

DRAFT INCLUSIONARY ZONING ORDINANCE AMENDMENT

AN ORDINANCE IN AMENDMENT OF THE REVISED CITY OF EAST PROVIDENCE, RHODE ISLAND CODE OF ORDINANCES, CHAPTER 19- ZONING, 1998, AS AMENDED

LEGEND

Existing text to remain

Proposed additions

~~Proposed deletions from existing text~~

Only amended sections are shown in this document.

SECTION I. Chapter 19 of the Revised Ordinances of the City of East Providence, Rhode Island is hereby amended by adding thereto the following:

ARTICLE IX. WATERFRONT SPECIAL DEVELOPMENT DISTRICTS

Sec. 19-485. Affordable/inclusionary housing.

~~Developers of new market rate single and/or multi family housing~~ Developments of ten (10) or more dwelling units within the waterfront district ~~shall be subject to the requirements of Article XI, Inclusionary Zoning. However, developments of ten (10) or more dwelling units within the waterfront district that utilize Tax Increment Financing (TIF) with the City shall provide a minimum of twenty percent (20%) affordable units.~~

~~(1) Applicability. The inclusionary zoning requirement shall apply to all developments resulting in the net addition of five (5) or more housing units.~~

~~(2) Affordability requirements.~~

- ~~a. For all applicable projects, at least twenty five percent (25%) of the units within the development must qualify as affordable housing, as defined by RIGL 42-128-8.1(d)(1).~~
- ~~b. Fractional units. Where the required number of affordable units results in a fraction the applicant shall round up to the nearest whole number.~~
- ~~c. The applicant shall enter into a monitoring service agreement with a qualified organization, to be approved by the executive director.~~
- ~~d. Each owner of any rental inclusionary units shall submit an annual report to the commission by January 31 for the previous calendar year, identifying monthly rental~~

~~rates, vacancy status of each inclusionary unit, income status for residents and any other related data deemed necessary by the commission while ensuring privacy for all residents. The deed restriction for ownership units shall require conformance reporting upon sale of ownership of inclusionary units.~~

~~(3) Off site options.~~

- ~~a. Off site options. The commission, at its sole discretion, may allow an applicant to comply with the inclusionary zoning requirement by constructing inclusionary units on a site within the Waterfront District other than that at which the development is located. The following may be required by the commission for such off site construction.~~
 - ~~1. Off site rehabilitation of affordable units in existing buildings.~~
 - ~~2. Off site construction of affordable units in new or existing buildings.~~
- ~~b. Conditions. Provisions of off site inclusionary units shall be subject to the following conditions:~~
 - ~~1. Off site inclusionary units shall have a certificate of occupancy prior to, or simultaneous with, the occupancy of market rate units.~~
 - ~~2. Renovated off site units shall be in full compliance with all applicable construction and occupancy codes and shall be sufficiently maintained or rehabilitated so that all major systems meet standards comparable to new construction.~~

~~(4) Incentives.~~

- ~~a. Density bonus. The number of housing units allowable on the site or sites involved shall be increased to two market rate units for each affordable unit. The performance standards set forth in 19-482 shall otherwise apply.~~

~~(5) Fee In-Lieu Payments.~~

- ~~a. The developer may choose the option to pay a fee in lieu of the construction of provision of affordable housing. In the event the developer chooses this option, the application is not eligible for the density bonus outlined in this section.~~
- ~~b. Amount of fee in-lieu. For affordable single family homes and condominium units, the per unit fee shall be the difference between the maximum affordable sales price for a family of four (4) earning eighty percent (80%) of the area median income as determined annually by the U.S. Department of Housing Urban Development and the average cost of developing single unit of affordable housing. The average cost of developing a single unit of affordable housing shall be determined annually based on average, per unit development cost of affordable homes financed by Rhode Island~~

~~housing and mortgage finance corporation (RIHMF) over the previous three (3) years, excluding existing units that received preservation financing.~~

- ~~1. Notwithstanding subsection (b) above, in no case shall the per unit fee for affordable single family homes and condominium units be less than forty thousand dollars (\$40,000.00).~~
- ~~2. The commission will allocate in lieu payments within three years of collection to the creation of affordable housing.~~
- ~~3. 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 50 percent shall be paid in full before a certificate of occupancy is issued for any unit in the housing project.~~
- ~~4. Any fee required by this section shall be paid to the East Providence Waterfront Commission Affordable Housing Fund.~~

(Ch. 317, § I, 3-2-04; Ch. 738, § X, 5-21-19)

Article XI. Inclusionary Zoning

Sec. 19-499. Affordable inclusionary housing.

The city's inclusionary zoning regulations require that applicable housing developments provide a minimum amount of dwelling units that are affordable for low- and moderate-income households in order to ensure safe, decent and affordable housing to local residents.

The policy of the City of East Providence is that affordable housing units shall not be concentrated to certain areas of the city, but distributed equally throughout the city. Concentrated affordable housing development is contrary to the intent of this article.

This article is intended to meet the requirements of a municipal subsidy as required by RIGL § 45-53-3 (9) and one of the purposes of this article is for affordable housing units created pursuant to this article to be counted as affordable housing pursuant to RIGL Ch. 45-53.

(1) Applicability. This section shall apply to all developments and subdivisions on a contiguous site by an applicant or property owner, under the control of the same individual, within a thirty (30)-year period resulting in the net addition of housing units. The requirements of this section shall not apply in cases where there is a limitation on the development density at the subject property under the regulations of a state agency, such as the coastal resources management council or department of environmental management that prevents the use of the density bonus set forth in this section.

(2) Threshold at which the provision of inclusionary units is required. Development and/or subdivision resulting in ten (10) or more units, as defined in subsection (1) of this section, shall provide the required percentage of affordable units provided for in subsections (4) and (5), respectively, of this section.

(3) Fractional units. Where the required number of affordable units results in a fraction, the number of required units shall be rounded up to the nearest whole number.

(4) Affordability requirements. For all applicable projects, at least fifteen percent (15%) of the units within the development must qualify as affordable housing, as defined by RIGL §42-128-8.1 (d) (1). However, developments of ten (10) or more dwelling units within the waterfront district that utilize Tax Increment Financing (TIF) with the City shall provide a minimum of twenty percent (20%) affordable units, per Section 19-485.

(5) Conditions. Provisions of inclusionary units shall be subject to the following conditions:

- a. Have a certificate of occupancy prior to, or simultaneous with, the occupancy of non-inclusionary units.
- b. Constructed as part of the same contiguous development as non-inclusionary units.
- c. As a condition of approval, the application shall perform all requirements required by RIGL Ch. 45-53 for any provided affordable units to meet state requirements for consistency with the need for affordable housing, as established in RIGL Ch. 45-53. Any required land lease and/or deed restriction shall be for a period of at least fifty (50) years.

(6) Incentives.

- a. Density bonus. The number of housing units allowable on the site or sites involved shall be increased by one-and-one-half (1.5) market rate units for each affordable unit. The total number of units permitted shall equal the number originally proposed, including the required number of affordable units, plus the number of bonus units. Maximum multifamily dwelling density in Sec. 19-218 shall be correspondingly reduced as necessary to allow the total number of units permitted.
- b. Property tax. Affordable housing that is not owner-occupied is subject to property tax at the rate of eight percent (8%) of the property's previous year's gross scheduled rental income pursuant to RIGL §44-5-13.11.
- c. Tax Stabilization. Inclusionary housing consistent with the requirements of Article V of Chapter 16, Tax Stabilization for Qualified Businesses, is eligible for the benefits afforded by that Article.
- d. Parking. No more than one (1) parking space shall be required for each inclusionary housing unit. No more than one and one-half (1.5) parking spaces shall be required for

each non-inclusionary housing unit in a development with inclusionary units.
Fractional numbers shall be rounded up to the nearest whole number.

- e. Access. Residents and guests of inclusionary housing included in an application subject to this section shall have access privileges to shared facilities, including parking, made available to residents and guests of non-inclusionary housing within the onsite portions of the rest of the project.
- f. Additional incentives. Inclusionary developments and/or subdivisions may submit for approval as a land development project to secure additional incentives and/or relief to enable the project.

Section II. Effective Date.

This ordinance shall take effect upon passage.