LC003880

2024 -- S 2089

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

AN ACT

RELATING TO TOWNS AND CITIES -- LOW AND MODERATE INCOME HOUSING

<u>Introduced By:</u> Senators Felag, Picard, Lombardo, and Tikoian <u>Date Introduced:</u> January 12, 2024 <u>Referred To:</u> Senate Housing & 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:
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45-53-3. Definitions. [Effective January 1, 2024.]

The following words, wherever used in this chapter, unless a different meaning clearly
appears from the context, have the following meanings:

6 (1) "Adjustment(s)" means a request or requests by the applicant to seek relief from the 7 literal use and dimensional requirements of the municipal zoning ordinance and/or the design 8 standards or requirements of the municipal land development and subdivision regulations. The 9 standard for the local review board's consideration of adjustments is set forth in § 45-53-10 4(d)(2)(iii)(E)(II).

(2) "Affordable housing plan" means a component of a housing element, as defined in §
45-22.2-4(1), that addresses housing needs in a city or town that is prepared in accordance with
guidelines adopted by the state planning council, and/or to meet the provisions of § 45-53-4(e)(1)
and (f).

(3) "Approved affordable housing plan" means an affordable housing plan that has been approved by the director of administration as meeting the guidelines for the local comprehensive plan as promulgated by the state planning council; provided, however, that state review and approval, for plans submitted by December 31, 2004, shall not be contingent on the city or town having completed, adopted, or amended its comprehensive plan as provided for in § 45-22.2-8, § 1 45-22.2-9, or § 45-22.2-12.

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(4) "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.

4 (5) "Consistent with local needs" means reasonable in view of the state need for low- and 5 moderate-income housing, considered with the number of low-income persons in the city or town affected and the need to protect the health and safety of the occupants of the proposed housing or 6 7 of the residents of the city or town, to promote better site and building design in relation to the 8 surroundings, or to preserve open spaces, and if the local zoning or land use ordinances, 9 requirements, and regulations are applied as equally as possible to both subsidized and 10 unsubsidized housing. Local zoning and land use ordinances, requirements, or regulations are 11 consistent with local needs when imposed by a city or town council after a comprehensive hearing 12 in a city or town where:

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

(ii) The city or town has promulgated zoning or land use ordinances, requirements, and regulations to implement a comprehensive plan that has been adopted and approved pursuant to chapters 22.2 and 22.3 of this title, and the housing element of the comprehensive plan provides for low- and moderate-income housing in excess of either ten percent (10%) of the year-round housing units or fifteen percent (15%) of the occupied year-round rental housing units as provided in subsection (5)(i).

(iii) Multi-family rental units built under a comprehensive permit may be calculated
towards meeting the requirements of a municipality's low- or moderate-income housing inventory,
as long as the units meet and are in compliance with the provisions of § 45-53-3.1.

(6) "Infeasible" means any condition brought about by any single factor or combination of factors, as a result of limitations imposed on the development by conditions attached to the approval of the comprehensive permit, to the extent that it makes it financially or logistically impracticable for any applicant to proceed in building or operating low- or moderate-income housing within the limitations set by the subsidizing agency of government or local review board, on the size or character of the development, on the amount or nature of the subsidy, or on the tenants, rentals, and income permissible, and without substantially changing the rent levels and unit sizes proposed by 1 the applicant.

- 2 (7) "Letter of eligibility" means a letter issued by the Rhode Island housing and mortgage
 3 finance corporation in accordance with § 42-55-5.3(a).
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(8) "Local review board" means the planning board as defined by § 45-22.2-4.

5 (9) "Low- or moderate-income housing" shall be synonymous with "affordable housing" as defined in § 42-128-8.1, and further means any housing whether built or operated by any public 6 7 agency or any nonprofit organization or by any limited equity housing cooperative or any private 8 developer, that is subsidized by a federal, state, or municipal government subsidy under any 9 program to assist the construction or rehabilitation of affordable housing and that will remain 10 affordable through a land lease and/or deed restriction for ninety-nine (99) years or such other 11 period that is either agreed to by the applicant and town or prescribed by the federal, state, or 12 municipal government subsidy program but that is not less than thirty (30) years from initial 13 occupancy. Low- or moderate-income housing also includes rental property located within a 14 municipality that is secured with a federal government voucher or subsidy.

(10) "Meeting local housing needs" means as a result of the adoption of the implementation program of an approved affordable housing plan, the absence of unreasonable denial of applications that are made pursuant to an approved affordable housing plan in order to accomplish the purposes and expectations of the approved affordable housing plan, and a showing that at least twenty percent (20%) of the total residential units approved by a local review board or any other municipal board in a calendar year are for low- and moderate-income housing as defined in § 42-128-8.1.

(11) "Monitoring agents" means those monitoring agents appointed by the Rhode Island
housing resources commission pursuant to § 45-53-3.2 and to provide the monitoring and oversight
set forth in this chapter, including, but not limited to, §§ 45-53-3.2 and 45-53-4.

(12) "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 § 42-128-8.1(d)(1); such assistance shall include a combination of, 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, zoning incentives, and adjustments as defined in this section 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 amend the definition of "low- and moderate-income housing" to include
- 2 housing secured by a federal government voucher or subsidy.
- 3 This act would take effect upon passage.

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