LC005537

## 2018 -- S 2861

# STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

### JANUARY SESSION, A.D. 2018

### AN ACT

#### RELATING TO STATE AFFAIRS AND GOVERNMENT -- HOUSING RESOURCES

Introduced By: Senator V. Susan Sosnowski

Date Introduced: May 03, 2018

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

- SECTION 1. Section 42-128-8.1 of the General Laws in Chapter 42-128 entitled "Rhode
   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, workers and their families residing in New Shoreham who earn less than one hundred 11 forty percent (140%) of median income, older citizens, students attending institutions of higher 12 education, low and very low income individuals and families, and vulnerable populations 13 including, but not limited to, persons with disabilities, homeless individuals and families, and 14 individuals released from correctional institutions.

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

(3) The state in partnership with local communities must remove barriers to housingdevelopment and update and maintain zoning and building regulations to facilitate the

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

3 (4) Creative funding mechanisms are needed at the local and state levels that provide 4 additional resources for housing development, because there is an inadequate amount of federal 5 and state subsidies to support the affordable housing needs of Rhode Island's current and 6 projected population.

7 (5) Innovative community planning tools, including, but not limited to, density bonuses 8 and permitted accessory dwelling units, are needed to offset escalating land costs and project 9 financing costs that contribute to the overall cost of housing and tend to restrict the development 10 and preservation of housing affordable to very low income, low income and moderate income 11 persons.

12 (6) The gap between the annual increase in personal income and the annual increase in 13 the median sales price of a single-family home is growing, therefore, the construction, 14 rehabilitation and maintenance of affordable, multi-family housing needs to increase to provide 15 more rental housing options to individuals and families, especially those who are unable to afford 16 homeownership of a single-family home.

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

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

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

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

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

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

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

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

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(5) Persons with disabilities, appropriate housing; and

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

5 (d) As used in this section and for the purposes of the preparation of affordable housing 6 plans as specified in chapter 45-22.2, words and terms shall have the meaning set forth in chapter 7 45-22.2, chapter 45-53, and/or § 42-11-10, unless this section provides a different meaning or 8 unless the context indicates a different meaning or intent.

9 (1) "Affordable housing" means residential housing that has a sales price or rental 10 amount that is within the means of a household that is moderate income or less. In the case of 11 dwelling units for sale, housing that is affordable means housing in which principal, interest, 12 taxes, which may be adjusted by state and local programs for property tax relief, and insurance 13 constitute no more than thirty percent (30%) of the gross household income for a household with 14 less than one hundred and twenty percent (120%) of area median income, adjusted for family size 15 or one hundred forty percent (140%) of area median income, adjusted for family size for residents 16 of New Shoreham. In the case of dwelling units for rent, housing that is affordable means housing 17 for which the rent, heat, and utilities other than telephone constitute no more than thirty percent 18 (30%) of the gross annual household income for a household with eighty percent (80%) or less of 19 area median income, adjusted for family size. Affordable housing shall include all types of yearround housing, including, but not limited to, manufactured housing, housing originally 20 21 constructed for workers and their families, accessory dwelling units, housing accepting rental 22 vouchers and/or tenant-based certificates under Section 8 of the United States Housing Act of 23 1937, as amended, and assisted living housing, where the sales or rental amount of such housing, 24 adjusted for any federal, state, or municipal government subsidy, is less than or equal to thirty 25 percent (30%) of the gross household income of the low and/or moderate income occupants of the 26 housing.

(2) "Affordable housing plan" means a plan prepared and adopted by a town or city either
to meet the requirements of chapter 45-53 or to meet the requirements of § 45-22.2-10(f), which
require that comprehensive plans and the elements thereof be revised to conform with
amendments to the state guide plan.

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

(4) "Moderate income household" means a single person, family, or unrelated persons
living together whose adjusted gross income is more than eighty percent (80%) but less than one

hundred twenty percent (120%) or one hundred forty percent (140%) for residents of New
 Shoreham of the area median income, adjusted for family size.

3 (5) "Seasonal housing" means housing that is intended to be occupied during limited4 portions of the year.

5 (6) "Year-round housing" means housing that is intended to be occupied by people as 6 their usual residence and/or vacant units that are intended by their owner for occupancy at all 7 times of the year; occupied rooms or suites of rooms in hotels are year-round housing only when 8 occupied by permanent residents as their usual place of residence.

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

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

18 (g) Guidelines. The commission shall advise the state planning council and the state 19 planning council shall promulgate and adopt not later than July 1, 2006, guidelines for higher 20 density development, including, but not limited to: (A) inclusionary zoning provisions for low 21 and moderate income housing with appropriate density bonuses and other subsidies that make the 22 development financially feasible; and (B) mixed-use development that includes residential 23 development, which guidelines shall take into account infrastructure availability; soil type and 24 land capacity; environmental protection; water supply protection; and agricultural, open space, 25 historical preservation, and community development pattern constraints.

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

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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 STATE AFFAIRS AND GOVERNMENT -- HOUSING RESOURCES

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- 1 This act would allow the residents of New Shoreham who earn up to one hundred forty
- 2 percent (140%) of area median income to qualify for affordable housing.
- 3 This act would take effect upon passage.

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