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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND HOUSING
RESOURCES ACT OF 1998

Introduced By: Senators Sosnowski, and DiMario

Date Introduced: March 10, 2022

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-128-8.1 of the General Laws in Chapter 42-128 entitled "Rhode
2 Island Housing Resources Act of 1998" is hereby amended to read as follows:

3 **42-128-8.1. Housing production and rehabilitation.**

4 (a) Short title. This section shall be known and may be cited as the "Comprehensive
5 Housing Production and Rehabilitation Act of 2004."

6 (b) Findings. The general assembly finds and declares that:

7 (1) The state must maintain a comprehensive housing strategy applicable to all cities and
8 towns that addresses the housing needs of different populations including, but not limited to,
9 workers and their families who earn less than one hundred twenty percent (120%) of median
10 income, older citizens, students attending institutions of higher education, low and very low income
11 individuals and families, and vulnerable populations including, but not limited to, persons with
12 disabilities, homeless individuals and families, and individuals released from correctional
13 institutions.

14 (2) Efforts and programs to increase the production of housing must be sensitive to the
15 distinctive characteristics of cities and towns, neighborhoods and areas and the need to manage
16 growth and to pace and phase development, especially in high growth areas.

17 (3) The state in partnership with local communities must remove barriers to housing
18 development and update and maintain zoning and building regulations to facilitate the construction,

1 rehabilitation of properties and retrofitting of buildings for use as safe affordable housing.

2 (4) Creative funding mechanisms are needed at the local and state levels that provide
3 additional resources for housing development, because there is an inadequate amount of federal
4 and state subsidies to support the affordable housing needs of Rhode Island's current and projected
5 population.

6 (5) Innovative community planning tools, including, but not limited to, density bonuses
7 and permitted accessory dwelling units, are needed to offset escalating land costs and project
8 financing costs that contribute to the overall cost of housing and tend to restrict the development
9 and preservation of housing affordable to very low income, low income and moderate income
10 persons.

11 (6) The gap between the annual increase in personal income and the annual increase in the
12 median sales price of a single-family home is growing, therefore, the construction, rehabilitation
13 and maintenance of affordable, multi-family housing needs to increase to provide more rental
14 housing options to individuals and families, especially those who are unable to afford
15 homeownership of a single-family home.

16 (7) The state needs to foster the formation of cooperative partnerships between
17 communities and institutions of higher education to significantly increase the amount of residential
18 housing options for students.

19 (8) The production of housing for older citizens as well as urban populations must keep
20 pace with the next twenty-year projected increases in those populations of the state.

21 (9) Efforts must be made to balance the needs of Rhode Island residents with the ability of
22 the residents of surrounding states to enter into Rhode Island's housing market with much higher
23 annual incomes at their disposal.

24 (c) Strategic plan. The commission, in conjunction with the statewide planning program,
25 shall develop by July 1, 2006, a five (5) year strategic plan for housing, which plan shall be adopted
26 as an element of the state guide plan, and which shall include quantified goals, measurable
27 intermediate steps toward the accomplishment of the goals, implementation activities, and
28 standards for the production and/or rehabilitation of year-round housing to meet the housing needs
29 including, but not limited to, the following:

30 (1) Older Rhode Islanders, including senior citizens, appropriate, affordable housing
31 options;

32 (2) Workers, housing affordable at their income level;

33 (3) Students, dormitory, student housing and other residential options;

34 (4) Low income and very low income households, rental housing;

1 (5) Persons with disabilities, appropriate housing; and

2 (6) Vulnerable individuals and families, permanent housing, single room occupancy units,
3 transitional housing and shelters.

4 (d) As used in this section and for the purposes of the preparation of affordable housing
5 plans as specified in chapter 45-22.2, words and terms shall have the meaning set forth in chapter
6 45-22.2, chapter 45-53, and/or § 42-11-10, unless this section provides a different meaning or
7 unless the context indicates a different meaning or intent.

8 (1) "Affordable housing" means residential housing that has a sales price or rental amount
9 that is within the means of a household that is moderate income or less. In the case of dwelling
10 units for sale, housing that is affordable means housing in which principal, interest, taxes, which
11 may be adjusted by state and local programs for property tax relief, and insurance constitute no
12 more than thirty percent (30%) of the gross household income for a household with less than one
13 hundred and twenty percent (120%) of area median income, except in New Shoreham, the gross
14 household income shall be less than one hundred and forty percent (140%) of area median income,
15 adjusted for family size. In the case of dwelling units for rent, housing that is affordable means
16 housing for which the rent, heat, and utilities other than telephone constitute no more than thirty
17 percent (30%) of the gross annual household income for a household with eighty percent (80%) or
18 less of area median income, adjusted for family size. Affordable housing shall include all types of
19 year-round housing, including, but not limited to, manufactured housing, housing originally
20 constructed for workers and their families, accessory dwelling units, housing accepting rental
21 vouchers and/or tenant-based certificates under Section 8 of the United States Housing Act of 1937,
22 as amended, and assisted living housing, where the sales or rental amount of such housing, adjusted
23 for any federal, state, or municipal government subsidy, is less than or equal to thirty percent (30%)
24 of the gross household income of the low and/or moderate income occupants of the housing.

25 (i) In that New Shoreham has reached its ten percent (10%) low and moderate income
26 housing goal, and for so long as they maintain at least ten percent (10%) of their year round housing
27 stock as low and moderate income housing as defined in § 45-53-3(4)(ii), and inasmuch as there
28 are provable economic impacts related to the municipalities substantial offshore location,
29 residential housing units produced for sale in which principal, interest, taxes, which may be
30 adjusted by state and local programs for property tax relief, and insurance constitute no more than
31 thirty percent (30%) of the gross household income for a household with less than one hundred
32 forty percent (140%) of the area median income, adjusted for family size, shall be counted towards
33 the municipalities low and moderate income housing inventory as defined § 45-53-3(9).

34 (2) "Affordable housing plan" means a plan prepared and adopted by a town or city either

1 to meet the requirements of chapter 45-53 or to meet the requirements of § 45-22.2-10(f), which
2 require that comprehensive plans and the elements thereof be revised to conform with amendments
3 to the state guide plan.

4 (3) "Approved affordable housing plan" means an affordable housing plan that has been
5 reviewed and approved in accordance with § 45-22.2-9.

6 (4) "Moderate income household" means a single person, family, or unrelated persons
7 living together whose adjusted gross income is more than eighty percent (80%) but less than one
8 hundred twenty percent (120%) of the area median income, adjusted for family size.

9 (5) "Seasonal housing" means housing that is intended to be occupied during limited
10 portions of the year.

11 (6) "Year-round housing" means housing that is intended to be occupied by people as their
12 usual residence and/or vacant units that are intended by their owner for occupancy at all times of
13 the year; occupied rooms or suites of rooms in hotels are year-round housing only when occupied
14 by permanent residents as their usual place of residence.

15 (e) The strategic plan shall be updated and/or amended as necessary, but not less than once
16 every five (5) years.

17 (f) Upon the adoption of the strategic plan as an element of the state guide plan, towns and
18 cities shall bring their comprehensive plans into conformity with its requirements, in accordance
19 with the timetable set forth in § 45-22.2-10(f), provided, however, that any town that has adopted
20 an affordable housing plan in order to comply with the provisions of chapter 45-53, which has been
21 approved for consistency pursuant to § 45-22.2-9, shall be deemed to satisfy the requirements of
22 the strategic plan for low and moderate income housing until such time as the town must complete
23 its next required comprehensive community plan update.

24 (g) Guidelines. The commission shall advise the state planning council and the state
25 planning council shall promulgate and adopt not later than July 1, 2006, guidelines for higher
26 density development, including, but not limited to: (A) inclusionary zoning provisions for low and
27 moderate income housing with appropriate density bonuses and other subsidies that make the
28 development financially feasible; and (B) mixed-use development that includes residential
29 development, which guidelines shall take into account infrastructure availability; soil type and land
30 capacity; environmental protection; water supply protection; and agricultural, open space, historical
31 preservation, and community development pattern constraints.

32 (h) The statewide planning program shall maintain a geographic information system map
33 that identifies, to the extent feasible, areas throughout the state suitable for higher density
34 residential development consistent with the guidelines adopted pursuant to subsection (g).

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND HOUSING
RESOURCES ACT OF 1998

1 This act would change the affordable housing eligibility standards for households in New
2 Shoreham with gross household income of less than one hundred and forty percent (140%) of area
3 median income.

4 This act would take effect upon passage.

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