

TOWN OF COVENTRY
AFFORDABLE HOUSING PRODUCTION PLAN

Amendment to the
Comprehensive Community Plan

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I. INTRODUCTION

The Town of Coventry recognizes the importance of providing a diverse range of housing so that Coventry residents of all income levels have access to safe, decent, and affordable housing. Attentive to the effects of Rhode Island's continued housing market boom on low- and moderate-income households, the Coventry Housing Authority, Coventry Housing Associates, and the Town of Coventry initiated this Affordable Housing Study to review the Town's housing policies, determine how the housing needs of the population have changed over the past decade, and identify and develop strategies for the Town to ensure that the diverse housing needs of residents are met.

To provide the Town of Coventry with the tools to promote housing affordability, the goals and objectives of this study endorse a mix of housing choices, including affordable housing that will allow people living, working and raising families in Coventry to remain in the Town without being priced out of the housing market.

Coventry has an area of 64.8 square miles and a population of 33,668. The town is bounded on the north by Foster, Scituate, and Cranston; on the east by West Warwick and Warwick; on the south by East and West Greenwich; and on the west by Connecticut.

Nineteenth century Coventry was the site of many small textile mills built along the Pawtuxet River. Coventry, like many towns in Rhode Island, developed around its textile mills and continues to retain this unique quality in its original mill villages including Quidnick, Anthony, Arkwright, Harris, Washington, Coventry Center, Summit, and Greene. The housing pattern is more densely developed in the older eastern sections of the town along the West Warwick border while the western and central portions of Coventry retain rural character.

Historically, economic development and job centers have occurred in mill buildings located in the historic villages. Major companies include Clariant Corporation (275 employees), Garland Industries (200 employees), Arkwright Inc. (180 employees), Concordia Manufacturing (165 employees) and GTECH (120 employees). More recently, The Center of New England, a mixed-use industrial/office/retail/restaurant development of 460 acres is being developed in a former gravel pit bordering Interstate 95. This facility will provide jobs and contribute to the tax base of the Town of Coventry.

GROWING NEED FOR AFFORDABLE HOUSING IN COVENTRY

Affordable housing consists of safe, secure housing affordable to households with low to moderate incomes.¹ To be considered affordable, households should spend no more than 30% of their income on rent or mortgage and utilities. According to data from the Rhode Island Housing and Mortgage Finance Corporation (RIH) 3.76% (483 out of 12,861) of the housing units in the Town of Coventry are considered affordable as defined by the Low and Moderate

¹ According to HUD standards, low income is defined as households earning less than 80% of the area median income; moderate income is defined as households earning between 80% and 120% AML.

Income Housing Act. A further analysis of this data is evaluated in Section V discussing affordability in Coventry.

According to the Multiple Listing Service, the median sales price of a single-family home in Coventry in the first half of 2004 was \$242,900, an increase of 63% since 2001. However, homes in the newer subdivisions are selling for \$250,000 to \$340,000. According to local mortgage lenders, a \$255,000 home yields monthly mortgage and insurance payments of \$1,600. Using the 30% rule, this home is affordable to households earning a minimum of \$64,080 per year. Approximately 30% of Coventry residents are in this income range.

The Town is concerned about striking a balance between housing and economic development. For every 10 jobs created, 7 housing units are needed. A 2004 study released by Fleet Bank emphasizes the relationship between affordable housing and economic development. Affordable housing is becoming an increasingly important component in economic development; businesses will not locate in Coventry if their employees cannot afford to live in town. While seeking opportunity for increased economic development, the Town reviews strategies towards incentives for development that meet balanced growth objectives. In promoting and encouraging the location of development of new business in Coventry, the Town must incorporate in planning financial feasibility, urban planning, and workforce housing. The Affordable Housing Task Force will work with the Economic Development committee to target and encourage viable projects.

PURPOSE OF THE AFFORDABLE HOUSING STUDY

Previous to the 2004 revisions of the Low and Moderate Income Housing Act, housing was only considered affordable if its construction or rehabilitation was subsidized by a federal or state government housing program for low or moderate income housing. The 2004 revisions to the Act added municipal subsidies as well. The revised Act also requires all cities and towns to develop specific action plans for achieving the 10% affordable housing goal.

The Town of Coventry's Comprehensive Community Plan includes a Housing Element. This Affordable Housing Study will assess the effectiveness, relevance and degree of accomplishment of the goals and objectives of the existing Housing Element, as well as offer new goals and objectives to be included in an updated Housing Element.

Information and recommendations in this study are based on research of affordable housing programs and strategies employed successfully by cities and towns throughout the country, as well as information gathered from Coventry Town Officials, the Coventry Housing Authority, and from local non-profit organizations. Demographic data and municipal information presented in this study was gathered from information drawn from the 1990 and 2000 U.S. Census, Rhode Island Housing, the Rhode Island Economic Development Corporation and Town of Coventry documents.

OUTLINE OF THE AFFORDABLE HOUSING STUDY

The first half of this document sets the state for the type, amount, and location of affordable housing development recommended by the plan. It begins with a discussion of housing issues in Coventry, a discussion of housing trends and inventory of housing in Coventry follows, as well as containing an analysis of the Town's housing needs. The Study then evaluates the existing affordable housing in Coventry and how this relates to the *Low and Moderate Income Housing Act*. The Study then reviews the 2000 Housing Element in terms of the existing policies, what has been accomplished, what is relevant going forward, and what affordable projects are proposed in the future.

The second half of the document presents a plan for achieving the town's affordable housing goals. Affordable housing goals have been developed that set the overall context of the plan. Strategies and associated action items are presented to achieve each of the affordable housing goals. The Plan concludes with an action table that serves as an implementation tool.

OBJECTIVES OF THE COVENTRY AFFORDABLE HOUSING STUDY

The goals and objectives of this Affordable Housing Study were developed through public input. Additionally, meetings with the Coventry Planning Board, Coventry Housing Authority, Coventry Housing Associates, and interviews with local housing providers. These interactions, along with a review of the 2000 Housing Element and an analysis of existing conditions and trends, led to the development of goals and objectives that address affordable housing in Coventry, while acknowledging other important Town issues such as growth-management and open space preservation. Overall Study objectives include:

- Develop municipal policies and specific, measurable actions that reflect the Town's commitment to rental and owner-occupied affordable housing and will help the Town reach the 10% affordable housing standard set by the Low and Moderate Income Housing Act (Ch 45-53).
- Ensure that people living, working and raising children in Coventry can afford to live in the Town
- Encourage partnerships between the Town, non-profits, and private developers to address housing challenges and develop affordable housing
- Gain community support and acceptance for affordable housing within the Town
- Promote housing opportunities that further Fair Housing goals
- Identify funding sources and other resources for affordable housing development and rehabilitation

II. HOUSING ISSUES

The housing issues Coventry residents face were gathered from a public meeting held as part of this plan development. This meeting was an opportunity for the Town and consultants to hear from the public, on their experiences finding, living in, building and developing housing in Coventry.

HOUSING ISSUES IN COVENTRY

- ✓ *Rental Housing is Difficult to Find:*
According to residents, housing is hard to find, and there is little to no vacant rental housing available.
- ✓ *Existing Rental Housing is Expensive*
When rental housing is available, it often costs more than \$1000 per month, which is too expensive for many of Coventry's residents.
- ✓ *Homeownership Opportunities Have Decreased, while Prices Have Increased:*
Residents noted that there are less housing opportunities now than there have been in the past, and that homes are becoming increasingly unaffordable. Homes in new subdivisions are selling for between \$250,000 and \$340,000. This is not affordable for a large percentage of Coventry residents.
- ✓ *Desire to Limit Sprawl:*
People appreciate the low-density and rural character of central and western Coventry. As more and more people move to Coventry in search of these qualities, developers build more subdivisions to meet the market demand, sprawl is exacerbated, and open space is lost. There is a need to balance residential development with open space preservation so that Coventry's quality of life is retained as its housing needs are met.

REGULATORY ISSUES

- ✓ *Minimum Lot Sizes are Too Large for Affordable Housing Production:*
Coventry has land available for new development, but most of the land is zoned in a way that makes building affordable housing difficult. The densest zoning category (R-20) has a minimum lot size of 20,000 s.f. (roughly one dwelling unit per one-half acre). Much of the land in this zoning category is already built out. Minimum lot sizes increase to 2 acres, 3 acres, and 5 acres in other zones.

- ✓ *Current Zoning Designations Limit Multi-family Unit Production:*
The current Zoning designations limit the production of multi-family units, since this type of development is only allowed in the R-20, the Village Residential Commercial, and Village Main Street Commercial zones. There is little available land in these zones, especially for larger developments.
- ✓ *Subdivision and Land Development Regulations are Strict, Adding to Cost of Housing Production:*
According to developers, Coventry has rather extensive subdivision requirements, adding to the costs of housing development. Road requirements were specifically cited as an impediment to affordable housing development.
- ✓ *Development Fees Impact Housing Costs:*
Coventry does not waive impact fees for affordable housing. The Fair Share Development fee in Coventry is \$7,596 per unit. This fee is broken down by use: \$3,500 for schools, \$1,896 for roads, and \$2,200 for recreation. For age-restricted developments (those housing persons 55 years old or older), the portion of the development fee for schools is waived.

OTHER ISSUES

- ✓ *Negative Perception of Affordable Housing in Community*
In Coventry, as in many communities, some residents have a negative misconception of affordable housing. “NIMBYism” (Not In My Back Yard-ism) is a major problem that reduces overall community support for the development of affordable housing.
- ✓ *Lack of Public Infrastructure:*
The lack of sewers in some parts of Coventry is also an issue with regard to affordable housing development, as this limits project density.

The lack of a public water supply in some parts of Coventry, together with an uncertain supply potential of Kent County Water Authority, may be a limiting factor to dense developments. Before Final approval is given, applicants will be required to demonstrate that there is sufficient water supply to service the proposed development.
- ✓ *Review Time can be Extensive:*
Review by the Planning Commission and Zoning Board can take time. This increases the cost of development because developers must pay holding costs on the land.

III. HOUSING TRENDS AND INVENTORY

This section provides an inventory of the towns housing stock, establishing a baseline against which to measure the towns housing needs. Cost of housing, household and income data is referenced as it relates to housing. Supporting data tables are included in the Appendix.

HOUSING STOCK AND CONDITION

Type of Unit

Table One
Housing Stock Distribution
Town of Coventry

	1990	% of 1990	2000	% of 2000	% Change
Total Number of Units	11,788	100.00%	12,861	100.00%	9.10%
Single Family Home	8,632	73.23%	9,923	77.16%	14.96%
1 unit attached	180	1.53%	208	1.62%	15.56%
2 to 4 units	1,024	8.69%	937	7.29%	-8.50%
5 to 9 units	361	3.06%	501	3.90%	38.78%
10 or more units	649	5.51%	548	4.26%	-15.56%
Mobile home	942	7.99%	946	7.36%	0.42%
Boat, RV, van, etc.	0	0.00%	0	0.00%	0.00%

Source: U.S. Bureau of the Census: Census 1990 and Census 2000

The number of housing units in Coventry increased 10.82% between 1990 and 2000. This increase actually outpaced population growth over the same period (10.82% vs. 8.31%). Coventry's housing stock is largely composed of single-family homes (75.96% in 2000), but there are also a number of manufactured (mobile) homes in the area, contributing to the diversity of housing opportunities the Town seeks to encourage.

Housing Occupancy

Owner-occupied units comprised 81% of the total occupied housing units in Coventry in 2000. This figure has not changed noticeably since 1990. The owner-occupied rates in Kent County and the State remained stable over this time period as well. Coventry's owner-occupied rate is significantly higher than Kent County and the State.

**Table Two
Housing Occupancy 1990-2000
Coventry, Kent County and Rhode Island**

	Coventry	% of Coventry Total	Kent County	% of Kent County Total	Rhode Island	% of RI Total
Total Units						
1990	11,788		65,450		414,572	
2000	13,059		70,365		439,837	
% Increase						
1990-2000	10.78%		7.51%		6.09%	
Occupied Units						
1990	11,189	94.92%	62,058	94.82%	377,977	91.17%
2000	12,596	96.45%	67,320	95.67%	408,424	92.86%
Owner- Occupied						
1990	8,989	80.34%	44,709	72.04%	224,792	59.47%
2000	10,240	81.30%	48,154	71.53%	245,156	60.02%
Renter- Occupied						
1990	2,200	19.66%	17,349	27.96%	153,185	40.53%
2000	2,356	18.70%	19,166	28.47%	163,268	39.98%
Seasonal Rentals						
1990	232		693		12,037	
2000	198		828		12,988	
Vacant Units						
1990	599		3,392		36,595	
2000	463		3,045		31,413	

Source: 1990 and 2000 U.S. Census

Age of Housing

Coventry has a diverse range of housing ages, from new homes in conventional subdivisions to homes built in the 1800's. Residents identified this as an attribute because there is a range of architectural styles, which adds to the character of Coventry.

Table Three
Age of Housing
Town of Coventry

<u>Year Structure Was Built</u>	<u># Units</u>	<u>% of Total Units</u>
1999-2000	252	1.90%
1995-1998	751	5.70%
1990-1994	952	7.30%
1980-1989	2,138	16.40%
1970-1979	2,349	18.00%
1960-1969	2,336	17.90%
1940-1959	2,591	19.80%
1939 or earlier	1,694	13.00%
		100.00%

Source: U.S. Census, 2000

Lead Paint Issues

According to the Rhode Island Mortgage and Finance Corporation 2000-2005 Rhode Island Consolidated Plan, an estimated 58.3% of all occupied units in Coventry contain lead-based paint. In 1998, 4% of Coventry children had elevated levels of lead in their blood. Given the large number of older units in Coventry that could contain lead, any rehabilitation project involving this section of the housing stock should incorporate considerations relating to lead-based paint abatement. Rhode Island Housing funds lead abatement programs.

COST OF HOUSING

Housing Prices: Homeownership

The median sales price of a single-family home in Coventry increased gradually between 1990 and 1999, from \$119,000 in 1990 to \$122,000 in 1999. However, between 2001 and June 2004, the median price for a single-family home increased by 63% from \$149,000 to \$242,900.

Table Four
Median Sales Price and Home Sales
Single Family Homes, 2001-2004

Area	Sales '01	Sales '02	Sales '03	Sales '04	2001 -2003	
					Unit Change	% Change
Single-Family Residences				through 6/04		
RI	9113	9069	9189	4620	76	0.83%
Coventry	495	400	441	229	-54	-10.91%

Area	Median '01	Median '02	Median '03	Median '04	2001 -2004	
					\$ Change	% Change
				through 6/04		
RI	\$156,000	\$188,150	\$220,000	\$235,000	\$79,000	50.64%
Coventry	\$149,000	\$175,000	\$210,000	\$242,900	\$93,900	63.02%

*Source: Multiple Listing Service, 2004.

Housing Prices: Rentals

The price of rental housing is increasing as well. Residents have stated that rental housing is difficult to find and very expensive when available. According to Rhode Island Housing, the average monthly rent including heat for a one-bedroom apartment is \$751. Using the 30% guideline, this is affordable to households earning a gross annual income of \$30,050. A two-bedroom apartment rents for \$919 a month, which is affordable to households earning a gross income of \$36,750. Coventry has 2,653 households that earn less than \$25,000 per year. At these rents, low-income residents must pay more than 30% of their income on housing.

Manufactured Housing

Coventry has a number of manufactured home parks that are an asset to the Town. However, mobile homes without permanent subsidies do not count as affordable housing as defined by the Low and Moderate Income Housing Act.² The mobile home parks are located primarily in eastern and central Coventry. As indicated below, these parks are oriented towards the elderly. The following is a list of the Parks:

Coventry Manufactured Housing			
<u>Park Name</u>	<u>Rental Pad Fees</u>	<u>Total Number of Units</u>	<u>Age Restrictions</u>
Maple Root	\$280	187	55 and over
Westwood Estates	\$298	409	Family/Elderly
Ramblewood Estates	\$280	200	55 and over
Sherwood Valley	\$280	171	18 and over
Leisure Village	\$323	<u>70</u>	55 and over
Total Units		1037	

In addition to the rental pad fees, residents pay for the cost of their unit and taxes on the unit.

LOW-MODERATE INCOME HOUSING STOCK

According to the latest report from RIH (July 2004), 483 of Coventry's 12,861 housing units (3.76%) are affordable to low and moderate income households. Of the 483 affordable units, 35 (7.24%) are occupied by families, 403 (83.23%) are occupied by the elderly, and 45 (9.32%) are occupied by Special Needs populations. To meet the 10% goal today, Coventry would need to produce 803 units of affordable housing. The Town is committed to increasing its affordable housing opportunities, and there will be new developments that will contribute to this goal. Table 5, below, lists the affordable housing developments in Coventry.

² The criteria for units to be considered affordable housing under the Low and Moderate Income Housing Act will be discussed later in this study.

Table Five
Affordable Housing Developments
Town of Coventry, 2003

Development	# units	Funding Source	Renter / Owner-Occupied	Occupants	Status
Existing Developments					
John O. Haynes	24	HUD	rental	elderly	complete
Woodland Manor II	126	HUD Section 8	rental	elderly	complete
Knotty Oak Village	76	HUD	rental	elderly	complete
North Road Terrace I & II	96	HUD	rental	elderly	complete
285 Hill Street	1	RIHMFC Home	ownership	family	complete
33 Niblick Circle/55 Mashie Cir	2	RIHMFC Home	ownership	family	complete
Spurwink	1	RIHMFC Home	ownership	family	complete
Crossroads	32	RIH, Home, tax credits, loans	rental	family	complete
Woodland Manor Group Home Beds	81	RIH Section 8	rental	family, elderly	complete
Total Affordable Units	483				
Total Housing Units	12,861				
% Affordable	3.76%				

Source: Rhode Island Housing, 2004

Affordable Rental Housing

Most of the affordable housing in Coventry is rental housing, managed by the Coventry Housing Authority (CHA). The elderly rental developments are primarily funded by HUD's Section 202 program. The following is a description of affordable rentals in Coventry:

- *John O' Haynes*
This public housing development is 24 units of affordable rental housing for elderly persons, managed by CHA. This development is located in eastern Coventry, off Route 117. This development was built in 1981. All units are occupied.
- *Knotty Oak Village*
This public housing development is 75 units of affordable rental housing for elderly persons, managed by CHA. This development is located in eastern Coventry, off

Route 117. This development was built in 1967. Since it was built, there have been moderate repairs to the building. All units are occupied.

- *North Road Terrace I and II*
This public development is 96 units of affordable rental housing for elderly persons, managed by CHA. This development is located in eastern Coventry, off Route 3. This development is 8 building, 12 units each. This development was built in two phases in 1989 and 1991. All units are occupied.
- *Woodland Manor*
This 2-building development was originally developed as 150 units of affordable rental housing for families and elderly persons. However, 69 units have been converted to market rate, which reduces the number of affordable units to 81. Woodland Manor is located off Route 3. All units are occupied.
- *Crossroads*
This development is 32 units of affordable rental units for families. Crossroads is the first development of this kind in Coventry. It is a Coventry Housing Associates project, funded through a variety of sources, including Low Income Housing Tax Credits, HOME, and Targeted Loans. The development will consist of 4 buildings, with 8 units each. It is located in eastern Coventry on Tiogue Avenue.

Affordable Homeownership

Reaching the 10% goal will require a combination of affordable rental and homeownership units. Given the high price of newly developed single-family homes, there is a strong demand for affordable homeownership units in Coventry. The following affordable homeownership opportunities exist in Coventry:

- *Omni Development Corporation*
This is a mixed-income development planned in eastern Coventry off Hill Street. The project consists of 43 single-family homes, 20 of which will be sold to low- and moderate- income families. This project will utilize a HOME grant. OMNI applied for a Comprehensive permit from the Zoning Board, which was initially denied. OMNI appealed to the State Housing Appeals Board (SHAB). SHAB waived Fair Share Development fees on all the units, and the town appealed to the Rhode Island Superior Court, which remanded the case back to the SHAB. The Town and the Developer eventually came to an agreement in which OMNI will pay some Fair Share Development fees for the market rate units. This agreement was finalized by the Town Council on July 31, 2003, and construction will begin in 2004.
- Coventry Housing Associates, the non-profit subsidiary of the Coventry Housing Authority, developed homeownership units at:
 - *285 Hill Street*
 - *33 Nib lick Circle*
 - *55 Mashie Circle*

These units are single-family homes located in Eastern Coventry. The units were primarily funded through Rhode Island Housing's HOME program. Coventry Housing Associates sold the units to low- to moderate-income families who were previously renters.

CONCLUSION

Coventry is home to a diversity of housing types and is a desirable place to live. Accordingly, housing prices have risen at almost the same rate as the rest of the state. Housing costs are rising more rapidly than income. Coventry has a number of assets that provide housing affordability, including more than 600 low-moderate housing units. However, the average cost of housing is beyond what low and moderate income families and individuals can afford.

IV. ANALYSIS OF HOUSING NEEDS

There are several ways to assess housing needs. These include income, cost burden, and population. No one method is all encompassing, so several measures are presented in this section.

EXPLANATION OF AFFORDABILITY

The generally accepted definition of housing affordability is that a household should spend no more than 30% of its income on housing costs, including rent or a mortgage payment and utilities and that earns less than 8-% of the Area Median Income (AMI). The U.S. Department of Housing and Urban Development (HUD) uses this definition in all of its affordable housing programs. Anyone who spends more than 30% of their income is considered to have a housing cost burden, regardless of their income.

Each year, HUD calculates Area Median Income by family size for Metropolitan Statistical Areas (MSAs). Coventry is part of the Providence, RI – Fall River, MA – Warwick, RI MSA. The FY 2004 low-income limits for Coventry are as follows.

Table Six:
HUD FY2004 Income Limits, Providence MSA

	Family Size (persons)				
	2	3	4	5	6
30% AFMI	\$16,300	\$18,350	\$20,350	\$22,000	\$23,650
50% AFMI	\$27,150	\$30,550	\$33,950	\$36,650	\$39,400
80% AFMI	\$43,450	\$48,900	\$54,300	\$58,650	\$63,000

Source: HUD

As this chart shows, affordable housing can target households earning in the \$50,000-\$60,000 range. In any case, those living in affordable housing will spend no more than 30% of their income on housing costs.

Income Analysis

The Census Bureau uses households as a basic unit of measurement. A household is defined as the person(s) occupying a housing unit that serves as their usual place of residence. Another unit of measurement is families. The Census defines families as a group of related people living together in the same housing unit. Single persons and unrelated persons living together are considered non-family households. The average household size in Coventry is 2.67, while the average family size is 3.05. As Table 7 shows, the median household and family incomes in Coventry are higher than the state medians. This indicates that Coventry residents earning 80% of the Town's median income may not qualify for state and federal affordable housing programs, because their incomes could be higher than 80% of the MSA median.

Table Seven:
Income Data

	Coventry			State		
	1990	2000	% ch	1990	2000	% ch
Median Household Income	\$37,230	\$51,987	39.6%	\$32,181	\$42,090	30.8%
Median Family Income	\$42,095	\$60,315	43.3%	\$39,172	\$52,781	34.7%

Source: U.S. Census Bureau, Census 1990, 2000

Below are some hypothetical situations illustrating housing affordability:

- ✓ A household earning \$51,987 can afford up to \$1,300 per month for mortgage or rent and utilities
- ✓ If someone is in a sales job making \$12 per hour, they should be paying no more than \$624 per month for housing
- ✓ A family of four making 80% of Coventry's median income (\$41,590 per year) can afford to pay \$1,040 per month on housing
- ✓ An individual or young couple with an annual income of \$30,000 can afford to spend \$750 per month on housing

As these examples show, given housing costs in Coventry, many families and individuals are being priced out of the housing market.

AFFORDABILITY GAP AND COST BURDEN

The average household in Coventry cannot afford to buy the average single-family home in Coventry. This is known as the affordability gap: the difference between what a household can afford to pay, and what that household would have to pay to afford the average home. Table 8 details the affordability gap in Coventry.

**Table Eight:
Affordability Gap in Coventry**

\$242,900	Median Sales Price, Single Family Home*				
\$76,280	Annual Income Needed to Afford				
\$51,767	Median Homeowner Household Income				
\$24,513	GAP				
\$919	Average Monthly Rent with Utilities, 2 Bedroom Apartment				
\$36,750	Annual Income Needed to Afford				
\$23,906	Median Renter Household Income				
\$12,844	GAP				
* Income needed to afford assumes spending 30% of income on housing.					
For homeownership, assumes 5% downpayment, includes taxes, insurance and PMI					
Sources: Multiple Listing Service, Rhode Island Housing Rent Survey					
U.S. Census Bureau, Census 2000					

The affordability gap poses a dilemma for Coventry residents: spend more than 30% of income on housing, or move someplace else in search of lower-cost housing. Many households have no choice but to spend more than 30% of income on housing, incurring a cost burden.

COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY (CHAS) DATA

The Department of Housing and Urban Development publishes detailed data on cost burdened households through its Comprehensive Housing Affordability Strategy (CHAS) data book. CHAS data counts the number of households experiencing housing problems in a community. Housing problems are defined as having a cost burden (spending more than 30% of income on housing), or living in substandard housing.³ According to 2000 CHAS data, 2,370 Coventry households (25%) experienced housing problems. More than 98% of those experiencing housing problems in Coventry face only cost burdens, meaning substandard housing is not a major problem.

The data is broken down by household type (family, elderly or other), tenure (renter or owner) and income level (by percent of Area Median Income). This allows for a rather detailed look at who is experiencing housing problems. The analysis here is restricted to Coventry's low-income population, defined as those earning less than 80% of the Area Median Income.

³ Substandard conditions are defined as living in overcrowded quarters (more than 1.01 persons per room) and/or living in a housing unit without complete kitchen and/or plumbing facilities.

Table Nine: Coventry, Kent County, and Rhode Island CHAS Data

Coventry				Kent County				Rhode Island			
Total Households		12,588		Total Households		67,269		Total Households		408,381	
Total Low Income Households		4,688		Total Low Income Households		27,961		Total Low Income Households		197,594	
# with Housing Problems		2,370		# with Housing Problems		14,640		# with Housing Problems		105,183	
% with Housing Problems		50.5%		% with Housing Problems		52.4%		% with Housing Problems		53.2%	

Low Income Households with Housing Problems, by Population											
	% with problems	# with problems	% of Total		% with problems	# with problems	% of Total		% with problems	# with problems	% of Total
Elderly	40.2%	794	33.5%		44.5%	5,269	36.0%		46.4%	33,154	31.5%
Small Family	57.8%	862	36.4%		58.5%	4,830	33.0%		56.7%	35,339	33.6%
Large Family	48.0%	166	7.0%		64.1%	1,108	7.6%		67.7%	10,443	9.9%
Other	62.4%	548	23.1%		56.0%	3,434	23.5%		54.2%	26,247	25.0%
Total		2370	100.0%			14,640	100.0%			105,183	100.0%

Low Income Households with Housing Problems, by Tenure											
	% with problems	# with problems	% of Total		% with problems	# with problems	% of Total		% with problems	# with problems	% of Total
Renters	50.1%	850	35.9%		49.5%	6,357	43.4%		51.5%	60,485	57.5%
Owners	89.7%	1522	64.2%		64.5%	8,280	56.6%		38.0%	44,661	42.5%
Total		2371	100.1%			14,638	100.0%			105,146	100.0%

Low Income Households with Housing Problems, by Income											
	% with problems	# with problems	% of Total		% with problems	# with problems	% of Total		% with problems	# with problems	% of Total
< 30% AMI	68.3%	816	34.4%	< 30% AMI	71.0%	5,433	37.1%		70.6%	48,139	45.8%
30-50% AMI	56.7%	777	32.8%	30-50% AMI	58.4%	4,478	30.6%		57.8%	30,011	28.5%
50-80% AMI	36.6%	777	32.8%	50-80% AMI	37.4%	4,728	32.3%		34.9%	27,043	25.7%
Total		2370	100.0%	Total		14,639	100.0%			105,193	100.0%

*Low-income defined as earning less than 80% of Family Median Income
Small Family = 2-4 persons, Large Family = 5+ persons
Number discrepancies attributed to rounding
Source: 2000 CHAS Data Book*

Examining the data for the low-income population (those earning less than 80% of median income), the following trends appear:

- **Both low-income homeowners and renters experience housing problems.** On a percentage basis, low-income homeowners (50.4%) and renters (50.4%) are equally likely to experience housing problems. Given the larger number of homeowners, numerically there are significantly more low-income homeowners (1501) with housing problems than renters (862).
- **Low-income families are more likely to experience housing problems than elderly persons.** 55.6% (1014) of low-income families experienced housing problems, compared to 40.1% (796) of elderly persons.
- **Those earning less than 50% of median income are most likely to experience housing problems.** 67.9% of households earning less than 30% of median income and 56.5% of households earning between 30% and 50% of median income experienced housing problems, compared to 36.3% of households earning between 50% and 80% of median income and 9.6% of those earning more than 80% of median income.

Therefore, in terms of meeting affordable housing needs, the Town should prioritize both rental and homeownership units, family housing, and housing targeted to those earning less than 50% of median income.

POPULATIONS IN NEED OF AFFORDABLE HOUSING

Families

According to 2000 CHAS data, there are 1,028 low income families with housing problems in Coventry. As discussed above, there is an affordability gap between the median family income and the median sales price of a single family home in Coventry. Working class families cannot afford to buy a home in Coventry. It is especially difficult for young families to find starter housing in Coventry. There is also a need for more rental housing in Coventry. With single family home prices so high, rental housing is the only alternative for many families. Family rental housing must have enough bedrooms (3 or 4 bedrooms) to accommodate the needs of families.

Elderly

Coventry's elderly population is growing, which places demands on the housing market. According to 2000 CHAS data, there are 794 low-income elderly households with housing problems in Coventry. With limited incomes and specific housing needs, it can be a challenge to provide appropriate housing for the elderly. For many elderly homeowners, staying in their large homes is no longer an option, for financial, medical, and/or maintenance reasons. These residents could downsize, but there are not enough appropriate units available.

Many elderly persons cannot afford market rate housing. The Coventry Housing Authority has a 138 person waiting list for its 195 units of subsidized elderly housing. Additional subsidized elderly housing is needed. Others require specialized care, either in their homes or at an assisted living facility. Both market rate and subsidized care facilities are needed.

Special Needs

Special needs housing incorporates a wide range of populations, including persons with physical or mental disabilities, battered women and their families, and people recovering addictions. Housing with supportive services models has been developed to meet the needs of these populations. Examples of supportive services include: specialized health care, physical/occupational therapy, counseling, job training, and childcare. Coventry currently has 45 special needs housing units. Further research should be done to determine if there are populations in Coventry with special needs that are not being met.

Homelessness

In 2003, the RI Emergency Shelter Program provided shelter services to 46 persons who listed Coventry as their last place of residence. This is on par with 2001 and 2002, when 39 and 66 persons, respectively, listed Coventry as their last place of residence. These numbers are consistent with the lack of and need for affordable housing.

Regardless of how need is determined, the number of households in need of affordable housing in Coventry is greater than the 10% goal set by the State. A wide range of Coventry residents are in need of affordable housing, including working families, the elderly, single individuals, chronically homeless, and special needs populations. Citizen input from public meetings indicates that the highest priorities should be affordable homeownership and rental housing for young families, and affordable rental housing for the elderly. CHAS data confirms this prioritization.

REVIEW OF THE 1999 HOUSING ELEMENT

The Housing Plan Element of the Coventry Comprehensive Plan was last updated in 1999. This element provides a plan for the development of new housing and housing revitalization in Coventry. The housing element identifies existing and future housing needs for citizens; identifies programs, policies and techniques for providing a balance of housing choices for all income levels and age groups; describes strategies for implementation of goals and objectives; and, emphasizes strategies for promoting affordable housing in the Town.

The Plan identifies a number of issues regarding housing development and groups these into two categories: Characteristics of Existing and New Housing Development, and Town of Coventry Community Development Program. The Plan details existing housing and trends and the need for increases in affordable housing opportunities, and then presents housing implementation guidelines that serve to carry out the goals and objectives of the plan. These implementation guidelines summarized in the following table, along with a review of their implementation status and current relevance.

Table Ten: 1999 Housing Element Review

Recommendation	Status and Action	Remains Valid / Invalid
<i>For New Housing Development</i>		
Planning, programming and devising a program to finance infrastructure extensions	<u>Completed:</u> The Fair Share Development Fee Ordinance was enacted September, 25 2000	Valid – With revisions
Considering the granting of density bonuses	<u>Incomplete:</u> Ordinance exists with regards to agricultural preservation, but Town would like to expand the ordinance to provide density bonuses in exchange for affordable housing and conservation subdivision design	Valid
Encouraging the development of high density residential areas in mixed use developments along arterial corridors	<u>Ongoing:</u> Land Use Plan is included in the Comprehensive Plan; and the Planning Department encourages this development on a case-by-case basis	Valid
Encouraging and promoting the use of the State of RI Mortgage Credit Certificate and First Home Mortgage Program	<u>Ongoing:</u> The Coventry Housing Authority offers homebuyer education classes, and then works with RI Housing to enroll Coventry families in the first time homebuyers program	Valid
Considering the formulation of a set of rural housing development standards	<u>In progress:</u> the Planning Department is currently revising the Subdivision Ordinance to reflect conservation subdivision design standards that will be applicable to the rural residential zones	Valid
<i>Housing Rehabilitation and Historic Preservation</i>		
Continuing to apply for and utilize CDBG funds to stimulate housing rehabilitation and neighborhood revitalization	<u>Ongoing:</u> The Town applies annually for CDBG funds for housing and neighborhood revitalization	Valid
Encouraging and supporting the preservation and revitalization of the South Main District	<u>Ongoing:</u> There is currently no historic district zoning overlay, but historic design standards and preservation are accomplished through the building permit process	Valid

Encouraging non-profit and/or private developers to purchase, rehabilitate, and resell vacant and/or deteriorated housing in designated rehabilitation areas	<u>Incomplete:</u> This Affordable Housing study is intended to encourage this type of developmental activity in the future, but not much as occurred to date	Valid
Encouraging and promoting the use of State of RI Buy-It/Fix-It Mortgage Program	This is not a program that is active in Coventry.	Invalid
Facilitating the use of federal housing programs to provide affordable owner-occupied and rental housing	<u>Ongoing:</u> The Coventry Housing Authority applies for funding for its projects as it becomes available	Valid
Facilitating the use of the RI Housing programs to provide affordable owner-occupied and rental housing	<u>Ongoing:</u> The Coventry Housing Authority applies for funding for its projects as it becomes available	Valid
Encouraging local financial institutions to invest in their communities	<u>Ongoing:</u> The Coventry Housing Associates works with local financial institutions to acquire properties or land to use for affordable housing development	Valid
Exploring the possibility of using non-profit corporations to rehabilitate and/or build residential or non-residential structures into low- and moderate- income housing	<u>Ongoing:</u> The Coventry Housing Associates is a non-profit designed to rehabilitate and build new construction to provide affordable rental opportunities	Valid
Retaining a Town Housing Development and Revitalization Coordinator	<u>Complete:</u> The Coventry Housing Authority fulfills the overall goals of this recommendation	Valid
<i>Assisted Housing Improvements</i>		
Continuing to use all available federal assistance to maintain and provide rent subsidies for low-income residents	<u>Ongoing:</u> The Coventry Housing Authority applies for funding for its projects as it becomes available	Valid
Continuing to apply for Section 8 Vouchers	<u>Ongoing:</u> The Coventry Housing Authority applies annually for Section 8 vouchers	Valid
BARBARA SOKOLOFF ASSOCIATES, INC.		

ACTIONS TAKEN BY THE TOWN

Harris Village Study

The Town received funds from Rhode Island Housing to prepare a Harris Village Housing and Mill Revitalization Plan. This Plan, completed in September 2002, addressed the condition of housing, housing affordability, the Harris Mill Complex, and a streetscape analysis and design plan. Recommendations from the Harris study, which address affordable housing, are included in the strategies for this plan. The Town Council adopted the Harris Village Housing and Mill Revitalization Plan on December 2, 2002.

Purchase of MapleRoot and Ramblewood Mobile Home Parks

The Town of Coventry, Rhode Island Housing and the Rhode Island Economic Development Corporation successfully worked together to help some of Coventry's mobile home residents purchase their mobile home parks. The residents of the Maple Root and Ramblewood mobile home parks purchased the parks in 2003. The Town and Rhode Island Housing assisted through a low-interest mortgage loan and downpayment assistance.

V. BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT

There are many barriers, obstacles, and impediments to affordable housing development. These barriers exist in cities and towns across the country, not just in Coventry. An understanding of these barriers is necessary if the Town hopes to encourage affordable housing development.

LAND USE REGULATIONS

Zoning

As a regulatory tool, zoning has extensive implications for the location, the size, and the design of development in any community. Zoning classifies land based on use with dimensional and design standards. These dimensional requirements reduce the amount of usable land on a given property, and the design requirements ensure some level of contextual consistency within a zone. Table 11 describes the residential zoning districts in Coventry.

The minimum lot size in Coventry is 20,000 sq. ft. (just under ½ acre), which is the R-20 zone. This zone is where the highest unit density can be achieved. Lots in this zone are becoming increasingly scarce. Duplexes and multi-family units are only allowed in the R-20, VRC, and VMC zones with special permits that are granted by the Planning Commission and Zoning Board. Accessory dwelling units are allowed with a special use permit in the RR-5, RR-3, RR-2, R-20, VRC, and the VMC zones, but these units are restricted by deed to family members and cannot be rented out to other residents.

Table Eleven
Coventry Zoning Districts

Zone Designation	Minimum Lot Size	Residential Uses	Approval Process	Description
R-20	20,000 s.f.	Single-family Accessory Units- In laws Accessory Family Unit Duplex Multi-family	P S S S S	Highest density residential district in Coventry, public water generally available, sewers extensions planned, wide range of public services
R-2	2 Acres	Single-family Accessory Units- In laws Accessory Family Unit Duplex Multi-family	P S S N N	Water and sewer generally not available, primarily low density single family residential development, some non-residential activities May be considered as an LDP
R-3	3 Acres	Single-family Accessory Units- In laws Accessory Family Unit Duplex Multi-family	P S S N N	No public water or sewer, limited municipal services, low density residential development with large estates, intended to minimize intensive development May be considered as an LDP
RR-5	5 Acres	Single-family Accessory Units- In laws Accessory Family Unit Duplex Multi-family	P S S N N	Rural areas not served by public facilities, low density with large estates, designed to preserve environmentally sensitive areas, some agricultural production May be considered as an LDP
RMH: Residential Mobile Home	10 Acres Minimum (6,000 per lot)	Manufactured Homes	P	Limited to 200 Homes per Park Maximum
VRC: Village Residential Commercial		Single-family Accessory Units- In laws Accessory Family Unit Duplex Multi-family	S S S S S	Traditional mixed-use district in central and western Coventry Retail, residential, light industrial, service uses Special Development Standards
VMC: Village Main Street Commercial		Single-family Accessory Units- In laws Accessory Family Unit Duplex Multi-family	S S S S S	Traditional mixed-use district in eastern Coventry Retail, residential, light industrial, service uses Special Development Standards
Land Development		Multi-family (townhouses)	S	Floating Zone with mixed land uses

*S- With Special Permit, N- Not Allowed Use, P – Permitted Use

The majority of residential land in Coventry is zoned R-2 and R-3. More dense zoning is found in the village centers under the VRC and VMC designations. Multi-family is allowed by special permit only in the R-20, VRC, and VMC zones and is prohibited in all other residential zones.

Special Types of Development

Coventry allows three special types of residential development: Land Development Projects, Residential Compounds, and Residential Cluster Developments. Table 12 presents an overview of these development types.

Table Twelve
Special Development Types in Coventry

Type of Development	Residential Uses	Approval Process	Description
Land Development Project	Mixed uses or mixed units, including multi-family	S	Floating Zone intended for mixed units or mixed uses, for single family can increase density without zoning change, for multi-family zoning change needed, requires approval of Planning Committee and Town Council
RCD: Residential Cluster Development	Single-family Duplex Multi-family	S S S	Permitted in the R-5, R-3, R-2 and R-20 Zones, buildings concentrated in a portion of the property, overall density cannot exceed density of underlying zone, minimum 40% open space required, intended to conserve open space
Residential Compounds	Single-family	P	Permitted in the R-2, R-3 and R-5 Zones, increases lot size to decrease density, provides relief from subdivision standards, additional land dedicated to open space, intended for low density

Land Development Projects (LDPs) are a potentially useful tool to affordable housing developers. LDPs are intended to allow for mixed units or mixed uses. Approved LDPs are rezoned as Planned Districts, which allows for density increases and multi-family housing. Through LDPs multi-family housing can be built on land that was previously zoned for only single-family units. LDPs require the approval of both the Planning Commission and the Town Council. Residential Cluster Developments are less significant in terms of affordable housing because the overall density of these developments cannot exceed the density of the underlying zone.

Fair Share Development Fee

Coventry requires all new housing developments to pay a Fair Share Development Fee (FSDF). The FSDF is intended to help pay for the infrastructure demands created by new development, including schools, roads and recreational facilities. The FSDF is currently \$7,596 per housing unit. Eleven Rhode Island communities have impact fees similar to the FSDF, and three of

these communities exempt affordable housing from impact fees. At one time Coventry exempted affordable units from the FSDF, but in May 2002 the Town passed a resolution requiring all new housing to pay the FSDF.

AFFECT OF MUNICIPAL REGULATIONS ON THE COST OF HOUSING

Land Costs and Zoning

The principal cost of any home is the cost of the land it is built on. As such, zoning plays an important role in determining housing costs, because it dictates the minimum lot size per unit. Higher density residential zoning and smaller minimum lot sizes decrease the land costs per unit, making it less costly to develop housing. The availability of land in high-density zoning districts directly affects the feasibility of affordable housing production. During the public planning process, zoning was identified as a barrier to affordable housing development because most of the remaining developable land in Coventry is located in zones where the minimum lot size is 2 acres or more. Accordingly, this study offers several recommendations intended to reduce land costs for affordable housing.

Subdivision Regulations and Review Process

Another factor that influences housing affordability is a community's subdivision regulations and review process. Subdivision regulations set standards not only for houses, but also streets, sidewalks, curbing, drainage, open space, parking requirements and infrastructure improvements. The review process consists of the Planning Commission and Planning Department receiving a subdivision proposal, examining it to ensure it meets the Town's standards, holding a public meeting, deliberating and making a decision on the proposal.

The public participation process included discussions with engineers who have presented subdivision proposals in Coventry and surrounding towns. These engineers cited time delays in Coventry's subdivision review process as a barrier to housing development. Subdivision proposals that might take one month to be approved in another town can take up to three months to be approved in Coventry. Scheduling and decision-making process are stretched out to the maximum time allowed by State law. Other towns expedite the subdivision review process by scheduling meetings more quickly and combining the public input and decision-making procedures into one meeting.

The design requirements of each city or town's subdivision regulations tend to be similar across the State. However, one public participant felt that Coventry's subdivision regulations, especially its road requirements, were especially strict and increased the costs of providing housing. A review of some of the Town's subdivision requirements is presented in Table 11. Width and material requirements for roads, sidewalks and curbing can add significantly to the cost of development. Although these standards are required, the Town Planning Commission has the power to waive any of these requirements for a particular development and has done so

in the past. It should also be noted that Coventry has less stringent requirements for residential compound developments.

Table Thirteen:					
Survey of the Town of Coventry's Subdivision Regulations					
<u>Community</u>	<u>Underground Utilities?</u>	<u>Road Width: Right of Way</u>	<u>Road Width: Pavement</u>	<u>Sidewalks</u>	<u>Curbing</u>
Coventry	Required	50-60'	22-30'	One or both sides required R-20, Rcluster, may be required in others	6" minimum above asphalt grade, must be concrete
Richmond	PC decision	50'	26'	One side, required	
North Kingstown	PC decision	50'	32'	Both sides, may be required	Asphalt berms, 1' wide
South Kingstown	yes	50'	26'	One side, required	Cape Cod curbs or berms, depending on size of street
East Greenwich	yes	44'	24'	One or both sides, may be required	Concrete or granite curbing meeting RIDOT stds.
* Right of way and pavement width figures are for a typical local access subdivision road with buildings on both sides of road					

Construction Costs

Construction costs are a major contributor to housing costs. Construction costs are influenced by production planning and design costs, material costs, and labor costs. Cost effective construction begins at the initial stages of development design. Often even minor design changes can result in substantial savings in unit cost. There are a number of designs that are becoming more available to contractors, such as the use of panelization, modular housing and energy-efficient designs that are not only less expensive in the construction stage, but may also reduce operating costs for the homeowner in the long-term. The Community College of Rhode Island (CCRI) is launching a new Construction Code and Advanced Building Technologies certificate program to educate the building community on new technologies such as insulated foundation blocks, grooved flooring systems and structural insulating panels. Any technology that could decrease construction costs would make it easier to develop affordable housing.

VI. AFFORDABLE HOUSING ASSETS AND RESOURCES

There are a number of social, physical, and economic resources available in Coventry that could augment housing provision in the Town. By commissioning this plan, the Town is indicating its commitment to increasing affordable housing opportunities. The Town is an important ally in this process, because it has the authority to enact regulatory change that can promote and preserve affordable housing.

Successful development of affordable housing in Coventry depends on identifying and effectively utilizing available resources, strengthening the networks between non-profits and other development organizations, and increasing and engaging public support for affordable housing projects.

ACTIVE HOUSING PROVIDERS

Coventry Housing Authority

The Coventry Housing Authority (CHA) is an active and progressive organization that is aggressively trying to address the issue of housing affordability in Coventry. CHA utilizes a number of programs to provide education and rental assistance to eligible families. CHA coordinates with other service providers in the area such as Westbay Community Action to ensure that residents are utilizing available resources to better meet their own needs. CHA manages 195 units of affordable elderly housing and provides 278 Section 8 vouchers to low- to moderate-income families. CHA was the first Housing Authority in the State to initiate a Section 8 Homeownership program whereby the monthly voucher is applied toward a mortgage payment. CHA has also been certified as a HUD- approved Homebuyer Counseling Agency and has the authority to provide certificates that are required as prerequisites for first-time homebuyer programs.

Coventry Housing Associates

In 1996 the Coventry Housing Authority created a non-profit subsidiary called the Coventry Housing Associates Corporation (CHAC). CHAC was formed to seek out and utilize available resources for the creation of housing opportunities to meet underserved needs in Town. As a non-profit organization, CHAC is eligible for a number of funding programs that are not available to the Housing Authority. CHAC's goal is to become the major developer of affordable housing in Coventry. CHAC has developed affordable homeownership units through Rhode Island Housing's HOME program, has recently finished building Crossroads, a 32-unit affordable rental development. The Crossroads development utilized a variety of funding sources, including Low Income Housing Tax Credits, HOME and Targeted Loans, and is representative of the types of projects CHAC is capable of putting together. Crossroads was completed in September 2003, is fully occupied and already has a waiting list.

In addition to its development work, CHAC administers the Town's Homebuyer Education classes. These classes allow eligible participants to qualify for special first-time homebuyer programs that can save families thousands of dollars and help make homeownership a reality for these families. CHAC also administers the Town's closing costs and downpayment assistance programs. These programs help families who can afford to make monthly mortgage payments on a home, but do not have enough savings to purchase a home. CHAC also provides loans for subsidized home maintenance and home repair loans. CHAC applies annually for CDBG funds to finance these programs.

Non-profit developers

Omni Development Corporation, a statewide non-profit housing developer, is currently developing 43 single-family homes in eastern Coventry, 20 of which are subsidized affordable units. No other non-profit developers are currently producing housing in Coventry.

DEVELOPABLE LAND

Eastern Coventry is a mix of typical suburban developments and older mill villages. Public water is available in eastern Coventry, but sewerage is only available in the Route 3 area. Eastern Coventry is generally zoned for 20,000 sq ft. and 2 acre residential lots, and there is relatively little available, undeveloped land. In contrast, both central and western Coventry are much more rural and undeveloped, and there is a great deal of available land. Land in central Coventry is primarily zoned for three-acre lots, while land in western Coventry is primarily zoned for five-acre lots. Central and western Coventry lacks infrastructure, including public water, roads, and schools.

The Town of Coventry's Comprehensive Community Plan provides a Buildout analysis for the Town. Buildable land area represents a 25% reduction from total land area to allow for street allowances, land within Zone A of FEMA maps, land with slopes exceeding 20%, wetlands, and cemeteries. In addition there are areas unsuitable for development, such as areas located within endangered wildlife habitat, agricultural lands, historic sites, and areas within easements. Based on these calculations and current zoning, Coventry could accommodate a 43% increase in current population.

Table Fourteen
Coventry Buildout Analysis

Land Use Category	Total Area	Land Buildable Land Area	Percent Land Area	Max. Res. Density / Dwelling	Res. Development Potential	Population Capacity
VLDR (5 AC)	19,386 AC	14,539 AC	48.1%	0.2 DU/AC	2,908 DU	7,851
LDR (2-5 AC)	11,245 AC	8,433 AC	27.9%	0.5 DU/AC	4,217 DU	11,385
MDR (.5-2 AC)	5,562 AC	4,171 AC	13.8%	2.0 DU/AC	8,343 DU	22,525
MDR (<10,000 s.f.)	1,290 AC	967 AC	3.2%	4.0 DU/AC	5,159 DU	13,929
HDR (1/20 - .5 AC)	193 AC	145 AC	0.5%	20.00 DU/AC	2,902 DU	5,804
Commercial/Business Park	1,975 AC	1,481 AC	4.9%			
Industrial	490 AC	490 AC	1.6%			
Total:	40,303 AC	30,277 AC			23,528 DU	61,494

The amount of developable land in Coventry affects both the rate and location of future growth. The Town can plan for that growth by determining those areas that can accommodate the highest density and planning infrastructure development accordingly.

JOB GROWTH

The Economic Development Element of the Town's Comprehensive Plan, Section D.3, states that the history of the community's development was based on a central railroad and textile mills. The textile industry began declining in the 1980's and the railroad remnants are being converted into a greenway/bike path. There is little likelihood that the mills will be used for further industry. This Plan calls for the encouragement of converting them into mixed use residential and commercial structures.

There are General Business, Industrial, Industrial/Mill complex, Planned Development, Village Main Street Commercial, Village Rural Commercial, and Business Park zones.

It is the latter that has the most likelihood of creating new jobs in the Town. The Centre of New England has stated in its Fiscal Impact Analysis, submitted in 2004 as drafted by Marshall M.A. Feldman, that the "anticipated incremental employment will be 2,776 jobs and that the "anticipated total employment" will be 3,227 jobs. The bulk of the jobs will be created in retail (920-1265), sit down restaurants (44), hotel (50-112), and ACLF, Nursing home (1800). The town realizes that having available affordable housing for the service industry work force will be an important economic development tool.

There is some potential for redevelopment of commercial properties on Route 3 (Tiogue Ave.) at the site of the former Kmart/Almacs shopping plaza, and at the nearby current Walmart site. Walmart is moving to the Centre of New England so there is potential for a new enterprise to

locate on Rte. 3. However the service jobs most likely to be created will probably increase the need for housing for the workforce.

COMMITTED TOWN GOVERNMENT

As evidenced by the commission of this study, the Town of Coventry is committed to increasing housing opportunities for its residents. The Town supports the efforts of the Housing Authority and Coventry Housing Associates in providing of affordable housing.

HOUSING FUNDING SOURCES

There are a number of state and federal housing programs that provide subsidies for affordable housing development, including:

- HOME
- Community Development Block Grant (CDBG)
- Low Income Housing Tax Credits (LIHTC)
- Historic Preservation Tax Credits
- Thresholds
- Neighborhood Opportunities Program (NOP)
- Section 811
- Section 202

The Rhode Island Housing and Mortgage Finance Corporation also provides funding and technical assistance for affordable housing projects. A more detailed overview of these funding sources is included in the Appendix.

HOUSING LEGISLATION: THE LOW AND MODERATE INCOME HOUSING ACT

The Low and Moderate Income Housing Act (Ch 45-53) provides cities, towns and developers with provisions, such as comprehensive permitting, for developing types of affordable housing that are consistent with local needs and zoning and land use regulations. Comprehensive permitting encourages the development of affordable housing by streamlining the permitting process, which saves developers' money. Under a comprehensive permit, developers who include affordable units in their projects can file a single application for all approvals and variances to the zoning board of review. Developers are eligible to apply for a comprehensive permit if at least 20% of the total number of units will be affordable to households at less than 80% median income. An additional requirement is that the affordable units must be subsidized by a state or federal government program.

Previous to 2002, comprehensive permitting applied to rental housing developed by private and non-profit developers, and to homeownership units developed by non-profits or private/non-profit partnerships. A 2002 amendment to the Low and Moderate Income Housing Act allowed private developers to apply for comprehensive permits for homeownership units without the partnership of a non-profit organization. An additional change in the law provides for review by planning boards in cases of applications involving land development projects or subdivisions. Private developers have been utilizing this amendment to propose large, dense, mixed-income subdivisions containing both market rate and affordable homeownership units. If a City or Town denies the request for a comprehensive permit, the applicant may appeal to the State Housing Appeals Board. A town that has an affordable housing implementation plan will be in a stronger

position to withstand appeals to the State Housing Appeals Board. As a result of the 2002 changes to the law, a moratorium was placed on for-profit developers comprehensive permit applications until July 1, 2005.

The Low and Moderate Income Housing Act afford Cities and Towns the flexibility to work with developers to provide affordable housing opportunities without having to make changes to their Zoning Ordinances. There are a number of examples of affordable housing developments throughout the State that have utilized the comprehensive permit process without further appeals to the SHAB.

VII. AFFORDABLE HOUSING PLAN

REACHING THE 10% GOAL

According to Rhode Island Housing's calculations and Census 2000 data, 483 (3.76%) of Coventry's 12,861 occupied housing units are affordable. However, this does not include the 178 units contained in the Ramblewood and MapleRoot Mobile Home Parks recently purchased by the residents, which will be included in the next calculation. For the purposes of this plan, the 178 units have been added to the RIH total, plus 2 additional units of group home beds. With the additional 180 units, Coventry has 663 affordable units, for a total of 5.15%. Residential permit activity from 1996 – 2004 in Coventry is as follows:

Permit Activity
1996 – 2004

<u>Year</u>	<u>Permits</u>
1996	153
1997	142
1998	200
1999	200
2000	165
2001	114
2002	107
2003	86
2004	94

Estimating conservatively that 100 permits will be issued per year in Coventry over the next 20 years, there will be 15,196 occupied housing units in Coventry in 2025. Therefore, to meet the Low and Moderate Income Housing Act's 10% standard by 2025, Coventry must have 1,520 affordable units. To meet this goal, Coventry must add 860 affordable units to its housing stock over the next twenty years, or approximately 43 units per year.

Calculation of Affordable Units Needed to Reach 10% Goal by 2025

2000: 12,861 occupied units+335 units at Center of New England
2005-2025 Estimated 100 permits per year X 20 years = 2,000 additional housing units
2005-2025: 13,196 + 2,000 = 15,196 total housing units (projected)

To reach 10% goal by 2025, Coventry will need to have 1,520 affordable units
Town currently has 663 affordable units (as of July 2004)
Town will need to add 1,520 – 663 = 857 affordable units

The above recommendations lay out a detailed plan for how the Town of Coventry can reach the 10% goal. The following table illustrates Coventry's future progress towards the 10% goal.

Progress Toward the 10% Goal Over Time

	2005	2010***	2015	2020	2025	
Total Housing Units**	12,861	14,196	14,196	15,196	15,196	
10 % goal	1,286	1,420	1,420	1,520	1,520	
Number of Affordable Units (2003 existing + new proposed by plan)	663	879	1,094	1,309	1,523	
% Affordability:	5.15%	6.19%	7.71%	8.61%	10.02%	
 If Coventry were to meet the 10% goal in this year, the number of additional affordable units needed would be	 623	 541	 326	 211	 (3)	
Type of Housing						
Family Housing		170	169	169	169	677
Elderly Housing		25	25	25	25	100
Housing for Special Needs Populations		21	21	21	20	83
Total New Units:		216	215	215	214	860

*** Census counts of the total number of housing units are updated only once every ten years, therefore the number shown here represents the most recent Census figure (2000, 2010 projected, or 2020 projected)
The 2005 number shown here is the number of units calculated by RIH in July 2004 plus the additional 178 units contributed by owned mobile home parks which will be counted by RIH in December 2004. It does not include seasonal units.
*** This number includes the 335 units proposed for Phase 1 of the Center of New England's housing development.*

The plan projects the need for 860 new units of affordable housing over 20 years. Some of these new affordable units are not new housing, but instead are existing units that will now be counted as affordable housing. Six hundred seventy-seven units will be added for families, 100 units will be added for the elderly and 83 units will be added for special needs populations. Therefore, the minimum goal is for 860 units to be added to Coventry's housing stock via new construction or rehabilitation. This is an average of 43 units per year over 20 years.

As this table illustrates, it is unlikely that Coventry will meet the 10% goal within the next ten years. Efforts to reach the 10% goal in ten years or less would place undue development pressure on the Town. However, according to this plan, Coventry should meet the 10% goal within twenty years, or by 2025. In the meantime, Coventry will be able to show that it has a detailed affordable plan in place and is making significant progress towards the 10% goal.

It is essential that there be a nexus between the type and amount of affordable housing proposed by this study and the affordable housing needs of the Town of Coventry. As the housing needs discussion and the review of the 2000 CHAS data, suggests, the Town should prioritize affordable rental and homeownership units, family housing, and housing targeted to households earning less than 50% of median income. It is not possible to meet the needs of every household that experiences housing problems, thus prioritization is

important. Proposed development must be feasible given the availability of funding resources, buildable land and committed developers.

As the above table illustrates, this plan proposes 170 family units and 25 elderly units over the next five years. Currently Coventry has 4 affordable homeownership units, although the OMNI development underway will add an additional 20 units. This plan would substantially increase the number of affordable homeownership units in Coventry, particularly through the use of inclusionary zoning, density incentives, and allowing the construction of affordable accessory dwelling units, duplexes, and multifamily housing. This plan proposes 677 family units, 100 elderly units, and 83 units for special needs populations over a period of 20 years, so affordable family housing will be a priority. All of the proposed units will be affordable for households earning less than 80% median income, and many will be affordable to households earning less than 50%.

AFFORDABLE HOUSING GOALS

To achieve its 10% affordable housing, the Town of Coventry has developed the following affordable housing goals. These goals are the basis on which the strategies and actions described later in this document were developed. The Town of Coventry's affordable housing goals are as follows:

- 1. Create a Diversity of Housing that Meets the Needs of Coventry's Low-Moderate Residents.** While Coventry does currently have housing for the elderly, families, single persons, and special needs populations, there is a concern that new housing is focused mainly on single family homes out of the price range of most Coventry residents. The housing gap caused by this focus will continue to increase unless Coventry actively encourages and pursues the development of affordable housing.
- 2. Ensure the Long Term Affordability of Coventry's Housing Stock.**
- 3. Meet and Surpass the 10% Goal for Affordable Housing.** If no additional affordable housing is built in Coventry in the next 20 years there will be an 857 unit gap between the State's affordable housing goal and the affordable housing stock in Coventry. The Town is committed to using this plan to meet and exceed the 10% goal for affordable housing.

The Town of Coventry plans to achieve these goals through four comprehensive strategies:

- 1. Revise the Zoning Ordinance to Promote Affordable Housing Development that Meets the Needs of all Coventry Citizens.**
- 2. Identify Potential Locations for Affordable Housing Development.**
- 3. Strengthen Partnerships and Build Community Support for Affordable Housing.**
- 4. Identify Existing and New Resources for Affordable Housing Development.**
- 5. Implement Programs Which Ensure the Long Term Affordability of Coventry's Housing.**

These five strategies are designed to be realistic, practical, and consistent with the Town's affordable housing goals. The housing strategies are further detailed in Figure 1, the Housing Suitability and Action Map. The map shows suitable locations for each type of housing and each housing strategy and also highlights the locations of existing affordable housing in Coventry. Finally, this plan concludes with an Action Table that serves as the implementation tool for the plan. The Action Table includes the responsible parties, cost, funding source, and timeframe for the development of affordable housing in Coventry.

STRATEGIES

1. Amend the Zoning Ordinance to promote affordable housing development that meets the needs of all Coventry citizens.

Issue -The majority of land in Coventry is zoned for large lot development due to the lack of public infrastructure. Eastern Coventry contains older dense housing and Residential Mobile Home areas. More dense residential zoning is found allowed in the village centers. The VMC already has dense residential mixed with business uses and has basic infrastructure. VRC are more rural village mixed use centers, without infrastructure. Multi-family is allowed by special permit in the R-20, VRC, and VMC zones and as a LDP in all other residential zones.

Action Item 1.1: Adopt a Mandatory Inclusionary Zoning Ordinance. Inclusionary zoning has been proven nationally as an effective tool for incorporating affordable housing into new developments. The Coventry Inclusionary Zoning Ordinance will require the provision of 25% of affordable housing units in all residential developments greater than 6 or more units. The town will provide a variety of incentives such as tax breaks and density bonuses as subsidies for the affordable units. In cases where including affordable units is not feasible, the developers will make an off-site exaction, such as building the affordable units elsewhere, donating land to a housing land trust, or paying an in-lieu-of fee to the Town's Affordable Housing Trust.

In Coventry, on average, there are at least 9 Major Subdivision developments with greater than 6 units developed each year. Since 2000, thirty-one subdivisions were approved in the Town of Coventry of which 19 were major developments, or greater than 6 lots. These developments produced 252 lots. About 100 building permits are currently issued each year, with half of these in Major Subdivisions. Of those estimated 50 permits/year, requiring 25% LMI would yield 13 LMI or 250 single family dwellings over 20 years. For the purposes of this analysis we assume 3 units will be duplexes and are counted under action item 1.4. If Minor Subdivisions also opted to build affordable units, the potential is even greater.

of LMI units created: 200

Action Item 1.2: Revise the Town Regulations to Waive the Fair Share Development Fees for housing calculations and does not require a direct subsidy from the Town. **Affordable Housing Developments.** Coventry's Fair Share Development Fee is currently \$7,596 per unit. This fee is an impediment to affordable housing development, especially for larger projects. Prior to May 2002 Coventry waived the Fair Share Development Fee for affordable units, but a May 2002 Town Council decision mandated that all new housing units pay the FSDF. South Kingstown, Richmond and Smithfield currently waive impact fees for

affordable housing. Waiving the Fair Share Development Fee allows deed restricted affordable units to be included in the Towns affordable

Action Item 1.3: Revise the Zoning Ordinance to allow Accessory Dwelling Units by right when long term affordability is assured. Currently, accessory dwelling units are allowed by special permit. The Town will revise the ordinance to allow accessory units by right in all zoning districts. The Town will provide the subsidy of a reduced tax rate for the created unit, as well as the waiver for building permit fees, provided that the accessory units are deed restricted as affordable units for at least 30 years. The reduced tax rate for non-rental occupied units will be 50% of the square footage of the accessory unit; for rental units it will be 8% or less of the previous year's gross rental income pursuant to RIGL 44-5-13.11. Based on current Zoning applications, at least 12 units per year have been requested on a regular basis. If 6 residents per year, or half of the requests, opt to accept the conditions, 120 units will be created on 20 years. If double that number, it would yield 240 units.

of LMI units created: 120-240

Action Item 1.4 – Amend the Zoning Ordinance to allow two-family units by right in R20, RR2, and RR3 residential zoning districts. Currently, the Zoning Ordinance allows duplex units in the R-20 zone with a Special Use permit. The Town will amend the Ordinance to allow these units by right provided that 1.) The lot meets the underlying minimum area for its zone and 2.) At least one of the two units meets the LMI requirements of long term affordability and 3.) Environmental quality is maintained in areas with no public water or sewer. Developers may chose this kind of unit in Major land developments. Assuming the rate of 13 units due to Inclusionary zoning, if developers opted for 3 of the 10 be duplex units, if one unit were affordable there would be a gain of 60 units over 20 years, if both units were affordable there would be a gain of 120 units over 20 years. If developers chose to make all of the units required under inclusionary zoning duplexes, there is the potential of up to 520 units.

of LMI units created: 60-120

Action Item 1.5 – Amend the Zoning Ordinance with regard to I2 zones to allow residential units. The Planning Department is currently working on language that would allow old industrial buildings be reused for residential and/or mixed use residential and commercial.

Action Item 1.6: Use the Comprehensive Permit as a tool to development affordable housing. Comprehensive permitting provides flexibility in places where underlying zoning does not allow for dense affordable housing. The Town can negotiate with developers to reach a desired goal that is acceptable to both parties. With this expedited permitting process the

Planning Commission has permitting authority of the Zoning Board, Town Council, as well as their own powers. In considering such a project, the Planning Commission may consider waivers from any of the underlying zoning and planning requirements in exchange for providing the Town with a minimum of 25% of the project be set aside as affordable housing as defined by the State of Rhode Island General Laws.

The Town of Coventry has passed an ordinance specifying procedures for applying for a comprehensive permit. This ordinance established rules and regulations for the filing and review of a comprehensive permit application.

Every comprehensive permit will be given very careful consideration. However, they have the potential to have environmental and public health problems in areas not served by public and water and sewer if they are not properly designed and engineered. The comprehensive permit process is such an expedited process and much of the engineering for a particular density may not be completed at the time of the application; it may be difficult for the Planning Commission to make decisions on them without all of the completed studies.

There are several areas in the Town that are suitable for a comprehensive permit for affordable housing. These sites are located in high density areas of Town that are serviced by either municipal water or sewer, or both, as well as being on or near a RIPTA bus line. These attributes make these sites absolutely vital in our goals to obtain affordable housing in practical locations. The following locations have been determined as the best places to site affordable housing and we encourage and support comprehensive permit applications for the following locations:

- Harris Mill
- Manchester Circle and Carley Drive
- Laurel Nursing Home
- St. Vincent DePaul School
- Concordia Mill
- Center of New England
- Cardi Properties

2. Identify Potential Locations for Affordable Housing Development.

Issue-Coventry faces a growing deficit of affordable housing. The Town must work with local agencies such as the Coventry Housing Associates, Coventry Housing Authority, Omni Corporation, and others to actively identify suitable locations for affordable housing development within the town.

The Locations Summary Chart identifies the sites that have been recognized as appropriate locations for affordable housing development. The Action Items of this section address these locations and others that are not yet identified

Location Summary Chart 2004-2025					
	Plat & Lot	Square Footage	Current Zoning	Zoning Needed	Affordable Units Range
Harris Village & Arkwright Neighborhood					
➤ Duplexes on Mill St. and Harris St.	96.150		R-20	Same	20 20
➤ Harris Mill	96.180	104512.00	R-20/I2	Comp. Permit	87 130
➤ Scattered Rehab.	465 parcels	448 units	R-20	Same/Deed Rest.	4 8
Anthony Village& Quidneck					
➤ Manchester Circle and Carley Drive	54.103	3 acres	R-20	Comp. Permit	36 36
➤ Laurel Nursing Home	55.124	8210.00		Comp. Permit	16 16
➤ Scattered rehab	1011 parcels	1096 units	R-20	Same/Deed Rest.	11 22
➤ St. Vincent DePaul School	55.220	18128.00	R-20	Comp. Permit	22 15
➤ Concordia Mill	55.780	275000.00	Varies	Comp. Permit	35 141
Coventry Center Village					
➤ Scattered Rehab.	323.217	104 units	Varies	Same/Deed	1 2
Washington Village					
➤ Scattered Rehab.	602 parcels	517 units	R-20	Same/Deed Rest.	5 10
Center of New England (Phase 1)	15.97.2	93000.00	Bus. Pk.	Comp. Permit	62 311
Cardi Property (New London Highway)	16.133	18 acres	R-20	Comp. Permit	40 150
Woodland III	27.150	20 acres	PD	Same	40 150
Riverwalk Commons	96;15,18.1,1	20909.00	I2	Comp. Permit	14 14
The Oaks	75.5;76.104 & 105	62 acres	RR2	Comp. Permit	19 24
OMNI Devel./DeGraide Farms	87;22.01,22.02,42	11.45 acres	R-20	Comp. Permit	20 20
Read Commons	55.166	0.4 Acres	VMC	Same/deed	2 10
Colvintown Road	92.100	97.00	R2	Comp. Permit	107 107
Inclusionary Zoning			Varies	Varies	200 200
Accessory Dwelling Units			Varies	Zoning Change	120 240
Duplex			Varies	Zoning Change	60 120
Total Affordable Units Identified					921 1746
Total Affordable Units Required					860

Action Item 2.1: Actively pursue the creation of local historic districts around Coventry's mills and mill villages. Throughout the town there are a number of historic and industrial mill structures that have experienced physical deterioration and a high vacancy rate. The Town's comprehensive plan encourages infill housing in existing medium and high density areas and the creation of Historic districts. Creating these districts will enable developers to utilize valuable tax credit incentives for renovating old historic buildings for reuse, while preserving the character of the neighborhood and creating new housing opportunities. As part of the Greenway/Anthony Revitalization project, Anthony Village is currently being considered by the state as a historic district.

Action Item 2.2: Target Coventry's Mill Villages for rehabilitation into Affordable Housing. In Coventry the most appropriate locations for affordable housing are the high density, mixed use villages. These villages provide access to existing infrastructure, including public water and sewerage, schools, transportation and retail opportunities. Their higher density standards also make it easier to develop affordable housing. Applying the actions steps and strategies outlined in the Harris Village Housing and Mill Revitalization Plan, The Town will examine its other villages for in-fill development and rehabilitation opportunities for affordable homeownership and rental units. The Town will use funding sources such as CDBG and HOME to provide subsidies for rehabilitation of these existing housing units in exchange for long term affordability restrictions. The Town will also consider other subsidies such as waiving building permit fees for the rehabilitation of affordable housing. The numbers reflect a low of 1% and a high of 2% of the total units within the vicinity of the center mill as shown on the maps. Units were ascertained by using the Tax Assessors records in the town's GIS database.

- **Anthony & Quidneck Village:** In particular, Anthony & Quidneck Village, where the sewer line is being extended on Route 117, offers several opportunities for affordable housing development.
of LMI units created: 11-22

- **Harris & Arkwright Village:** The 2002 Harris Village Housing and Mill Revitalization Plan provided specific recommendations for the reuse of the Harris Mill Complex, including rehabilitation of local housing stock. It specifically identifies both opportunities for Village duplex housing behind the Mill and the potential for a specialized mill overlay district for the Harris Mill Complex which would allow a mix of uses, including affordable housing. Coventry Housing Associates is currently in negotiations with the owners of the Harris Mill Complex to purchase the duplex housing in order to preserve it as long term affordable housing.
of LMI units created: 4-8

- **Coventry Center Village** **# of LMI units created: 1-2**

- **Washington Village** **# of LMI units created : 5-10**

Action Item 2.3: Consider Coventry's mill buildings and former institution buildings for adaptive reuse as affordable housing.

Due to its industrial history, Coventry has a large stock of mill buildings. Currently many of these mill buildings continue to be used for industry or other commercial uses. There are also some buildings that were formerly schools. However, should these buildings change hands or become vacant, the Town will evaluate their feasibility for redevelopment into affordable housing. Estimated units below are either existing (the duplexes), proposed (Concordia and Riverwalk), or based on the potential for 800 square feet for elderly and 1200 square feet for residential units.

Harris Mill duplexes # of LMI units created: 20

Harris Mill # of LMI units created: 87-130

St. Vincent de Paul School # of LMI units created: 15-22

Concordia Mill

The owner of this mill complex has expressed an interest in creating a mixed use leased residential loft apartment with street level business space. The town would require this development to include affordable units. 141 units are proposed, 35 is 25% of that.

of LMI units created: 35-141

Riverwalk Commons/Holiday products mill

The owners of this site have submitted a preapplication for a 56 unit housing development of 1-2 bedroom condominiums on this site. Because current zoning of I2 (Industrial Mill complex) does not allow residential construction, a Comprehensive permit is expected. A 25% affordability requirement is the basis. The surrounding area is R20, and already densely zoned. Units listed are 25% of the proposed total.

of LMI units created: 14

Laurel Nursing Home

This is the assumption of 100% being made affordable by a non-profit group.

of LMI units created: 16

Total # of LMI units created: 194-336

Action Item 2.4: Encourage Coventry Housing Associates to develop the vacant land adjacent to Manchester Circle and Carley Drive as affordable housing.

The Coventry Housing Associates will continue their efforts to develop affordable housing at Manchester Circle and Carley Drive. This area is currently in an R20 zone and served by public water. CDBG or other funds are needed to connect this area to the sewer line before additional housing can be built.

of LMI units created: 36

Action Item 2.5: Encourage affordable housing development at the Center of New England Business Park. A new high-density, mixed-use growth center is developing at the Center of New England business park. There is undeveloped land adjacent to this site that has access to public water and sewerage. This land is an appropriate location for a mix of uses, including affordable housing. The Phase 1 Development proposal put before the town for this area contained plans for 311 housing units. The number of units reflects 20% and 100% of the proposal.

of LMI units created: 62 - 311

Action Item 2.6: Encourage affordable housing development at the Cardi Property on New London Turnpike. This 18 acre undeveloped property is zoned for Residential 20,000 square foot lots. The Town will work with the owner to encourage the addition of affordable units as this parcel becomes developed. The units cited are based on discussion with the owner.

of LMI units created: 40- 150

Action Item 2.7: Woodland III. This 20 acre undeveloped parcel is owned by Woodland Manor III Associates, RILP. It is adjacent to two existing housing complexes, which were initially phases I and II as affordable units. It is in a Planned Unit Development Zone in which apartments are allowed. It received initial approval with the Planning Commission in the 1990's, but was never constructed. The Town would encourage the owners to follow through and submit a new land development project. The units cited are based on current zoning and potential units to be determined by town negotiations.

of LMI units created: 40- 150

Action Item 2.8: OMNI Development. This is also referred to as the DeGraide Farm subdivision. A comprehensive permit was approved for 23 market rate and 20 affordable single family units on 11.45 acres in an R20 zone. This is the approved number of units.

of LMI units created: 20

Action Item 2.9: The Oaks. A comprehensive permit was submitted in August of 2003 for 95 single family units on a 62 acre parcel in a RR2 zone. It was approved by SHAB and the final density is being discussed between the town and the applicant. The unit low number is based on the original proposal and the high is 25% of the proposal.

of LMI units created: 19-24

Action item 2.10: Read Commons. The owner of this former mercantile building in Anthony Village is interested in creating 8-10 one bedroom units and has expressed an interest in making either some or all of them affordable. The potential unit numbers are the minimum and maximum as discussed with the developer.

of LMI units created: 2-10

Action item 2.11: Colvintown Road Development. A proposal is being discussed at the site of the former Global Recycling operation. The initial design calls for a third of the site to be residential. Forty Single Family Dwellings with 25 affordable, sixty affordable rental units, and eighty four duplexes of which 22 will be affordable is the current plan. Out of the 184 units, 107 or 58% will be affordable. It is served by public water but will need packaged sewer treatment units. The unit number cited is based on discussion with the developer and may change.

of LMI units created: 107

3. Strengthen Partnerships and Build Community Support for Affordable Housing.

Issue- In order to achieve 10% affordable housing, a foundation of understanding and cooperation is necessary among all stakeholders. The Town, through the Coventry Affordable Housing Advisory Committee, will assist in fostering and maintaining strong, supportive relationships between Town government, the Coventry Housing Authority, the Coventry Housing Associates, and other non-profit and for-profit affordable housing developers. Establishing affordable housing as a priority and addressing the recommendations included in this Plan will set the stage for partnerships and working relationships.

Action Item 3.1: Form a Coventry Affordable Housing Advisory Committee. A Coventry Affordable Housing Advisory Committee will serve as an advocate for affordable housing in the town. The Committee will be responsible for the implementation of the Town's Affordable Housing Plan, and will report annually to the Town Council on the Plan's progress. The Committee will also serve as a support network for affordable housing developers and providers, helping these groups share resources and information and strengthen relationships. The Coventry Housing Authority will serve on the committee along with interested citizens from the community.

It is essential that the committee be comprised of representatives from the fields of affordable housing development, banking, real estate, business, local community organizations (churches, charities, etc.) and Town government, including the Planning Commission, Zoning Board, Town Council, Conservation Committee, and Human Services/Senior Center. This citizen Board would represent the broader community's support for affordable housing. Financial costs associated with Committee would be minimal. Administration would not involve hiring staff, as the Coventry Housing Authority would manage operating responsibilities. Thus, the only cost of administration would be in the form of time commitment of Coventry Housing Authority staff.

The Committee's roles will include:

- **Implementation of the Affordable Housing Plan:** The Committee will implement the Affordable Housing Plan, and report annually to the Town Council on the Plan's progress.
- **Identify locations for future affordable housing development:** A major role of the Committee will be to identify sites for affordable housing on an ongoing basis, through annual advertising and/or soliciting proposals. This provides a mechanism for replenishing the list of locations included in the plan, and will make the plan a dynamic document. The Planning Department will evaluate the locations

recommended by the Committee to determine their suitability for affordable housing development.

- Endorse appropriate affordable housing proposals: The Committee should begin a program of endorsing affordable housing proposals that meet the criteria set by the Town and this plan. An endorsement from the Committee would show community support for affordable housing, and could expedite the approval process. Endorsements would be a source of prestige and developers would actively seek them out. This would encourage affordable housing proposals that are in line with the Town's objectives and priorities.
- Strengthen partnerships and working relationships for affordable housing: The Committee should assist in fostering and maintaining strong, supportive relationships between Town government; the Coventry Housing Authority; non-profit developers such as Coventry Housing Associates; and for-profit affordable housing developers. The Committee should help these groups share resources and information.
- Raise awareness of Coventry's affordable housing needs through public education: An educational program should be developed that more accurately describes the population in need of affordable housing, namely working families, children of current residents, and the elderly. This would help dispel the negative connotations commonly associated with affordable housing and combat NIMBYism (Not in My Back Yard). The Town could provide residents with information about affordable homeownership and rental opportunities and could encourage public discussion of these issues with Town officials and local affordable housing developers.

Action Item 3.2: Work with Coventry Housing Associates and other non-profit organizations to develop affordable housing in Coventry. The Town will encourage and work with Coventry Housing Associates and other non-profit organizations to develop affordable housing in Coventry. CHA will continue to develop affordable family and elderly housing. They will continue to pursue their HUD 202 project as well as Low Income Housing Tax Credit projects throughout the town. Additionally, CHA will continue to purchase homes as they become available, rehabilitate them, and sell/rent them to low-income households. CHA could partner with other organizations to development affordable housing for persons with special needs. This partnership would combine CHA's development expertise with another organization's capacity to provide supportive services.

Action Item 3.3: Collaborate with the Coventry Housing Authority to expand the Section 8 affordable homeownership program. CHA was the first Housing Authority in the State to initiate a Section 8 Homeownership program whereby the monthly voucher is applied toward a mortgage payment. To date, 4 families have used the Section 8 homeownership program to purchase their first homes. The Housing Authority also has an additional 8 families who have been approved to use their Section 8 vouchers for homeownership. However, these 8 families have been unable to find housing within their price range. The Town will work with the Housing Authority to identify homes which may be suitable for the Section 8 homeownership program.

4. Identify Existing and New Resources for Affordable Housing Development.

Issue-Now and in the future Coventry must identify the resources available to facilitate the development of affordable housing.

Action Item 4.1: Establish an Affordable Housing Trust Fund. An Affordable Housing Trust Fund would receive and manage funds for affordable housing development and preservation. There are currently no local funding resources for affordable housing in Coventry. An Affordable Housing Trust Fund would address this need.

Potential sources to contribute to an Affordable Housing Trust Fund include:

- HOME funds
- Off-site exactions / in-lieu fees from Inclusionary Zoning
- Private contributions and charitable donations
- Private Foundations
- Land donations
- Developer impact fees (possibly from commercial development)

The Trust Fund could be used for the following:

- Subsidies for individual family homeownership units in new developments via inclusionary zoning or at scattered sites
- Closing costs and down payment assistance for eligible persons
- Gap financing for rental and homeownership developments (However, larger developments will apply to RIH directly for gap financing)
- Feasibility studies and predevelopment costs born by the developer
- Competitive grants to non-profits for program development and community outreach

The Town will apply to Rhode Island Housing for money to fund the Affordable Housing Trust Fund.

Action Item 4.2: Maximize Existing Federal and State Funding Sources for Affordable Housing Development. For- and non-profit developers should make the best possible use of the following affordable housing development resources:

Source	Program Name	Source	Program Name	Source	Program Name
HUD	Section 202 (Elderly)	RIH	Low-Interest Mortgages	FHLB	Affordable Housing Program
	Section 811 (Special Needs)		Home Repair Loans	Fed	Low Income Housing Tax Credits
	Continuum of Care (Homeless)		Next Step (transitional housing)	Fed	Federal Historic Preservation Tax Credits
	Emergency Shelter Grants (Homeless)		Pre-development loans	State	Rhode Island State Historic Preservation Residential Tax Credit
	Housing Opportunities for Persons with AIDS (HOPWA)		Preservation (Section 8 apartments)	State	Neighborhood Opportunities Program (NOP)
	HOME Investment Partnerships Program (HOME)		Rental Housing Production Program		Family Housing Program Supportive Housing Program Building Better Communities
	Community Development Block Grant (CDBG)		Targeted Loans		
	Section 108 (Loan Guarantees)		Technical Assistance		
			Thresholds (Mental Illness)		

*RIH = Rhode Island Housing, FHLB = Federal Home Loan Bank (Boston)
HUD = U.S. Dept. of Housing and Urban Development*

These programs are described in further detail in the Appendix.

Action Item 4.3: Actively pursue the creation of local historic districts around Coventry’s mills and mill villages. It is determined that throughout the Town there are a number of historic and industrial mill structures that have experienced high vacancy rates and physical deterioration. It is further determined that the Town’s Comprehensive Plan encourages infill housing in existing medium and high density areas. The Town will create an overlay district to allow for the conversion of historic mills while preserving the character of nearby residential and commercial neighborhoods to encourage the preservation, reuse, and renovation of historic mill properties and to promote diversified housing opportunities. Anthony Village is being reviewed as a candidate historic designation.

In addition, the creation of local historic districts around the mill villages will place the villages on the State and National Registers of Historic Places. This listing enables Coventry to use State and Federal Historic Preservation Tax Credits for the rehabilitation of buildings in these areas for affordable housing. The State Historic Preservation Office is willing to provide guidance to those communities seeking to add properties to the State and National Register. The State and Federal Historic Preservation Tax Credit programs are further detailed in the appendix.

Action Item 4.4: Collaborate with Coventry Housing Associates on additional affordable housing developments. Coventry Housing Associates completed the construction of their first LIHTC project, known as Crossroads in September 2003. The town will collaborate with CHA to identify appropriate sites for future LIHTC projects, whether they are new construction or rehabilitation of existing housing stock. The Town will also encourage CHA to collaborate with other non-profit and for-profit developers on LIHTC projects. The Town will also encourage developers to utilize LIHTC in conjunction with inclusionary zoning to build affordable housing units in new subdivisions.

Action Item 4.5: Continue and Expand the Town's home repair and home maintenance grant and loan programs. In addition to developing new housing, it is important to repair and maintain existing housing. The Town through its Community Development Block Grant program provides grants for housing rehabilitation for income eligible residents. Under the program design guidelines, rehabilitation grants of up to \$15,000 are currently being given to bring deficiencies into compliance with minimum housing codes. These grants are similar to a forgivable loan in that they are subject to a lien that is placed on the residence at a rate of three years for every \$5000 or portion thereof. These include septic and cesspool repair and replacement, well repairs, faulty electrical wiring, lead paint testing and abatement, new heating systems, windows and doors that are so inoperable or several inadequate that they affect heating, energy conservation measures, dangerous structural defects, plumbing repairs, and unsafe stairs or handicap ramps. The Town will approve up to 60% over the program design monetary limit in rehabilitation grants to any qualifying resident in exchange for a long-term affordability restriction of at least 30 years on the property.

Action Item 4.6: Expand and promote the Town's Homebuyer Education, Closing Costs and Downpayment Assistance programs for affordable housing buyers. The Coventry Housing Authority, through the Family Self-Sufficiency program, prepares income-eligible families for homeownership and assists them during the home-buying process. Coventry Housing Associates administers homebuyer education classes, helping first-time homebuyers become eligible for programs that can save them thousands of dollars. Coventry Housing Associates also offers closing costs and downpayment assistance programs. The Town and its agencies will continue to apply annually for CDBG funds to support these programs. Through these programs and with increased support, the Town could provide up to \$7,500 in assistance to eligible homebuyers. The Town will continue to promote and increase awareness of these programs through community education efforts.

5. Implement programs which ensure the long term affordability of Coventry's housing.

Issue-Without oversight the potential exists for affordable housing to be lost over the passage of time.

Action Item 5.1: Create a Community Housing Land Trust to Ensure Long Term Affordability. Coventry Housing Associates will create a Community Housing Trust (CHT) for affordable housing. The CHT would acquire and hold land and allow affordable homeownership units to be built on this land. These units could be sold to low-income families, but the Community Housing Trust would retain ownership of the land, leasing it to the homeowners. If and when CHT homeowners decide to sell their home, the CHT would have a right of first refusal. The resale price would be determined by a formula that limits sellers to the price they originally paid plus certain percentage of the appreciated value of the home, as determined by an appraisal. The combination of the CHT owning the land and the capped resale price ensures the long-term affordability of these homes. By removing land costs from the housing equation, the CHT model can significantly reduce the cost of ownership.

Action Item 5.2: Create a monitoring program for deed restricted affordable rental units. The Town will create a program in which the Coventry Housing Authority will annually monitor the rental of deed restricted affordable units to appropriate income qualified families. This program will ensure that housing units with long term affordability deed restrictions on them are not lost over time.

Action Item 5.3: Explore Other Affordability Mechanisms where appropriate. The Town of Coventry recognizes that other mechanisms may exist other than the Land Trust program and deed restrictions to create permanently affordable housing. For this reason, the Town will carefully explore other options which may benefit the Coventry affordable housing stock.

PROJECTIONS

The charts on the following two pages summarize Coventry's anticipated affordable housing development by

- strategy and time, and
- housing needs type.

Coventry's Number of Low-Mod Units to be Produced by Strategy and Time (RIH analysis 5/31/05)						
Strategy	PROJECTED Strategy Totals	Year 0 to 5 2005-2009	Year 6 to 10 2010-2014	Year 11 to 15 2015-2019	Year 16 to 20 2020-2024	ACTUAL Strategy Totals
Harris Vlg & Arkwright Nghbrhd: Duplexes on Mill St & Harris St.	20		10	10		20
Harris Vlg & Arkwright Nghbrhd: Harris Mill	87		29	29	29	87
Harris Vlg & Arkwright Nghbrhd: Scattered Rehab	4	1	1	1	1	4
Riverwalk commons	14	14				14
Anthony Vlg & Quidneck: Manchester Circle & Carley Drive	36		36			36
Anthony Vlg & Quidneck: Laurel Nursing Home	16			16		16
Anthony Vlg & Quidneck: Scattered Rehab	11	2	3	3	3	11
Anthony Vlg & Quidneck: St. Vincent DePaul School	22				22	22
Anthony Vlg & Quidneck: Concordia Mill	35		20	15		35
Read Commons	2	2				2
Coventry Ctr Vlg: Scattered Rehab	1		1			1
Washington Vlg: Scattered Rehab	5			2	3	5
Ctr of New England	62	30	32			62
Cardi Property (New London Hwy)	40			40		40
Woodland III	40				40	40
The Oaks	19	19				19
Omni Development/DeGraide Farm	20	20				20
Colvintown Road/Global site	107	25	60	22		107
Inclusionary Zoning in major developments	200	50	50	50	50	200
Accessory Dwelling Units	120	30	30	30	30	120
Duplex units	60	15	15	15	15	60
NEW LMI UNITS ADDED	921	208	287	233	193	921
EXISTING UNITS (663)PLUS NEW: RUNNING TOTAL LMI(1)	663	871	1158	1391	1584	

Analysis of Coventry's Affordable Housing Strategies (RIH 5/31/05)								
Development Strategy	Totals by Strategy(1)	Elderly		Family		Special Needs		Calculated Totals
		Rental	HO	Rental	HO	Rental	HO	
Harris Vlg & Arkwright Nghbrhd: Duplexes on Mill St & Harris St.	20			10	10			20
Harris Vlg & Arkwright Nghbrhd: Harris Mill	87			40	47			87
Harris Vlg & Arkwright Nghbrhd: Scattered Rehab	4				4			4
Riverwalk Commons	14			14				14
Anthony Vlg & Quidneck: Manchester Circle & Carley Drive	36	36						36
Anthony Vlg & Quidneck: Laurel Nursing Home	16					16		16
Anthony Vlg & Quidneck: Scattered Rehab	11				11			11
Anthony Vlg & Quidneck: St. Vincent DePaul School	22	10				12		22
Anthony Vlg & Quidneck: Concordia Mill	35			35				35
Read Commons	2				2			2
Coventry Ctr Vlg: Scattered Rehab	1				1			1
Washington Vlg: Scattered Rehab	5				5			5
Ctr of New England	62		30		32			62
Cardi Property (New London Hwy)	40	20		10		10		40
Woodland III	40					40		40
The Oaks	19				19			19
Omni Development/DeGraide Farm	20				20			20
Colvintown Road/Global site	107			71	36			107
Inclusionary Zoning in major developments	200			60	140			200
Accessory Dwelling Units	120	50		70		20		140
Duplex units	60			30	30			60
Total low-mod units added	921							
Totals by HH type & rental or ownership		116	30	340	357	98	0	
Totals by HH type		146		697		98		
Future Need Goal by CHAS data(2)		GOAL 100		GOAL 677		GOAL 83		

(1) For the purposes of this chart, only the lower figure of the estimated range has been used.

ACTION TABLE

The following Action Table serves as an implementation tool for the plan's strategies. The Action Table outlines the time frame for each strategy, the responsible party, the cost, and the corresponding funding source. The Affordable Housing Strategies are:

1. Create a Diversity of Housing that Meets the Needs of Coventry's Low-Moderate Residents.
2. Identify Potential Locations for Affordable Housing Development.
3. Strengthen Partnerships and Build Community Support for Affordable Housing.
4. Identify Existing and New Resources for Affordable Housing Development.

The following acronyms are used in the Action Table:

TC: Town Council
PC: Planning Commission
PD: Planning Department
HA: Coventry Housing Authority
CHA: Coventry Housing Associates
AC: Coventry Affordable Housing Advisory Committee
NP: Non-Profit Developer/ Provider
FP: For-Profit Developer
HUD: U.S. Department of Housing and Urban Development
HRC: Housing Resources Commission
RIH: Rhode Island Housing
LEAD: RI Housing Lead grants
NOP: Neighborhood Opportunities Program
BBC: Building Better Communities grant program
CDBG: Community Development Block Grant
LIHTC: Low Income Housing Tax Credits
HPITC: Historic Preservation investment Tax Credit

Strategies and Action Items	Responsible Party	Cost	Source	Time Frame
Amend the Zoning Ordinance to Promote Affordable Housing Development that Meets the Needs of all Coventry Citizens				
Action Item 1.1: Adopt a mandatory inclusionary zoning ordinance.	PC, PD, TC	No Direct Costs		Year 1
Action Item 1.2: Revise the Town regulations to waive the fair share development fees for affordable housing developments.	TC	No Direct Costs		Year 1
Action Item 1.3: Amend zoning ordinance to allow accessory dwelling units by right with long-term affordability	PD, PC, TC	No Direct Costs		Year 1
Action Item 1.4: Amend the zoning ordinance to allow duplexes by right in R20, RR2, and RR3 zones	PD, PC, TC	No Direct Costs		Year 1
Action item 1.5: Amend the zoning ordinance in I2 zones to allow residential units	PD, PC, TC	No Direct costs		Year 1
Action Item 1.6: Use the Comprehensive Permit as a tool to develop affordable housing	PD, PC, TC			Year 1
Identify Potential Locations for Affordable Housing Development.				
Action Item 2.1: Actively pursue placement of Coventry's mill villages on the State and National Register of Historic Places.	PD, AC, HA	No Direct Costs	N/A	Year 2
Action Item 2.2: Target Coventry's mill villages for affordable housing development	PD, PC, AHC, CHA, HA	No Direct Costs	LIHTC, RIH, HOME, CDBG, LEAD, NOP	Year 2
Action Item 2.3: Encourage the adaptive reuse of Coventry's mill buildings and former institution buildings as affordable housing.	PD, PC, AHC, CHA, HA	No Direct Costs	HPITC	Years 1- 5
Action Item 2.4: Encourage Coventry Housing Authority to develop the vacant land adjacent to Manchester	CHA, HA	Subsidy of \$50,000-	HUD 202, HUD 811	Year 2

Strategies and Action Items	Responsible Party	Cost	Source	Time Frame
Circle and Carley Drive as affordable housing		\$100,000 /unit		
Action Item 2.5: Encourage affordable housing development at the Center of New England Business Park	NP, FP	Subsidy of \$50,000-\$100,000 /unit		Years 1 - 5

Strengthen Partnerships and Build Community Support for Affordable Housing.				
Action Item 3.1: Form a Coventry Affordable Housing Advisory Committee	PC, TC, PD, HA, CHA	No Direct Costs		Year 1
Action Item 3.2: Work with Coventry Housing Associates and other non-profit developers to develop affordable housing in Coventry.	CHA, NP	Subsidy of \$50,000-\$100,000 per unit	HUD, RIH, NOP CDBG, LIHTC	Years 1 - 5
Action Item 3.3: Collaborate with the Coventry Housing Authority to expand the Section 8 homeownership program.	PD, PC, AHC, HA	No Direct Costs	Section 8	Years 1 - 5
Identify Existing and New Resources for Affordable Housing Development.				
Action Item 4.1 Establish an affordable housing trust fund.	TC	\$300,000	HOME, RIH	Year 2
Action Item 4.2: Maximize existing federal and state funding resources for affordable housing.	PD, TC, CHA, HA	\$50,000-\$100,000 per unit	HUD 202, HUD 811, ESG, HOPWA, HOME, CDBG, Sec. 108, etc.	Years 1 - 5
Action Item 4.3: Collaborate with Coventry Housing Associates on additional affordable housing developments	PD, AC, CHA	No Direct Costs	LIHTC	Years 1 - 5
Action Item 4.4: Continue and expand the Town's home repair, home maintenance grant and loan programs.	HA	Up to \$25,000/unit for LTA	CDBG	Years 1 - 5

Action Item 4.5: Expand and promote the Town's homebuyer education, closing costs, and downpayment assistance programs for affordable housing buyers.	HA, CHA	Up to \$7,500/unit	CDBG	Years 1 – 5
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Strategies and Action Items	Responsible Party	Cost	Source	Time Frame
Implement programs which ensure the long term affordability of Coventry's Housing				
5.1 Create a community housing land trust to ensure long term affordability	CHA	No Direct Costs	N/A	Year 2
5.2 Create a monitoring program for deed restricted affordable rental units.	PD, HA	No Direct Costs	N/A	Year 2
5.3 Explore other affordability mechanisms where appropriate.	PD, PC, AHC	No Direct Costs	N/A	Years 1 - 5

APPENDIX A: POTENTIAL FUNDING SOURCES

Rhode Island Housing and Mortgage Finance Corporation

RIH provides financial and program support to create affordable housing for low- and moderate-income Rhode Islanders. The agency offers more than 20 homeownership and rental housing programs, which generally have purchase price and income eligibility restrictions. Some of these programs are outlined below:

- **Home Repair Loans:** Low-interest loans of up to \$15,000 for owner-occupied, one- to four-unit homes.
- **Zero Down:** No down payment financing that combines low-interest mortgages with federal loan guarantees.
- **HOME:** Grants and low-interest loans to encourage the construction or rehabilitation of affordable housing.
- **Next Step:** Nonprofit social service agencies may apply for deferred-payment loans for the development of transitional housing for families and individuals in crisis. The maximum loan is \$20,000.
- **Pre-development Loan:** Short-term loans to qualified nonprofit developers to cover pre-closing costs incurred in determining development feasibility and obtaining site control.
- **Preservation:** RIH finances the purchase of or re-finance existing Section 8 housing in exchange for extending the affordability restrictions beyond the term of the original HAP contract. This program can also give Section 8 owners access to a project's residual reserves.
- **Rental Housing Production Program:** This is Rich's primary program for financing the construction and rehabilitation of affordable rental units. Proposed projects must be at least 12 units, and the units must be affordable to households earning no more than 60% of HUD's median family income.
- **Targeted Loans:** Deferred-payment loans to encourage construction and rehabilitation of affordable rental housing. This program is intended to serve as gap financing to ensure long-term affordability in the absence of other subsidies. Generally, Targeted Loans are available only when used with RIH first mortgage financing.
- **Technical Assistance:** RIH provides "how to" help and short-term loans for individuals, municipalities and nonprofit groups to strengthen their capacity and encourage the production and preservation of affordable housing.
- **Thresholds:** RIH provides grants for the development of housing that integrates persons with long-term mental illness into the community. Thresholds funds generally are used to supplement development budgets. In exchange, one of more units in a project is reserved for residents who are referred and assisted by mental health sponsors.
- **First Homes:** RIH offers income-qualified first-time homebuyers low-interest mortgages, and downpayment and closing cost assistance.

State and Federal Tax Credits

The *Low Income Housing Tax Credit (LIHTC) Program* was created by the Tax Reform Act of 1986 as an alternate method of funding housing for low- and moderate-income households, and has been in operation since 1987. These tax credits are used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. The tax credits are determined by the development costs, and are used by the owner. Most states look more

favorably on projects serving a higher percentage of income-eligible households. Rhode Island Housing allocates these tax credits to qualified developers of affordable housing, who then sell them to investors, generating equity for the project.

The *Federal Historic Preservation Tax Credit Program* provides federal income-tax incentives for the rehabilitation of historic income-producing properties. Under the provisions of the Tax Reform Act of 1986, a 20% tax credit is available for the substantial rehabilitation of commercial, agricultural, industrial, or rental residential buildings that are certified as historic. The credit may be subtracted directly from federal income taxes owed by the owner. The Historic Preservation Tax Credit Program benefits the owner, the occupants, and the community by encouraging protection of landmarks through the promotion, recognition, and designation of historic structures; increasing the value of the rehabilitated property and returning underutilized structures to the tax rolls; and upgrading downtowns and neighborhoods and often increasing the amount of available housing within the community.

The *Rhode Island State Historic Preservation Residential Tax Credit* was created to encourage the maintenance and rehabilitation of Rhode Island's historic homes by providing an income tax credit to property owners who undertake preservation related work to their historic homes. This means maintenance work from routing painting to complex reconstruction work such as rebuilding chimneys and foundations are both eligible for the tax credit. All interior work, new construction, additions and landscaping are not eligible for this tax credit. To receive a tax credit, owners must spend a minimum of \$2000 on the project, and the building must either be listed on, or considered eligible for the National Register of Historic Places.

Federal Home Loan Bank

The Federal Home Loan Bank of Boston provides low-cost funding, and other credit programs to enhance the financial strength of local lenders, providing them with adequate liquidity at competitive prices so that they can meet the housing finance and credit needs of their communities. The Federal Home Loan Bank advances funds at lower rates than available in the commercial market. Each year since 1989, The Federal Home Loan Bank has contributed 10% of its income to the Affordable Housing Program (AHP). This program subsidizes long-term financing for very low-, low- and moderate-income families.

Bond Funds

General Obligation Bonds are issued by the local municipality and are paid for by taxpayer. They can be used for physical improvements within municipalities.

Revenue Bonds provide public capital, and are paid for only by the users. There are a number of creative mechanisms for issuing Revenue Bonds.

Community Development Block Grant (CDBG) Funds

CDBG Funds are given to communities who meet criteria based on the income of people residing in specific geographic areas. The primary objective of CDBG Funds is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income

Section 108

Section 108 is a loan provision of the CDBG program, providing communities with financing for economic development, housing rehabilitation, public facilities, and large-scale development projects. Up to five times the latest approved CDBG amount may be applied for under Section 108, minus any outstanding Section 108 commitments and/or principal balances on Section 108 loans for which the State has pledged its CDBG Funds as security. The maximum loan repayment period is 20 years.

Neighborhood Opportunities Program

The Neighborhood Opportunities Program (NOP) is administered by The Rhode Island Housing Resources Commission, and the major goal of this program is to “increase the supply of decent, safe, and affordable rental housing for very low-income families and individuals and to revitalize local neighborhoods.

U.S. Department of Housing & Urban Development (HUD)

HUD funds and administers a number of programs aimed at increasing and preserving the supply of affordable housing for diverse populations. Some of the HUD programs that are (or could be) utilized in Coventry include the following:

- Section 811 Supportive Housing for Persons with Disabilities: The Section 811 program provides opportunities for very low-income adults with disabilities and their families to live independently and receive supportive services. At the time of this study, there were no Section 811 housing units located in Coventry. Section 811 tenants pay 30% of their incomes for rent.
- Section 202 Supportive Housing for the Elderly: The Section 202 program provides funding to enable very low-income elderly persons to live independently by increasing affordable rental housing with associated supportive services. Section 202 tenants pay 30% of their incomes for rent.
- Continuum of Care: HUD funds a number of programs under the *Continuum of Care*, a HUD system that recognizes that homeless people have different needs. *Continuum of Care* programs address the changing needs of homeless persons—from emergency shelter to transitional housing to permanent housing.
- Housing Opportunities for Persons with AIDS (HOPWA): The HOPWA program provides funding to develop and subsidize affordable housing for low-income persons and their families living with and affected by HIV/AIDS.
- Federal Housing Administration (FHA) Homeownership Programs: This FHA program supports homeownership by administering mortgage insurance programs to financial institutions issuing mortgages to moderately priced homes. FHA programs also include opportunities for people to live in the communities where they work, and opportunities for non-profits and local governments to purchase homes at discounted rates.
- Fair Housing Assistance Program (FHAP): This program supports State and local housing authorities in supporting fair housing through the enforcement of fair housing laws and ordinances.

Rhode Island Economic Development Corporation

The Rhode Island Economic Development Corporation (RIEDC) provides tax incentives and loans for economic development efforts throughout the State.

Foundations

Foundations such as the Champlin Foundation, the Rhode Island Foundation, Annie Casey, and United Way provide funding in the form of grants and loans to specific housing development projects.

Environmental Protection Agency

The Environmental Protection Agency (EPA) provides funding for clean up of contaminated air, soil and water. EPA funding may be available to clean-up proposed affordable housing development sites with contamination issues.