

B1 Received at meeting



Town of Bristol, Rhode Island

Department of Community Development

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10 Court Street
Bristol, RI 02809
www.bristolri.us
401-253-7000

July 11, 2022

TO: Honorable Town Council
FROM: Diane M. Williamson, Director
RE: Affordable Housing

Diane W.

The following is provided for your information regarding affordable housing:

RI Housing annually calculates the percentage of the low- or moderate-income housing in each RI community which is required by State Law to be tracked. Bristol has a total of 522 Low-Moderate income housing units which is 5.79% of the year-round residential units (9,015 year-round housing units based on 2010 census - per RI Housing the 2010 census is used due to delays in the release of the detailed 2020 Census). State Law sets the goal for municipalities to have 10% of the year-round housing as Low-Moderate Income.

Rhode Island Housing also provides data on the Rhode Island Income Limits for Low-and Moderate-Income Households (see attached chart). The information in this chart is used to determine eligibility based on the number of persons in the household. The chart lists the maximum amount the household can earn to qualify for an affordable unit. In accordance with the State Law, for rental units the maximum amount is 80% of Area Median Income and for sale units, the maximum amount is 120% of Area Median Income. Referencing the chart, for a 3- person household at 80% of Area Median Income in Bristol, the maximum income would be \$69,650 to qualify for a rental unit.

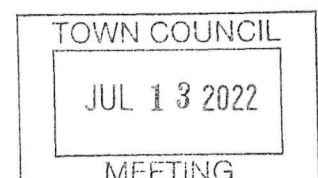
The Rhode Island Housing chart is also used to calculate the maximum rent that can be charged for affordable units. The amount of rent is based on the number of bedrooms plus one person. So, for example, with a 2-bedroom unit, the rent would be calculated as follows:

\$69,650 (80% of Area Median Income) for 3 persons {2 beds plus 1 person = 3}.

The rent could not be more than 30% of the household income including utilities, therefore,

$\$69,650 / 12 \text{ months} = \$5,804.16 \times 30\% = \$1741.25$ a month would be the maximum rent.

A monitoring agent is also needed to make sure all of the units and renters are in compliance. The local monitoring agency (East Bay Community Development Corporation) that provides this service collects a fee of \$500 for the initial certification and 2% of the maximum rent for the annual re-certification. There



is another monitoring agency (Community Housing Land Trust of Rhode Island) that also serves this area. They charge \$1000 per unit initially and then 3.5% of the maximum gross rent for the annual re-certification. The annual fee would change every year as the maximum rent changes but the percentage stays the same.

The following State Laws are referenced as well.

Two RI General Laws Section 42-128-8.1 of “Rhode Island Housing Resources Act of 1998” ; and RI General Laws Section 45-53-3 of the “Rhode Island Low and Moderate Income Housing Act” provide definitions of affordable housing and Low or Moderate Income Housing as follows:

RI General Law Section 42-128-8.1 - “Affordable housing” means residential housing that has a sales price or rental amount that is within the means of a household that is moderate income or less. In the case of dwelling units for sale, housing that is affordable means housing in which principal, interest, taxes, which may be adjusted by state and local programs for property tax relief, and insurance constitute no more than thirty percent (30%) of the gross household income for a household with less than one hundred and twenty percent (120%) of area median income, adjusted for family size. In the case of dwelling units for rent, housing that is affordable means housing for which the rent, heat, and utilities other than telephone constitute no more than thirty percent (30%) of the gross annual household income for a household with eighty percent (80%) or less of area median income, adjusted for family size. Affordable housing shall include all types of year-round housing, including, but not limited to, manufactured housing, housing originally constructed for workers and their families, accessory dwelling units, housing accepting rental vouchers and/or tenant-based certificates under Section 8 of the United States Housing Act of 1947, as amended, and assisted living housing where the sales or rental amount of such housing, adjusted for any federal, state, or municipal government subsidy, is less than or equal to thirty percent (30%) of the gross household income of the low and/or moderate income occupants of the housing.”

The definition of “Low or moderate income housing” RI General Law 45-53-3 is “any housing whether built or operated by any public agency or any nonprofit organization or by any limited equity housing cooperative or any private developer, that is subsidized by a federal, state, or municipal government subsidy under any program to assist the construction or rehabilitation of housing affordable to low or moderate income households, as defined in the applicable federal or state statute, or local ordinance and that will remain affordable through a land lease and/or deed restriction for 99 years or such other period that is either agreed to by the applicant and town or prescribed by the federal, state, or municipal government subsidy program but that is not less than 30 years from initial occupancy.”

FY2021 Rhode Island Income Limits for Low- and Moderate-Income Households

(Incomes over 80% AMI are calculated based on HUD 2008 income limits policy)

MUNCIPALITIES: Barrington, Bristol, Burrillville, Central Falls, Charlestown, Coventry, Cranston, Cumberland, East Greenwich, East Providence, Exeter, Foster, Gloucester, Jamestown, Johnston, Lincoln, Little Compton, Narragansett, North Kingstown, North Providence, North Smithfield, Pawtucket, Providence, Richmond, Scituate, Smithfield, South Kingstown, Tiverton, Warren, Warwick, West Greenwich, West Warwick, Woonsocket

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
30%	\$20,300	\$23,200	\$26,100	\$29,000	\$32,470	\$37,190	\$41,910	\$46,630
50%	\$33,850	\$38,700	\$43,550	\$48,350	\$52,250	\$56,100	\$60,000	\$63,850
60%	\$40,620	\$46,440	\$52,260	\$58,020	\$62,700	\$67,320	\$72,000	\$76,620
80%	\$54,150	\$61,900	\$69,650	\$77,350	\$83,550	\$89,750	\$95,950	\$102,150
100%	\$68,320	\$78,080	\$87,840	\$97,600	\$105,400	\$113,200	\$121,000	\$128,850
115%	\$77,860	\$89,010	\$100,160	\$111,200	\$120,170	\$129,030	\$138,000	\$146,860
120%	\$81,240	\$92,880	\$104,520	\$116,040	\$125,400	\$134,640	\$144,000	\$153,240

Westerly-Hopkinton-New Shoreham-RI HMFA 2022

MUNCIPALITIES: Hopkinton, New Shoreham & Westerly

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
30%	\$22,050	\$25,200	\$28,350	\$31,450	\$34,000	\$37,190	\$41,910	\$46,630
50%	\$36,750	\$42,000	\$47,250	\$52,450	\$56,650	\$60,850	\$65,050	\$69,250
60%	\$44,100	\$50,400	\$56,700	\$62,940	\$67,980	\$73,020	\$78,060	\$83,100
80%	\$58,750	\$67,150	\$75,550	\$83,900	\$90,650	\$97,350	\$104,050	\$110,750
100%	\$75,600	\$86,400	\$97,200	\$108,000	\$116,650	\$125,300	\$133,900	\$142,550
115%	\$84,530	\$96,600	\$108,670	\$120,630	\$130,290	\$139,960	\$149,620	\$159,280
120%	\$88,200	\$100,800	\$113,400	\$125,880	\$135,960	\$146,040	\$156,120	\$166,200

Newport-Middletown-Portsmouth RI HMFA 2022

MUNCIPALITIES: Newport, Portsmouth, Middletown

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
30%	\$24,500	\$28,000	\$31,500	\$35,000	\$37,800	\$40,600	\$43,400	\$46,630
50%	\$40,850	\$46,650	\$52,500	\$58,300	\$63,000	\$67,650	\$72,300	\$77,000
60%	\$49,020	\$55,980	\$63,000	\$69,960	\$75,600	\$81,180	\$86,760	\$92,400
80%	\$62,600	\$71,550	\$80,500	\$89,400	\$96,600	\$103,750	\$110,900	\$118,050
100%	\$74,050	\$84,650	\$95,200	\$116,600	\$125,928	\$135,256	\$144,584	\$153,912
115%	\$93,960	\$107,290	\$120,750	\$134,090	\$144,900	\$155,600	\$166,290	\$177,100
120%	\$98,040	\$111,960	\$126,000	\$139,920	\$151,200	\$162,360	\$173,520	\$184,800

Statewide Income Limits for Rhode Island FY 2022

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
30%	\$20,700	\$23,650	\$26,600	\$29,550	\$31,900	\$34,250	\$36,650	\$39,000
50%	\$34,450	\$39,400	\$44,300	\$49,250	\$53,150	\$57,100	\$61,050	\$65,000
60%	\$41,340	\$47,280	\$53,160	\$59,100	\$63,780	\$68,520	\$73,260	\$78,000
80%	\$55,150	\$63,000	\$70,900	\$78,750	\$85,050	\$91,400	\$97,700	\$104,000
100%	\$69,510	\$79,440	\$89,370	\$99,300	\$107,244	\$115,188	\$123,132	\$131,076
115%	\$79,240	\$90,620	\$101,890	\$113,270	\$122,240	\$131,330	\$140,420	\$149,500
120%	\$82,680	\$94,560	\$106,320	\$118,200	\$127,560	\$137,040	\$146,520	\$156,000
140%	\$96,460	\$110,320	\$124,040	\$137,900	\$148,820	\$159,880	\$170,940	\$182,000