that the Housing Trust Fund or its designee shall have an exclusive option to purchase any inclusionary unit when it is offered for resale for a period of ninety (90) days from the date on which the Housing Trust Fund is notified of the availability of the unit; and
- f. *Sublet Restrictions.* Provisions for continued affordability of inclusionary units shall prohibit subletting for a price exceeding that which is affordable for a household with an annual income that is seventy-five percent (75%) of median, consistent with the relationship between unit size and household size set forth in Sec. 14.1.10(c).

SECTION I: Mechanisms to Ensure Long-Term Affordability

Massachusetts small town - Inclusionary Zoning Article

Continuing affordability. Using deed restrictions or other means, continuing affordability shall be assured for the life of the development or until this bylaw provision is amended to require only a shorter period.

Conditions of Approval (Amended by 10/15/01 Special Town Meeting; approved by Attorney General 2/19/02)

Continued Affordability

Affordable housing units developed pursuant to this bylaw shall be subject to long-term use restrictions and, where applicable, resale restrictions, to ensure that they remain affordable to low- and moderate-income households for the longest period deemed practicable by the Planning Board, but in no event less than thirty years. Such restrictions shall be enforceable by the Town of Ipswich or by a housing-related charitable corporation or trust designed by the Town of Ipswich in accordance with Sections 31 and 32 of Chapter 184 of the Massachusetts General Laws, and shall be executed and recorded at the Essex County Registry of Deeds, Southern District. It is the intent of this bylaw that affordable housing units be restricted and that long-term affordability be enforced in such a manner that affordable units are considered "low and moderate income housing" for purposes of Section 20 of Chapter 40B of the Massachusetts General Laws.

SECTION I: Mechanisms to Ensure Long-Term Affordability

GROUND LEASES

As the term applies to affordable housing, a ground lease is a contract between a community housing land trust and a building owner. A community housing land trust acquires a parcel of land with the intention of retaining ownership of the land forever. If a building is already located on the land, or if the community housing land trust later constructs a building, the building is sold off to an individual homeowner, a cooperative housing corporation, a non-profit developer or some other nonprofit, governmental or for-profit entity. Thus one entity owns the building while another entity -- the community land trust -- retains ownership of the land.

While retaining ownership of the land, the community housing land trust conveys exclusive use of the land to the owner of the building through a long-term ground lease. The ground lease is a two-party contract between the community housing land trust, which owns the land, and the building owner. It protects the building owner's rights to security, privacy, legacy and equity, and it also enables the community housing land trust to enforce the appropriate use, structural integrity and continued affordability of the building. Generally, ground leases provide that the building owner will be responsible for the property taxes on both the building and the land.

Key Features of the Community Housing Land Trust Model

The Institute for Community Economics (ICE), a national community development organization in Springfield, Massachusetts, developed the model for community housing land trusts in the early 1970s. By 1992, the model had proved so successful that its major features were incorporated into federal law.

The community housing land trust model developed by the ICE has four key organizational features and six key programmatic features, which are also included in the Federal definition:¹

Organizational Features

1. **Non-profit, tax exempt status.** A community housing land trust is an independent, not-for-profit corporation that is legally chartered in the state in which it is located. Since most community housing land trusts carry out charitable activities such as providing housing for low-income people, they are eligible to receive 501 (c)(3) status from the IRS.
2. **Community base.** The community housing land trust operates within the physical boundaries of a targeted locality and is accountable to the people who live within that locality.
3. **Residential control.** Generally, two-thirds of the community housing land trust's board of directors are nominated by, elected by and composed of people who live within the targeted community.

¹ The discussion of the 10 key elements is paraphrased from a handout from Burlington Associates in Community Development, LLC, entitled "Key Features of the 'Classic' Community Land Trust."

4. Tripartite governance. In a "classic" community housing land trust, the board of directors is divided equally into thirds. One third represents the interest of people who live in buildings on community housing land trust property and hold ground leases; one third represents the interests of residents from the targeted community; and one third is made up of public officials, local funders, nonprofit housing providers or social service agencies, and other individuals who speak for the public interest.

Programmatic Features

7. Perpetual affordability. The ground lease includes a formula for determining a resale price that will give the building owner a fair return on investment while preserving the future affordability of the building. It also provides that when the building is resold, the next purchaser must also meet low/moderate income guidelines. In addition, the community housing land trust retains an option to repurchase the building located on its land if the owner should choose to sell.
8. Perpetual responsibility. Since the community housing land trust owns both the land and the right to repurchase a building located on the land, it maintains its interest in both the building and the building owners. The ground lease requires owner occupancy and responsible use of the premises and gives the community housing land trust the right to step in and force repairs if a property owner allows the building to become a hazard. If the property owner defaults on his mortgage or property taxes, then the ground lease gives the community land trust the right to step in and cure the default.
9. On-going land acquisition. A community land trust is committed to an active land acquisition and housing development program.
10. Flexible development. The community housing land trust is a flexible community development tool that can accommodate a variety of land uses, income groups, and building types. Across the country, community housing land trust lands contain many kinds of housing: single-family homes, duplexes, condos, co-ops, multi-unit apartment buildings, buildings containing single occupancy units, and mobile home parks. They can also contain facilities for neighborhood businesses, non-profit organizations and social service agencies, as well as sites for community gardens and vest-pocket parks.

Currently in North America there are almost 120 community housing land trusts in 30 states (including Rhode Island and all other New England states), the District of Columbia and five Canadian provinces. The overall number of land trusts in North America nearly tripled between 1987 and 2004.

Staffing

Most community housing land trusts carry out at least three types of activities:

- Land ownership and leasing (including land acquisition, ground lease monitoring and management)
- Development and sale of buildings (including pre-development feasibility, site preparation, infrastructure development, construction and/or rehabilitation)
- Counseling and other services to homebuyers

Given this range of activities, community housing land trusts require staff with a range of skills including legal and financial expertise, development and construction expertise, and counseling expertise.

Funding

Community housing land trusts require funding for land acquisition, development and operational costs.

Around the country, community housing land trusts look to a variety of resources to support land acquisition, including:

- State monies from bonds, legislative appropriations, and/or dedicated funding streams
- Municipal bonds and appropriations, housing trust funds and transfer of surplus municipal properties
- Capitalization from private bank loans
- Private grants and property donations

Community housing land trusts that also develop housing look to a number of resources to fund development. These can include

- Federal housing programs
- Federal Home Loan Bank
- Fannie Mae and Freddie Mac
- Capitalization from private bank loans
- Private grants
- State funding
- Municipal funding

On-going support for operational costs comes from:

- Ground lease fees. (Most community housing land trusts charge modest monthly lease fees, generally about \$25/month.)
- Service fees
- State and municipal support
- Grants and donations.

SECTION I: Mechanisms to Ensure Long-Term Affordability

THE COMMUNITY HOUSING LAND TRUST OF RI (CHLT): A STATEWIDE AFFORDABLE HOUSING LAND TRUST

Background

The Housing Network of RI is the state association of non-profit housing developers, who are called Community Development Corporations (CDCs). Almost half of the Network's 25 member organizations use the land trust model of ownership as a component of their overall community development program. Eight currently have active land trusts and two more are preparing for them within the year. There are currently between 200 and 300 units held in affordable housing land trusts through the member CDCs. Church Community Housing Corporation in Newport is the oldest and most prolific CDC, with about 100 properties held in trust.

Benefits of centralization

Standardization of documents and procedures: Because Rhode Island is small and the CDC community is tightly knit, there is a measure of standardization already. For example, almost all the CDCs use the documents developed for Church Community Housing. The creation of the statewide community land trust provides an organizational structure for formally standardized documents and procedures, thereby gaining wider product recognition and increased lender/homebuyer confidence.

Reducing administrative burdens for individual CDCs: Land trust administration is cumbersome and time-consuming, including the monthly collection of fees, management of initial and resale transactions, property tax logistics, homebuyer education about land trusts, etc. With a state-wide entity ready to assume some of the administrative functions, it would be easier for CDCs to take on a land trust function.

Provision of CLT services for the entire state: Currently, some parts of the state, such as East Providence, are not served by a CDC or CLT. The establishment of a statewide entity will give those communities a chance to put their affordable units in trust for permanent affordability.

The Community Housing Land Trust of Rhode Island

The Community Housing Land Trust of Rhode Island was incorporated as a new non-profit organization in January 2005 and is currently in the process of filing for tax exempt status. The CHLT should be ready to receive property and administrative responsibility by the summer of 2005.

The Board membership includes those administering land trusts at a local level, representatives from designated areas of expertise or geographic interest, and some homeowners in land trust properties.

In working on the by-laws, the Network used the broadest definitions possible to accommodate the different levels of interactions and types of projects. For example, the ability to sell property in quick transfer, not usually allowed in classic CLT models, is included as a mechanism for combined housing and land conservation activities.

The CHLT concept for ownership and services is set up with the predisposition for local ownership and control. The menu of functions/services at local and state-wide levels is comprehensive and there are many combinations and options for participating:

- For instance a group which currently operates a CLT may chose to retain ownership of the land, but shift the administrative burden to the CHLT.
- A for-profit developer who has created affordable units through inclusionary zoning can achieve the goal of permanent affordability by participating in the CHLT. A likely scenario in this case, would be for the CHLT to take on both ownership of the land, as well as, the administrative functions. In the case of a condo development, it is most likely that the permanent affordability would be guaranteed through a deed restriction.
- A municipality may choose to develop property and either maintain ownership of the land and pass off the administrative/monitoring functions to the CHLT or may choose to pass both ownership and administrative functions to the CHLT to ensure its permanent affordability.
- In a less common scenario, a property or project could be placed in the CHLT, most likely in the absence of a willing local recipient,

SECTION J: Repurchase Provisions

Examples from Municipal Ordinances

Boulder, CO

Resale Restrictions Applicable to Permanently Affordable Units: All permanently affordable ownership units developed under this chapter shall be subject to the following resale restrictions:

(1) Approved Purchasers for Resale of Permanently Affordable Units: A seller of a permanently affordable unit must select a low-income purchaser by a method that complies with the good faith marketing and selection process approved by the city manager. At the request of an applicant, the city will provide the seller with the description of a process that meets this requirement. Upon request, the city may provide a potential seller of a permanently affordable unit with a list of households certified by the city as eligible to purchase the unit. All purchasers of permanently affordable units shall be part of income eligible households.

SECTION K: Establishing Resale Prices

Boulder, CO

(2) Resale Price for Permanently Affordable Units: The resale price of any permanently affordable unit shall not exceed the purchase price paid by the owner of that unit with the following exceptions:

- (A) Customary closing costs and costs of sale;
- (B) Costs of real estate commissions paid by the seller if a licensed real estate agent is employed and if that agent charges commissions at a rate customary in Boulder County;
- (C) Consideration of permanent capital improvements installed by the seller; and
- (D) The resale price may include an inflationary factor or shared appreciation factor as applied to the original sale price pursuant to rules as may be established by the city manager to provide for such consideration. In developing rules, the city manager shall consider the purposes of this chapter, common private, non-profit, and governmental lending practices, as well as any applicable rules or guidelines issued by federal or state agencies affecting the provision or management of affordable housing. In the event that the city has not adopted rules that contemplate a particular arrangement for the use of an inflationary factor or shared appreciation factor, the city manager is authorized to approve a resale price formula that is consistent with the purposes of this chapter, common private, non-profit, and governmental lending practices, as well as any applicable rules or guidelines issued by federal or state agencies affecting the provision or management of affordable housing.

(3) No Special Fees Permitted: The seller of a permanently affordable unit shall not levy or charge any additional fees or any finder's fee nor demand any other monetary consideration other than provided in this chapter.

(4) Deed Restriction Required: No person offering a permanently affordable unit for sale shall fail to lawfully reference in the Grant Deed conveying title of any such unit, and record with the county recorder, a covenant or Declaration of Restrictions in a form approved by the city. Such covenant or Declaration of Restrictions shall reference applicable contractual arrangements, restrictive covenants, and resale restrictions as are necessary to carry out the purposes of this chapter.

SECTION L: Right of First Refusal

HOUSING AGENCY RIGHT TO PURCHASE

Montgomery County, MD

The Housing Commission and any other not-for-profit corporation designated by the Commission has the option to buy or lease, for its own programs or programs administered by it, up to 40% percent of all affordable units. The Commission may buy or lease up to 33%. Any other designated corporation may purchase or lease any affordable units in the first 33% that the Commission has not bought or leased, and the remainder of the 40%. Units purchased or leased under this option shall be assigned to very-low or low-income persons. The Commission shall establish standards for designating not-for-profit corporations which shall require the corporations to demonstrate their ability to operate and maintain affordable units satisfactorily on a long-term basis.

Fairfax County, VA

The Housing Commission shall have an exclusive right to purchase up to one-third of the for sale affordable dwelling units within a development for a 90 day period beginning on the date of receipt of written notification from the developer advising the Housing Commission that a particular affordable dwelling unit is or will be completed and ready for purchase. The remaining two thirds of the for sale affordable units within a development and any units which the Housing Commission does not elect to purchase shall be offered for sale exclusively for a 90 day period to persons who meet the income criteria established by the Housing Commission. After the expiration of 60 days of the 90 day period referenced above, the affordable dwelling units not sold shall be offered for sale to nonprofit housing groups, as designated by the Housing Commission, subject to the established affordable dwelling unit prices.

Burlington, VT

Any applicant developing a covered project shall adhere to the following provisions with respect to the initial offering of inclusionary units for sale or rental:

- a. *Trust Fund Notification.* The developer shall notify the Housing Trust Fund, as defined in Section 14-400 of the Code of Ordinances, of the prospective availability of any inclusionary units at the time that the building permit is issued for such units in a covered project;
- b. *Trust Fund Option.* The Housing Trust Fund shall then have an exclusive option for one hundred twenty (120) days to purchase each inclusionary unit offered for sale from the developer unless waived or assigned;
- c. *Trust Fund Waiver.* If the Housing Trust Fund fails to exercise its option by failing to negotiate and sign a purchase and sale agreement for the inclusionary units, or if the Housing Trust Fund declares its intent not to exercise its option, the developer shall offer the units for purchase or rent to households earning less than median income, adjusted for household size. If requested by the developer, the Housing Trust Fund shall execute documents that may be recorded in the Burlington Land Records to evidence said waiver of the option;
- d. *Time of Closing.* Closing on inclusionary units purchased by the Housing Trust Fund shall occur on or after the time of issuance of the certificate of occupancy. If the Housing Trust Fund fails to close on these inclusionary units, the developer shall offer the unit for purchase or rent to households earning less than median income, adjusted for household size; and

Transfer of Option. The Housing Trust Fund may assign its options under this section to any "designated housing agency," as defined by the provisions of Article 5 of Chapter 18 of the Burlington Code of Ordinances, in which event it shall notify the developer of the agency to which it has assigned the option, which agency shall deal directly with the developer, and shall have all of the authority of the Housing Trust Fund as provided under this section

Section M: Monitoring Agents

DRAFT: PROVISIONS OF A MONITORING SERVICES AGREEMENT

The Developer has agreed to retain the Monitoring Agent to perform monitoring and enforcement services regarding compliance of the Development with the Affordability Requirement.

The Monitoring Agent has demonstrated expertise in compliance monitoring and stable financial evidence such that it is reasonable to anticipate it will be in existence for the period of the Affordability Requirement Period.

See RI Housing's regulations regarding Monitoring Agencies at:
[http://www.rihousing.com/pdf/Low Mod Implementation Regulations Final.pdf](http://www.rihousing.com/pdf/Low_Mod_Implementation_Regulations_Final.pdf)

I. Monitoring Services.

- Review of the substantive compliance of the Development with the Affordability Requirement.
- Review of income certifications, deeds and deed riders with respect to initial sales of Affordable Units.
- Certifying to the owners of Affordable Units the maximum resale price which households having incomes not in excess of X% of the average median income for the [pertinent HUD geographic area, *adjusted for household size*], can pay for an Affordable Unit. The maximum resale prices must be approved by the Monitoring Agent prior to the time the marketing period commences for the affordable units. A statement to potential buyers informing them of the Affordability Requirement must be included in the purchase and sales agreements for Affordable Units.
- Monitoring of resales of Affordable Units for compliance with the terms of the applicable deed riders and issuance of certifications, as appropriate, approving resales.
- The Monitoring Agent shall work with in-place and prospective owners to understand ongoing subsidizing program requirements and restrictions including at least annual notice to owners of Affordable Units.
- The Monitoring Agent may provide reasonable supplemental monitoring on its own initiative in order to ensure to the extent practicable the compliance of the Development and the Developer with the Affordability Requirement (not including construction monitoring). The services include follow-up discussions with the Developer, if appropriate, after an event of noncompliance.

II. Monitoring, Services Fee.

- The Monitoring Agent shall receive a fee of \$X constituting payment for services with respect to the initial sales of the Affordable Units and all future sales of the Affordable Units for the period of the Affordability Requirement.

III. Enforcement Services.

- Monitoring Agent has the right to take appropriate enforcement action against the Developer in the event of serious or repeated violations of the requirements of this Agreement
- Monitoring Agent has the right to take appropriate enforcement action against the Affordable Unit owner or the unit owner's successors in title, in the event of a violation of the provisions of a deed rider

Inclusionary Zoning Developing a Program & Drafting an Ordinance

IV. Term.

- The monitoring services are to be provided for the full term of the Agreement.

V. Responsibility of Monitoring Agent.

- Limitation of liability of Monitoring Agent as it has acted in good faith and without gross negligence.

VI. Indemnity.

- of Monitoring Agent

VII. Applicable Law.

- Governed by the laws of the State of Rhode Island.

VIII. Binding Agreement.

- Binding on the parties, their heirs, executors, personal representatives, successors and assigns.

PART 3

Section N: Provisions Applicable to Units On-Site **TIMING OF CONSTRUCTION**

Burlington, VT

Inclusionary units shall be made available for occupancy on approximately the same schedule as a Covered Project's market units, except that certificates of occupancy for the last ten percent of the market units shall be withheld until certificates of occupancy have been issued for all of the inclusionary units. A schedule setting forth the phasing of the total number of units in a Covered Project, along with a schedule setting forth the phasing of the required inclusionary units, shall be established prior to the issuance of a building permit for any development subject to the provisions of this Article.

Montgomery County, MD

The affordable dwelling unit agreement must include the number, type, location, and plan for staging construction of all dwelling units and other such information as the Commission requires to determine the applicant's compliance with this Chapter. The affordable dwelling unit staging plan must be consistent with any applicable land use plan, subdivision, plan, or site plan. The staging plan included in the affordable dwelling unit agreement for all dwelling units must be sequenced so that:

- (1) no or few market rate dwelling units are built before any affordable units are built;
- (2) the pace of affordable unit production must reasonably coincide with the construction of market rate units; and
- (3) the last building built must not contain only affordable units.

Section N: Provisions Applicable to Units On-Site

DESIGN AND BUILDING REQUIREMENTS

Burlington, VT

All covered projects must comply with the requirements set forth in subparagraphs (a) through (e) below.

- a. In order to assure an adequate distribution of inclusionary units by household size, the bedroom mix of inclusionary units in any project shall be in the same ratio as the bedroom mix of the non-inclusionary units of the project, unless waived by the Housing Trust Fund or its designee;
- b. Inclusionary units may differ from the market units in a covered project with regard to interior amenities and gross floor area; provided, that:
 1. These differences, excluding differences related to size differentials, are not apparent in the general exterior appearance of the project's units; and
 2. These differences do not include insulation, windows, heating systems, and other improvements related to the energy efficiency of the project's units; and
 3. The gross floor area of the inclusionary units is not less than the following minimum requirements, unless waived by the Housing Trust Fund or its designee:

One bedroom	750 square feet
Two bedroom	1,000 square feet
Three bedroom	1,100 square feet
Four bedroom	1,250 square feet

Sacramento, CA

Inclusionary Units shall be visually compatible with Market Rate Units. External Building materials and finishes shall be the same type and quality for Inclusionary Units as for Market Rate Units. Upon application by the developer to the City, the City may, to the maximum extent appropriate in light of project design elements as determined by the Planning Director, allow builders to finish out the interior of Inclusionary Units with less expensive finishes and appliances.

Draft Ordinance by Herr Associates

Appearance and location of affordable units.

Location of the affordable units shall be integrated with that of the others, rather than segregated. The exterior appearance of the affordable units shall be compatible with and, except for unit size, essentially indistinguishable from the others.

Comparability

Affordable units shall be dispersed throughout the site and shall be indistinguishable from market-rate units except in size, interior finish, fixtures and appliances.

Boulder, CO

(c) Minimum Sizes for Permanently Affordable Units: The minimum size for permanently affordable units shall be as follows:

(1) The average floor area of the detached permanently affordable units in a development shall be a minimum of forty-eight percent of the average floor area of all the non-permanently affordable units which are part of the same development up to a maximum average size of 1,200 square feet of floor area.

(2) The average floor area of the attached permanently affordable units in a development shall be a minimum of eighty percent of the average floor area of all the non-permanently affordable units which are part of the same development up to a maximum average size of 1,200 square feet of floor area.

(3) The city manager will permit a decrease in size of the finished floor area, set forth in paragraph (1) above, if the dwelling unit is increased in size by 2 square feet of unfinished and potentially habitable space for each square foot of finished square foot of floor area that is decreased, up to a maximum of 400 unfinished square feet, upon finding that the unfinished space will be designed and configured in such a way as to allow for a simple conversion of the space at some future time. The factors that the city manager will consider to determine whether a simple conversion is possible include, without limitation, an adequate foundation, sound structural components, floor to ceiling heights, weather resistant roofs, appropriate exits, and window placement.

(4) The city manager is authorized to enter into agreements allowing permanently affordable units to constitute a smaller percentage of the total floor area contained within non-permanently affordable units at a given project if doing so would accomplish additional benefits for the city consistent with the purposes of this chapter or to prevent an unlawful taking of property without just compensation in accordance with Section 9-6.5-11, "No Taking of Property Without Just Compensation," B.R.C. 1981.

Section O: Marketing Inclusionary Units – Homebuyer/Renter Certification and Selection – Local Preference

MARKETING INCLUSIONARY UNITS CERTIFYING BUYERS AND RENTERS

Sacramento, CA

The owner of affordable rental units shall be responsible for certifying the income of eligible tenants to the Housing Commission at the time of initial rental and annually thereafter. Rental rates shall be in accordance with the formula set forth in the administrative procedures. This requirement shall be made applicable to successors in title, if any, by means of a deed restriction.

Santa Fe, NM

A. Developers shall market affordable homes in accordance with the requirements set forth in the administrative procedures. There shall be an efficient matching of the incomes of prospective affordable unit buyers to specific affordable unit prices. There shall be a reasonable matching of the household sizes of prospective affordable unit buyers to the sizes and types of affordable units. Any marketing materials shall clearly state the policies of the affordable housing program with regard to the pricing of affordable units and buyer eligibility.

B. In marketing affordable units the City or seller shall give preference to individuals who are citizens of the City or are presently employed or under contract with an employer within the City.

C. The City or its agent shall maintain and make available lists of prospective affordable unit buyers who have passed preliminary prequalifications for financing. For affordable developments for which the city expects immediate effective demand to outstrip supply, the city or its agent, at the city's sole discretion, may establish and maintain an equitable process for allocating rights to purchase the homes. For developments other than those described above, the developer shall establish and maintain an equitable process of marketing homes, including waiting lists where demand exceeds supply.

D. Prior to executing a purchase contract for any affordable unit, the prospective affordable unit buyer shall be certified as meeting affordable housing program requirements by the City or its agent. The certification process shall be set forth in the administrative procedures. Developers and affordable unit buyers may execute only purchase agreements that are approved as to form by the City and include language provided by the City which shall require that an appropriate disclosure form be provided to and explained to the affordable unit buyer prior to execution of the contract. The disclosure form shall explain any deed restrictions, restrictive covenants and/or liens that are placed on the affordable unit to ensure long-term affordability.

Section O: Marketing Inclusionary Units – Homebuyer/Renter Certification and Selection – Local Preference

LOCAL PREFERENCE – EXAMPLES FROM MUNICIPAL ORDINANCES

Massachusetts small town - Inclusionary Zoning Article

Local preference. Local preference shall be assured for half of the affordable units, in this order of priority:

- a. Current and previous residents of the Town.
- b. Full or part-time employees working for the Town.
- c. Full or part-time employees working within the Town for other employers or self-employed.
- d. Persons with close family (parents, grandparents, children or siblings) presently resident in the Town.

LOCAL PREFERENCE AND FAIR HOUSING -- RESOURCES

Meeting Local Housing Needs: A Practice Guide for Implementing Selection Preferences and Civil Rights Requirements in Affordable Housing Programs

September 2004, 101 pages

This practice guide is focused on four themes associated with designing and implementing selection preferences, especially selection preferences for local residents, in affordable housing programs, including affordable rental and homeownership programs. Part I discusses general program eligibility requirement. Part II examines program requirements directly associated with selection preferences. Part III introduces essential fair housing principles and civil rights standards in affordable housing programs. Part IV presents the analytical techniques a housing provider might use to understand the civil rights effect of selection preferences that favor local residents, and discusses methods of designing selection preferences in light of civil rights considerations.

Available in PDF form on CHAPA web site:
http://www.chapa.org/resources_publications.htm

Section O: Marketing Inclusionary Units – Homebuyer/Renter Certification and Selection – Local Preference

LOCAL PREFERENCE AND FAIR HOUSING – RELEVANT RHODE ISLAND LEGISLATION

TITLE 34 Property CHAPTER 34-37 Rhode Island Fair Housing Practices Act

SECTION 34-37-4

§ 34-37-4 Unlawful housing practices. – (a) No owner having the right to sell, rent, lease, or manage a housing accommodation as defined in § 34-37-3(11), or an agent of any of these shall, directly or indirectly, make or cause to be made any written or oral inquiry concerning the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin or disability, age, familial status nor make any written or oral inquiry concerning whether a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or whether a tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, of any prospective purchaser, occupant, or tenant of the housing accommodation; or shall, directly or indirectly, refuse to sell, rent, lease, let, or otherwise deny to or withhold from any individual the housing accommodation because of the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, or familial status of the individual or the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin or disability, age, or familial status of any person with whom the individual is or may wish to be associated; or shall, or on the basis that a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or that the tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse. Nor shall an owner having the right to sell, rent, lease, or manage a housing accommodation as defined in § 34-37-3(11), or an agent of any of these, directly or indirectly, issue any advertisement relating to the sale, rental, or lease of the housing accommodation which indicates any preference, limitation, specification, or discrimination based upon race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, familial status, or on the basis that a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or that the tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, or shall, directly or indirectly, discriminate against any individual because of his or her race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, familial status, or on the basis that a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or that the tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, in the terms, conditions, or privileges of the sale, rental, or lease of any housing accommodation or in the furnishing of facilities or services

in connection with it. Nothing in this subsection shall be construed to prohibit any oral or written inquiry as to whether the prospective purchaser or tenant is over the age of eighteen (18).

(b) No person to whom application is made for a loan or other form of financial assistance for the acquisition, construction, rehabilitation, repair, or maintenance of any housing accommodation, whether secured or unsecured shall directly or indirectly make or cause to be made any written or oral inquiry concerning the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, familial status, or any express written or oral inquiry into whether a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or whether a tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, of any individual seeking the financial assistance, or of existing or prospective occupants or tenants of the housing accommodation; nor shall any person to whom the application is made in the manner provided, directly or indirectly, discriminate in the terms, conditions, or privileges relating to the obtaining or use of any financial assistance against any applicant because of the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, familial status, or on the basis that a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or that the tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, of the applicant or of the existing or prospective occupants or tenants. Nothing in this subsection shall be construed to prohibit any written or oral inquiry as to whether the applicant is over the age of eighteen (18).

(c) Nothing in this section contained shall be construed in any manner to prohibit or limit the exercise of the privilege of every person and the agent of any person having the right to sell, rent, lease, or manage a housing accommodation to establish standards and preferences and set terms, conditions, limitations, or specifications in the selling, renting, leasing, or letting thereof or in the furnishing of facilities or services in connection therewith which do not discriminate on the basis of the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, familial status, or on the basis that a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or that the tenant or applicant has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, of any prospective purchaser, lessee, tenant, or occupant thereof or on the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, or familial status of any person with whom the prospective purchaser, lessee, tenant, or occupant is or may wish to be associated. Nothing contained in this section shall be construed in any manner to prohibit or limit the exercise of the privilege of every person and the agent of any person making loans for or offering financial assistance in the acquisition, construction, rehabilitation, repair, or maintenance of housing accommodations to set standards and preferences, terms, conditions, limitations, or specifications for the granting of loans or financial assistance which do not discriminate on the basis of the race, color, religion, sex, sexual orientation, gender identity or expression, marital status, country of ancestral origin, disability, age, familial status, or on the basis that a tenant or applicant, or a member of the household, is or has been, or is threatened with being, the victim of domestic abuse, or that the tenant or applicant

Inclusionary Zoning

Developing a Program & Drafting an Ordinance

has obtained, or sought, or is seeking, relief from any court in the form of a restraining order for protection from domestic abuse, of the applicant for the loan or financial assistance or of any existing or prospective owner, lessee, tenant, or occupant of the housing accommodation.

(d) An owner may not refuse to allow a person with a disability to make, at his or her expense, reasonable modifications of existing premises occupied or to be occupied by the person if the modifications may be necessary to afford the person full enjoyment of the premises, except that, in the case of a rental, the owner may where it is reasonable to do so condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted. Where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the landlord may negotiate as part of the restoration agreement a provision requiring that the tenant pay into an interest bearing escrow account, over a reasonable period, a reasonable amount of money not to exceed the cost of the restorations. The interest in the account shall accrue to the benefit of the tenant. The restoration deposition shall be exempt from § 34-18-19(a) but will be subject to § 34-18-19(b) – (f).

(e) An owner may not refuse to make reasonable accommodations in rules, policies, practices, or services, when those accommodations may be necessary to afford an occupant with a disability equal opportunity to use and enjoy a dwelling.

(2) Every person with a disability who has a guide dog or other personal assistive animal, or who obtains a guide dog or other personal assistive animal, shall be entitled to full and equal access to all housing accommodations provided for in this section, and shall not be required to pay extra compensation for the guide dog or other personal assistive animal, but shall be liable for any damage done to the premises by a guide dog or other personal assistive animal. For the purposes of this subsection a "personal assistive animal" is an animal specifically trained by a certified animal training program to assist a person with a disability to perform independent living tasks.

(f) Any housing accommodation of four (4) units or more constructed for first occupancy after March 13, 1991 shall be designed and constructed in such a manner that:

(1) The public use and common use portions of the dwellings are readily accessible to and usable by persons with disabilities;

(2) All the doors designed to allow passage into and within all premises within the dwellings are sufficiently wide to allow passage by persons with disabilities in wheelchairs;

(3) All premises within the dwellings contain the following features of adaptive design:

(i) Accessible route into and through the dwelling;

(ii) Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;

(iii) Reinforcements in bathroom walls to allow later installation of grab bars; and

(iv) Usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space. To the extent that any state or local building codes, statutes or ordinances are inconsistent with this section, they are hereby repealed. The state building code standards committee is hereby directed to adopt rules and regulations consistent with this section as soon as possible, but no later than September 30, 1990.

(g) Compliance with the appropriate requirements of the State Building Code 14 "accessibility for individuals with disabilities for residential use groups" suffices to satisfy the requirements of subsection (f).

(h) As used in subsection (f), the term "housing accommodation of four (4) units or more" means:

(1) Buildings consisting of four (4) or more units if those buildings have one or more elevators; and

(2) Ground floor units in other buildings consisting of four (4) or more units;

(i) Nothing in subsection (f) shall be construed to limit any law, statute, or regulation which requires a greater degree of accessibility to persons with disabilities.

(j) Nothing in this section requires that a dwelling be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals or whose tenancy would result in substantial physical damage to the property of others.

(k) Nothing contained in this chapter shall be construed to prohibit an owner, lessee, sublessee, or assignee from advertising or selecting a person of the same or opposite gender to rent, lease, or share the housing unit which the owner, lessee, sublessee, or assignee will occupy with the person selected.

(l) No person shall aid, abet, incite, compel, or coerce the doing of any act declared by this section to be an unlawful housing practice, or obstruct or prevent any person from complying with the provisions of this chapter or any order issued there under, or attempt directly or indirectly to commit any act declared by this section to be an unlawful housing practice.

(m) No owner, person defined in § 34-37-3(12), person to whom application is made for a loan or other form of financial assistance for the acquisition, construction, rehabilitation, repair, or maintenance of any housing accommodation, whether secured or unsecured, no financial organization governed by the provisions of title 19 or any other credit granting commercial institution, or respondent under this chapter or any agent of these shall discriminate in any manner against any individual because he or she has opposed any practice forbidden by this chapter, or because he or she has made a charge, testified, or assisted in any manner in any investigation, proceeding, or hearing under this chapter.

(n) Nothing in this section shall prevent a landlord from proceeding with eviction action against a tenant who fails to comply with § 34-18-24(7)(n).

PART 4: Appendices

WEB SITE SOURCES FOR MUNICIPAL ORDINANCES

Bellevue, WA - <http://www.cityofbellevue.org/bellcode/Bluc2020.html#20.20.128>

Boston, MA - <http://www.cityofboston.gov/bra/affordhousing/AHDocuments.asp>

Boulder, CO - <http://www.ci.boulder.co.us/cao/brc/965.html>

Burlington, VT - <http://www.ci.burlington.vt.us/planning/zoning/znordinance/article14.html>

Cambridge, MA - http://www.cambridgema.gov/~CDD/cp/zng/zord/zo_article11_spec_regulations.pdf

Davis, CA - <http://www.city.davis.ca.us/cmo/citycode/chapter.cfm?chapter=18#05>

Fairfax County, VA - <http://www.co.fairfax.va.us/gov/rha/adu/aduprogram.htm>

Institute for Local Government, Sample Inclusionary Zoning Ordinance -
<http://www.planningcommunications.com/California%20Sample%20Inclusionary%20Zoning%20Ordinance.pdf>

Montgomery County, MD -
http://www.montgomerycountymd.gov/content/dhca/housing/housing_p/policy/execsumm.html

Sacramento, CA - <http://ordlink.com/codes/sacramento/ DATA/TITLE17>

Santa Fe, NM - http://68.15.49.6/santafe_nm/lpext.dll?f=templates&fn=site_main-j.htm&2.0
Or <http://www.santafenm.gov/planning-land-use/index.asp>

Snohomish, WA - <http://www.ci.snohomish.wa.us/code/14-37lowincomehousingincentives.pdf>

Somerville, MA - http://www.ci.somerville.ma.us/CoS_Content/documents/Article%2013.pdf

Tiburon, CA -
http://www.ci.tiburon.ca.us/Departments/Departments/Planning_Dept/Zoning_Ordinance/Revised/subchapter%206%20through%2010-31-2003.pdf