LC01414

2012 -- H 7625

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

AN ACT

RELATING TO TOWNS AND CITIES - LOW AND MODERATE INCOME HOUSING

<u>Introduced By:</u> Representative Donald J. Lally <u>Date Introduced:</u> February 16, 2012 <u>Referred To:</u> House Municipal Government

It is enacted by the General Assembly as follows:

SECTION 1. Section 45-53-3 of the General Laws in Chapter 45-53 entitled "Low and
 Moderate Income Housing" is hereby amended to read as follows:

- <u>45-53-3. Definitions. --</u> The following words, wherever used in this chapter, unless a
 different meaning clearly appears from the context, have the following meanings:
- 5 (1) "Affordable housing plan" means a component of a housing element, as defined in 6 subdivision 45-22.2-4(1), to meet housing needs in a city or town that is prepared in accordance 7 with guidelines adopted by the state planning council, and/or to meet the provisions of subsection 8 45-53-4(b)(1) and (c).
- 9 (2) "Approved affordable housing plan" means an affordable housing plan that has been 10 approved by the director of administration as meeting the guidelines for the local comprehensive 11 plan as promulgated by the state planning council; provided, however, that state review and 12 approval, for plans submitted by December 31, 2004, shall not be contingent on the city or town 13 having completed, adopted, or amended its comprehensive plan as provided for in sections 45-14 22.2-8, 45-22.2-9, or 45-22.2-12.

(3) "Comprehensive plan" means a comprehensive plan adopted and approved by a city
or town pursuant to chapters 22.2 and 22.3 of this title.

17 (4) "Consistent with local needs" means reasonable in view of the state need for low and 18 moderate income housing, considered with the number of low income persons in the city or town 19 affected and the need to protect the health and safety of the occupants of the proposed housing or

1 of the residence of the city or town, to promote better site and building design in relation to the 2 surroundings, or to preserve open spaces, and if the local zoning or land use ordinances, 3 requirements, and regulations are applied as equally as possible to both subsidized and 4 unsubsidized housing. Local zoning and land use ordinances, requirements, or regulations are 5 consistent with local needs when imposed by a city or town council after comprehensive hearing in a city or town where: 6

7 (i) Low or moderate income housing exists which is: (A) in the case of an urban city or 8 town which has at least 5,000 occupied year-round rental units and the units, as reported in the 9 latest decennial census of the city or town, comprise twenty-five percent (25%) or more of the 10 year-round housing units, is in excess of fifteen percent (15%) of the total occupied year-round 11 rental units; or (B) in the case of all other cities or towns, is in excess of ten percent (10%) of the 12 year-round housing units reported in the census.

13 (ii) The city or town has promulgated zoning or land use ordinances, requirements, and 14 regulations to implement a comprehensive plan which has been adopted and approved pursuant to 15 chapters 22.2 and 22.3 of this title, and the housing element of the comprehensive plan provides 16 for low and moderate income housing in excess of either ten percent (10%) of the year-round 17 housing units or fifteen percent (15%) of the occupied year-round rental housing units as 18 provided in subdivision (2)(i).

19 (5) "Infeasible" means any condition brought about by any single factor or combination 20 of factors, as a result of limitations imposed on the development by conditions attached to the 21 approval of the comprehensive permit, to the extent that it makes it impossible for a public 22 agency, nonprofit organization, or limited equity housing cooperative to proceed in building or 23 operating low or moderate income housing without financial loss, within the limitations set by the 24 subsidizing agency of government, on the size or character of the development, on the amount or 25 nature of the subsidy, or on the tenants, rentals, and income permissible, and without substantially 26 changing the rent levels and unit sizes proposed by the public agency, nonprofit organization, or 27 limited equity housing cooperative.

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(6) "Letter of eligibility" means a letter issued by the Rhode Island housing and 29 mortgage finance corporation in accordance with subsection 42-55-5.3(a).

30 (7) "Local board" means any town or city official, zoning board of review, planning 31 board or commission, board of appeal or zoning enforcement officer, local conservation 32 commission, historic district commission, or other municipal board having supervision of the 33 construction of buildings or the power of enforcing land use regulations, such as subdivision, or 34 zoning laws.

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- (8) "Local review board" means the planning board as defined by subdivision 45-22.2 4(26), or if designated by ordinance as the board to act on comprehensive permits for the town,
 the zoning board of review established pursuant to section 45-24-56.
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4 (9) "Low or moderate income housing" means any housing whether built or operated by 5 any public agency or any nonprofit organization or by any limited equity housing cooperative or any private developer, that is subsidized by a federal, state, or municipal government subsidy 6 7 under any program to assist the construction or rehabilitation of housing affordable to low or 8 moderate income households, as defined in the applicable federal or state statute, or local 9 ordinance and that will remain affordable through a land lease and/or deed restriction for ninety-10 nine (99) years or such other period that is either agreed to by the applicant and town or 11 prescribed by the federal, state, or municipal government subsidy program but that is not less than 12 thirty (30) years from initial occupancy. "Low and moderate income housing" also means all 13 rental units, including, but not limited to, naturally occurring rental units, not subsidized, in which 14 the amount of rent charged for said unit falls within the appropriate amounts as defined by 15 applicable federal or state laws relating to low and moderate income housing. The 16 aforementioned rental units shall have a lease with a minimum term of twelve (12) months. Low and moderate income housing shall also include any rental unit utilizing the H.U.D. section 8 17 18 program and reported to the Rhode Island office of housing and community development on 19 January 1 of any given year.

20 (10) "Meeting housing needs" means adoption of the implementation program of an 21 approved affordable housing plan and the absence of unreasonable denial of applications that are 22 made pursuant to an approved affordable housing plan in order to accomplish the purposes and 23 expectations of the approved affordable housing plan.

(11) "Municipal government subsidy" means assistance that is made available through a city or town program sufficient to make housing affordable, as affordable housing is defined in section 42-128-8.1(d)(1); such assistance may include, but is not limited to, direct financial support, abatement of taxes, waiver of fees and charges, and approval of density bonuses and/or internal subsidies, and any combination of forms of assistance.

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SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO TOWNS AND CITIES - LOW AND MODERATE INCOME HOUSING

1 This act would expand the definition of "low or moderate income housing" to also mean 2 all rental units, not subsidized, in which the amount of rent charged falls within the appropriate 3 amounts as defined by applicable federal or state law relating to low and moderate income 4 housing.

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This act would take effect upon passage.

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