

City of Cranston

City Plan Commission

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“Affordable Housing” – What is it?

“Low or moderate income housing” means any housing whether built or operated by 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 under any program to assist the construction or rehabilitation of housing affordable to low or moderate income households, as defined in the applicable federal or state statute, or local ordinance and that will remain affordable through a land lease and/or deed restriction for ninety-nine (99) years or such other period that is either agreed to by the applicant and town or prescribed by the federal, state, or municipal government subsidy program but that is not less than thirty (30) years from initial occupancy.

(State Law § 45-53-3. Definitions)

“Affordable Housing” – What is it?

- Who is eligible?
- Area Median Income (AMI)

(see handout on qualifying income levels)

"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 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.*

(§ 45-53-3.)

“Affordable Housing” – Requirement

Required to be "Consistent with local needs." Local zoning and land use ordinances, requirements, or regulations are “consistent with local needs” when imposed by a city or town council after a comprehensive hearing 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 year-round 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. (§ 45-53-3.)

OR – HAVE A PLAN TO MEET THE GOAL (problematic)

Cranston meets the state criteria (A), and therefore we meet our fair share of affordable exemption.

Exempt From What?

Comprehensive Permit Process

Allows additional density and waives local zoning regulations so long as 25% of the units are affordable.

City Plan Commission is the sole decision maker. No ZBR, no City Council.

Appeals go to the State Housing Appeals Board (SHAB).

Letter of eligibility from RIH.

Pro forma with detailed cash flow analysis to prove need for density.

Potentially being amended in favor of developers.

“Friendly” Comp Permit as a tool even if exempt.

Where Do We Stand?

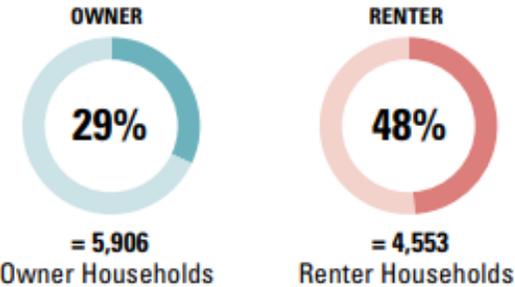
▶ HOUSING STOCK



POPULATION 81,254	HOUSEHOLDS 30,481	MEDIAN HOUSEHOLD INCOME \$72,017	67% OWN	33% RENT
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▶ COST BURDENED HOUSEHOLDS

10,459 HOUSEHOLDS ARE COST BURDENED



A household is considered burdened if it spends 30% or more of its income on housing costs.

HOUSING COSTS

▶ MEDIAN SINGLE FAMILY

Home price	\$284,900	5 YEAR COMPARISON	
Monthly housing payment	\$2,003	2015 \$202,127	2020 41% INCREASE

\$80,124 Income needed to afford this

▶ AVERAGE 2-BEDROOM RENT

Rental payment	\$1,650	5 YEAR COMPARISON	
		2015 \$1,629	2020 1% INCREASE

\$66,000 Income needed to afford this

Affordable Housing Stock - BREAKDOWN

- **5.48%** of year-round housing stock is affordable (**1,805 units ***)
City does NOT meet 10% requirement (option B).
1,524 additional units required to meet the 10% goal.
- **16.6**%** of rentals are affordable based on last census data.
Meets 15% requirement of (option A).
Newest available data suggests that Current the City has approximately 11,710 rental housing units, of these 1,785 are affordable (15.2%).
We are still narrowly above the 15% threshold, but every new project that adds new rentals without adding new deed restricted affordable rental brings us closer to the 15% threshold.
- Elderly rental comprise the majority of our affordable rental units, followed by special needs then family (see handout)
- Affordable homeownership virtually nonexistent

** May 2023 expected census data will affect this tally*



Cranston Housing Policy



Remain compliant with state law (prevent loss of exemption)



Continue to provide for fair share and improve housing affordability/availability citywide



Reduce sprawl and promote better design



Protect/stabilize existing neighborhoods

HOUSING ACTION PLAN

Housing Actions (HA)	
Adopt Inclusionary and Smart Growth Standards	
HA-1	Enact inclusionary zoning: <ul style="list-style-type: none"> • Increase affordable housing in new subdivisions and development projects as appropriate through incentives and bonuses • Require a proportion of units as affordable housing (as defined by State regulations) in each new housing project over ten units in size.
HA-2	Set a short-term, yearly goal of 30 new affordable housing units per year with a target of 150 units at the end of five years.
HA-3	Encourage housing that is mixed into commercial projects: <ul style="list-style-type: none"> • Meet the Smart Growth goals of this Comprehensive Plan and the State.
Conserve Resources in Future Subdivisions	
HA-4	Require conservation design subdivisions as the standard mode of development <ul style="list-style-type: none"> • Apply to remaining undeveloped land to conserve natural resources, protect public resources, improve property values, and improve accessibility. <i>Related Action: LU-1</i>
Conserve Existing Housing Resources	
HA-5	Enable existing nonconforming two and three-family unit dwellings to be modified, maintained and improved within the existing neighborhoods: Reduce burden of zoning and building regulations.
HA-6	Review zoning in existing residential neighborhoods to ensure the zoning matches, as closely as possible, what has already been built: <ul style="list-style-type: none"> • Revise in terms of dimensions and unit types, unless site constraints or specific needs determine otherwise. <i>Related Action: LU-26</i>

HOUSING ACTION PLAN

Establish an Affordable Housing Task Force	
HA-7	Create a Housing Task Force: <ul style="list-style-type: none"> Request the Task Force research, advocate, and coordinate affordable housing programs.
HA-8	Create a Housing Trust Fund: <ul style="list-style-type: none"> Use fund to generate revenue for local housing assistance program initiatives.
Initiate Public Education and Outreach	
HA-9	Sponsor citywide public education programs on affordability
Provide Density Bonuses	
HA-10	Provide density bonuses for developments that incorporate a specified proportion of affordable housing. <i>Related Action:</i> HA-1, HA-2
Conserving Existing Housing Resources	
HA-11	Expand the CDBG grant program which provides funding for correction of serious code violations: <ul style="list-style-type: none"> Address immediate health and safety concerns. Provide rehabilitation loans for rental housing which is affordable to lower income families.
HA-12	Expand the housing acquisition, rehabilitation and resale program: <ul style="list-style-type: none"> Purchase vacant and deteriorated structures, renovate them and offer them for resale to lower income families.
HA-13	Require all development proposals, which may displace lower income families, provide housing allowances and relocation payments equal to or greater than the levels required by the U.S. Housing and Urban Development agency.
HA-14	Enact a neighborhood preservation overlay district ordinance: <ul style="list-style-type: none"> Preserve the quality and character of the built environment in selected areas throughout Cranston.
HA-15	Adopt an adaptive re-use ordinance to facilitate the creation of affordable housing.



HOUSING ACTION PLAN



HA-16	Develop an inventory of vacant city owned, tax-title lots which would be suitable for development
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HA-17	Partner with non-profit affordable housing organizations to create affordable housing
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Coordinate Programs

HA-18	Use the Comprehensive Housing Assistance Strategy as an opportunity to coordinate various City housing programs by recognizing the CHAS in the Comprehensive Plan.
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Housing Opportunities for Special Needs Populations



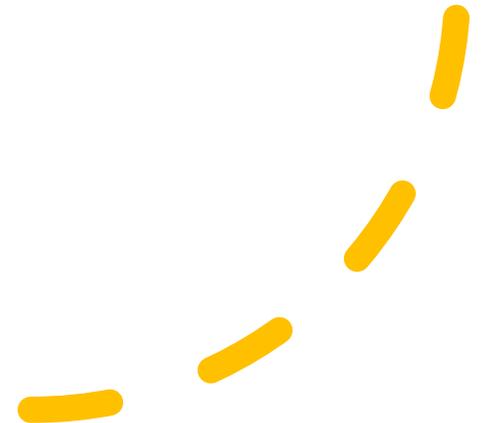
HA-19	Enact land use regulations, which encourage alternative group living arrangements, especially for elderly and handicapped.
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What should we do?

- Reevaluate our existing policies
- APA guidance
- Best practices
- Numbers production – without being developers. . .
- Solve funding limitations. (No bonding, no transfer tax, no *direct* cash subsidy)
- Public input
- Political will
- Other?

Affordable Housing Toolbox

- Inclusionary zoning or Fee in lieu
- ADUs (In-law, or “tiny homes”)
- Zoning district that matches density of original neighborhood
- Overhaul the lot merger provision
- Reduced parking requirements
- Allow more duplex, multi-fam and mixed-use by right
- Policy for use of “friendly” Comp Permit process
- Density bonuses (incentives or subsidy)
- Comp Plan/FLUM amendments
- Creation of Housing Trust Fund





Next Steps

- Consensus on action items to pursue as ordinances
- Joint workshop with Cranston Housing Commission
- Joint workshop with City Council once we have specific ordinance objectives