

**AFFORDABLE/LMI HOUSING PUBLIC HEARING  
TOWN OF FOSTER  
Benjamin Eddy Building, 6 South Killingly Road  
Wednesday, March 20, 2024  
7:00 p.m.**

**1. Definitions - Summarized:**

- Affordable housing is defined in RIGL 42-128-8.1(d)(1) and Low or moderate income housing LMI housing is defined in RIGL 45-53-3(9).
  - In summary, affordable housing exists where an owner-occupied unit earning less than 120% of the HUD Area Median Income (AMI) or a renter occupied unit earning less than 80% of the HUD Area Median Income (AMI) is spending on housing costs no more than 30% of its annual income.
- LMI Housing is the same as affordable housing with the addition of a deed-restriction and a subsidy (municipal, state or federal)
- Cost burden is defined as a household spending 30% or more of its income on housing costs.
  - For housing units for sale, housing costs include principal, interest, taxes (which may be adjusted by state and local programs for property tax relief), and insurance.
  - For housing units for rent, housing costs include rent, heat, and utilities other than telephone.
  - According to 2016-2020 CHAS data, which is the most recent available data, 34.9% of Foster households are cost-burdened.

**2. Priority demographics:**

- Seniors.
  - Page 161 of the comprehensive plan states that Foster identified three potential locations for a second version of Hemlock Village and anticipated it to be completed by 2007. No such facility was ever constructed.
- Families/individuals.
  - An additional strategy not included in the 2004 Affordable Housing Plan may be to provide a funding stream to incentivize the cost of building materials/site work to develop small, single family ranch homes (1,200 square feet or less) that are consistent with the rural character of Foster. These homes would be generally affordable in comparison to larger homes under the conditions of any housing market. Developers would make a more significant profit on these homes based on a funding stream under which Foster could reimburse a certain percentage of materials and/or utilities.

**3. Properties of interest:**

**Vacant residential parcels of 30 or more acres, a low water table, and upland area:**

- Planning Department to contact property owners
  - Owners willing to work with the Town may do so.
  - Owners opposed to working with the Town will not be bothered.
- 39 properties meet the criteria of 30+ acres in addition to having a low water table.

**4. Funding stream to help existing residents struggling to make housing payments:**

- Rep Chippendale to explain the Bill he proposed a few years ago.

## 5. Statistics:

# FOSTER

POPULATION <b>4,505</b>	HOUSEHOLDS <b>1,431</b>	MEDIAN HOUSEHOLD INCOME <b>\$99,892</b>	<b>89% OWN</b>	<b>11% RENT</b>
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## HOUSING COSTS

### ▶ MEDIAN SINGLE FAMILY

Home price	<b>\$379,000</b>	5 YEAR COMPARISON	
Monthly housing payment	<b>\$3,183</b>	2017 \$348,505	2022 ↑ \$379,000 9% INCREASE

### ▶ AVERAGE 2-BEDROOM RENT

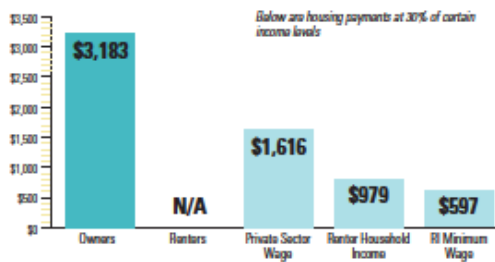
Rental payment	<b>N/A</b>	5 YEAR COMPARISON	
		2017 N/A	2022 N/A

**\$127,311** Income needed to afford this

**N/A** Income needed to afford this

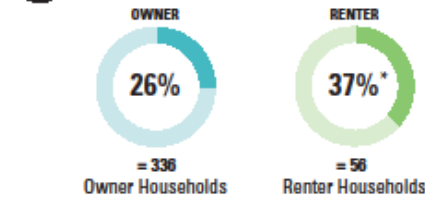
## AFFORDABILITY GAP

### ▶ MONTHLY COSTS: OWNERS & RENTERS



### ▶ COST BURDENED HOUSEHOLDS

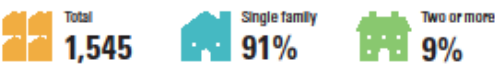
**392** HOUSEHOLDS ARE COST BURDENED



A household is considered burdened if it spends 30% or more of its income on housing costs.  
\*Denotes high margin of error

## CURRENT HOUSING & DEVELOPMENT

### ▶ HOUSING STOCK



### ▶ INFRASTRUCTURE

REGION: North

Public Water

Public Sewer

Nearly Full    Partial    None  
 Nearly Full    Partial    None

### ▶ MULTIFAMILY BY RIGHT

Permitted right in one or more zones

Yes\*    No  
 \*Public hearing required to establish zone

### ▶ RESIDENTIAL DEVELOPMENT ORDINANCES

<b>ADU</b>	AHTF	AR	<b>CP</b>	FZ
GVC	ID	IZ	<b>MU</b>	TOD

▶ 2022 BUILDING PERMITS: Total **5**   Single family **5**   Two or more **0**

### ▶ LONG-TERM AFFORDABLE HOMES RI General Law: 45-53-3(a) Low or Moderate Income Housing

Number of households below HUD 80% area median income: **555**

**1.98%** CURRENT % of year-round housing stock   **36** # of long-term affordable homes

**83%** Elderly   **0%** Family   **17%** Special Needs

ADDED UNITS: Ownership **0**   Rental **0**   PRESERVED RENTALS: **0**

State-Funded Homes BUILDING HOMES RHODE ISLAND (I - IV): **0**

## METHODS AND SOURCES FOR STATE, REGIONAL & LOCAL HOUSING FACTS

The data and research presented in this book were obtained from the latest official, industry, and other expert sources as well as from academic research databases, professional journals, and other peer-reviewed research sources. For more detailed methodology, please visit: <https://www.housingworksri.org/Research-Policy/Methods-Sources>. Data in tables, graphs, and infographics are rounded to the nearest decimal places and may not total to 100 percent.

### STATE INDICATORS

**Rhode Island's Population:** U.S. Census Bureau 2017-2021, American Community Survey (ACS) 5-Year Public Use Microdata Sample (PUMS), Population and Housing Unit Records; and 2017-2021 ACS 5-Year Estimates, Total Population. Method for calculating Median Personal Incomes by Age Group since 2021 Housing Fact Book includes use of Person Weight Group.

**Cost Burdens by Income and Disparities in Tenure and Cost Burdens:** U.S. Census Bureau 2017-2021 ACS 5-Year PUMS. The Cost Burdens by Income follow the same methodology as the calculated cost burdens on the municipal pages (see below) with the addition of cross tabulating the cost burdened and severely cost burdened with specific income quintiles by tenure. The Disparities in Tenure and Cost Burdens cross tabulate data by race and ethnicity.

### REGIONAL OVERVIEW

**Maps:** The maps are intended to lend an illustrated context to each region by identifying selected villages and neighborhoods, availability of public water and sewer, some major roads, open space, and transit hubs. Source for infrastructure from Rhode Island Department of Administration, Division of Planning, Planning Information Center.

**Population, Households, Race and Ethnicity by Region:**

**For Providence RI, Southeast RI, South RI, and Central RI:** U.S. Census Bureau, 2017-2021 ACS 5-Year PUMS.

**For North RI, East Providence County RI, and Southeast Providence County RI:** U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates.

**Zoning:** HWRI analysis of municipal zoning codes; RIGIS, public lands excluded from percentage calculations.

**Regional Affordability of Single Family Homes:** HousingWorks RI cross-tabulation of U.S. Census, 2017-2021 ACS 5-Year PUMS, Population and Housing Unit Records with analysis of Warren Group Mortgages and Homes Sales, 2022. Numbers of sales were multiplied by 10 as average tenure to accommodate scales.

**Regional Market Analysis:** Warren Group Homes Sales, 2018-2022 (inflation adjusted). HWRI compiled municipal zoning data. Sales were grouped into lot size categories. Addresses were then geocoded to match locations to zoning district designations. Based on zoning district designations, homes were then categorized into groups that met selected contemporary zoning standards (use regulations and minimum lot size regulations). Median sales prices were then derived for homes grouped by zoning and by lot size categories. While lot size categories were generally the same across the state, the visualization required more specific categories for some markets.

### Transportation and Housing Cost Burdens:

Center for Neighborhood Technology's (CNT) Housing & Transportation Affordability Index (H+T<sup>®</sup> Index), 2019. CNT's H+T<sup>®</sup> Index calculates housing costs and transportation costs as a combined percentage of a median household's budget for the region. H+T<sup>®</sup> Index costs are at the census tract level, so costs were averaged to derive regional figures.

U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates of tenure by housing costs as a percentage of household income in the past 12 months. Owner-occupied units that report zero or negative income and renter-occupied units that indicate "no cash rent" are excluded from cost burden calculations.

### MUNICIPAL FACTS

**Population, Households, Median Household Income, Owner and Renter Households:**

U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates.

### MEDIAN HOME PRICE

**Median Single Family Home Price:** Year-End 2022 and Year-End 2017, Single Family Home Sales Statistics, from [www.riliving.com](http://www.riliving.com), website of the Rhode Island Association of Realtors and Statewide Multiple Listing Service. Figures for 2017 are inflation-adjusted to 2022 dollars.

**Monthly Housing Payment for Homeownership:** Methodology for calculation of monthly housing payment is derived from:

- Assumed 3.5% down payment of 2022 median sale price of single family homes 30-year mortgage at 5.34% interest rate, the 2022 annual average, as reported by Freddie Mac at [www.freddiemac.com/pmms/pmms30.htm](http://www.freddiemac.com/pmms/pmms30.htm)
- Tax Year 2022 municipal property taxes for individual municipalities (excluding homestead exemptions); statewide calculations are based on the average of all RI municipalities
- Estimated Hazard Insurance for each municipality
- FHA mortgage insurance at .85%/month
- Financed upfront 1.75% insurance fee required by FHA

**Household Income Required to Afford the Median Price Home:** Methodology is based on the generally accepted Federal standard that a household should be spending no more than 30 percent of its income on housing payments (including rent or mortgage, utilities, taxes, and insurance). Calculated by annualizing the typical housing payment and dividing by 30% to get the income required to pay no more than 30%.

### AVERAGE 2-BEDROOM RENT

**Average 2-Bedroom Rent:** 2022 and 2017 Year-End Rent Survey, RI Housing using CoStar proprietary data. All rents have been adjusted (using U.S. HUD utility allowances for 2022) to include heat, cooking fuel, electricity, and hot water unless the listing stated that utilities were part of the contract rent, in which case the adjustment was not made. Figure for 2017 is inflation-adjusted to 2022 dollars.

**Household Income Required to Afford the Average Rent:** Methodology is based on the generally accepted federal standard that a household should be spending no more than 30 percent of its income on housing payments (including rent, utilities, taxes, and insurance). Calculated by annualizing the typical housing payment and dividing by 30% to get the income required to pay no more than 30%.

### AFFORDABILITY GAP

*Private Sector Jobs and Median Renter Household Incomes are both by County.*

**Average Wage for a Private Sector Job:** Quarterly Census of Employment and Wages, Private Sector, Annual 2022. Rhode Island Department of Labor and Training (<https://dlt.ri.gov/documents/pdf/lmi/town19ann.pdf>). The average annual wage in each Rhode Island County and statewide are divided by 12 and multiplied by 0.3.

**Median Renter Household Income by Area:** U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates, of the median household incomes for prior 12 months of renter households in each Rhode Island County and Statewide are divided by 12 and multiplied by 0.3.

**Minimum Wage in Rhode Island:** As defined by RI General Law 28-12 Minimum Wages, the hourly rate for 2022 was \$12.55/hour. Accessible at: <http://webserver.nilin.state.ri.us/Statutes/TITLE28/28-12/28-12-3.htm>. The hourly wage is multiplied by 37.5 hours for a full week and then multiplied by 52 weeks and divided by 12 for a monthly figure.

**Cost Burdened Owner and Renter Households:** U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates of tenure by housing costs as a percentage of household income in the past 12 months. Owner-occupied units that report zero or negative income and renter-occupied units that indicate "no cash rent" are excluded from cost burden calculations.

## METHODS AND SOURCES FOR STATE, REGIONAL & LOCAL HOUSING FACTS (CONT.)

### CURRENT HOUSING & DEVELOPMENT

**Housing Stock Total Units:** U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates of housing units.

**Single Family and Two or more Units:** U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates of units in structure. Single family units defined as one unit detached. Mobile homes are counted among single family units. Two or more units include one unit attached and structures with two or more units. Boats, RVs, and other unconventional housing units are excluded from calculations.

**Infrastructure:** Rhode Island Department of Administration, Division of Planning, Planning Information Center. The maps are intended to lend an illustrated context to each region by identifying selected villages and neighborhoods, availability of public water and sewer, some major roads and open space.

**Multifamily By Right:** Zoning needs to allow for 3 or more dwelling units as a permitted right in any zone. Some municipalities allow multifamily by right in Planned Residential Districts which require a public hearing to establish.

**Residential Development Ordinances:** The list of specific development strategies was compiled from each municipal comprehensive plan as available. Unless otherwise noted, the definitions come from the Rhode Island Citizens' Guide to Smart Growth Terms and Concepts, published by the Grow Smart RI Land-Use Training Collaborative in November 2007. Comprehensive plans are generally available at <https://www.planning.ri.gov/planning-areas/local-comprehensive-planning/plans-currently-under-review.php>. Zoning information was obtained from each municipality's Code of Ordinances. Most Codes are generally available online via American Legal Publishing, ClerkBase, eCode360 Library, and Municode. Municipalities were contacted directly when needed. *Not meant for official/legal use. Please contact municipalities directly to discuss any interest in development of housing.*

**Accessory Dwelling Units:** Accessory Dwelling Units (ADU) were included in every municipality based on recent legislation RIGL § 45-24-37, which now permits ADUs for family members without a special permit. Local ordinances may not yet reflect state law. An accessory dwelling unit ("ADU") is a residence that is attached to or built within a single-family home. ADUs have separate kitchens and bathrooms as well as egresses. Variations include Accessory Family Dwelling Unit and In-Law Apartment. (American Planning Association. "Knowledgebase Collection" website: Accessory Dwelling Units.)

**Affordable Housing Trust Fund:** Housing trust funds are publicly funded accounts established by a city, county or state government for a) the preservation and production of affordable housing and b) increasing opportunities for families and individuals to access decent affordable homes. (Housing Trust Fund Project, Community Change, Portland, OR)

**Adaptive Reuse:** The conversion of outmoded buildings, including old school buildings and mills, to economically viable new uses.

**Comprehensive Permit:** Comprehensive Permit procedures were only included where those permits appear as a housing strategy within the municipality's comprehensive plan. § 45-53-4. Procedure for approval of construction of low or moderate income housing. Applicants proposing low or moderate income housing may submit a single application for a comprehensive permit. This procedure is only available when at least twenty-five percent (25%) of the housing is low or moderate income housing. Comprehensive permits are sometimes used voluntarily by a municipality to facilitate development that may not conform to their existing zoning code, and are informally referred to as "friendly comprehensive permits."

### Flexible Zoning (Two types):

**Floating Zone:** RI Law § 45-24-37(27). An unmapped zoning district adopted within the ordinance which is established on the zoning map only when an application for development, meeting the zone requirements, is approved.

**Overlay District:** RI Law § 45-24-31(53) Overlay district. A district established in a zoning ordinance that is superimposed on one or more districts or parts of districts. The standards and requirements associated with an overlay district may be more or less restrictive than those in the underlying districts consistent with other applicable state and federal laws. <https://www.planning.org/divisions/planningandlaw/propertytopics.htm>

**Growth/Village Center:** Typical to New England and traditionally the "heart" of a community, a village center is a cohesive, relatively dense core of commercial, civic, religious and residential buildings. Depending on the scale of the community, the center may also contain local and/or regional transit hubs like train and bus stations. In Rhode Island, the term Growth Center is used to describe a compact developed area to which a community intends to direct growth, drawing development pressure away from critical or unique natural, cultural, and historic resources. Growth centers can be existing or planned. Uses include commercial, office, cultural, governmental and residential. Residential density and development intensity vary.

**Infill Development:** Development that takes place within built-up areas on under-utilized or vacant sites. Interest in infill development stems from a desire to channel development into areas that are already served by public facilities, including police, fire, utilities, schools, and transit, to make more efficient use of existing land and infrastructure.

**Inclusionary Zoning:** A technique applied to housing developments (new construction or re-use projects) in which a certain portion of the units being constructed are set aside to be affordable to low- and moderate-income home buyers.

**Mixed Use:** The combination of residential, commercial, and/or office uses in one zone, development or building. For example, a mixed-use building might have ground floor space dedicated to retail or offices and upper floors with apartments or condominiums. A mixed-use zoning district might allow residential, commercial, and retail development.

**Transit-Oriented Development:** Transit-oriented development (TOD) and transit supportive development (TSD) land use planning creates an environment around a transit stop or station that supports pedestrian activities and transit use by providing a mix of uses and relatively dense residential development.

**Annual Building Permits:** U.S. Census Bureau, Building Permits Survey (BPS), 2021, Annual Permits by Place. Note: new construction only. Municipally reported as noted. Statewide figure is based on the combination of BPS and municipally reported information.

### LONG-TERM AFFORDABLE HOMES

**Long-Term Affordable Homes:** Units that qualify as Low- and Moderate-Income Housing as percent of year-round housing stock 2021 Low and Moderate Income Housing Chart, RIHousing, July 21, 2022. Additions may reflect newly amended unit counts based on documentation received.

**State-Funded Building Homes Rhode Island:** Calculation includes all units funded, but not necessarily built.

## 6. LMI Production Plan (Proposed Text):

The LMI Production plan is largely reflective of the LMI Housing Strategies identified on page 161.

### Production Plan Concept #1 (Proposed Text):

For senior housing, locational/dimensional criteria have been identified by the Planning Board for which a development modeled on Hemlock Village may be best suited. Such criteria include vacant residential parcels of 30 or more acres, a low water table, and upland area. There are many challenges these properties may present. It may be beneficial for future LMI and/or affordable units to be located in close proximity to major routes such as Routes 6, 101, and 102.

There is not likely a need for a significant increase in public transportation. In 2023, the RIPTA bus route that passed Hemlock Village daily was not utilized by the residents of Hemlock Village. It may be beneficial for a local shuttle to provide a morning route and an afternoon route for seniors to go shopping. Ideally, small retail or pharmacy uses may locate in Foster with the concentration of a customer base resulting from senior housing complexes. The Planning Board and the town recognize that property owners may apply for comprehensive permit applications at any time and encourage applicants to work with the Planning Board to propose a development that meets the needs and the rural character of the community.

### Production Plan Concept #2:

Converting existing housing units occupied by the elderly into deed-restricted affordable LMI housing through an option for seniors to voluntarily sell their property with the intent for it to be converted into an LMI unit which they can continue to occupy through a tenancy agreement with the buyer.

### Production Plan Concept #3:

An additional strategy not included in the 2004 Affordable Housing Plan may be to provide a funding stream to incentivize the cost of building materials/site work to develop small, single family ranch homes (1,200 square feet or less) that are consistent with the rural character of Foster. These homes would be generally affordable in comparison to larger homes under the conditions of any housing market. Developers would make a more significant profit on these homes based on a funding stream under which Foster could reimburse a certain percentage of materials and/or utilities.

### Production Plan Concept #4:

Adaptive reuse projects may be an option to convert existing underutilized and/or vacant structures into residential units. The NIKE site and various structures previously used for multi-unit residential or commercial purposes should be researched for conversion.

## **7. Housing types - give a score of 1-10:**



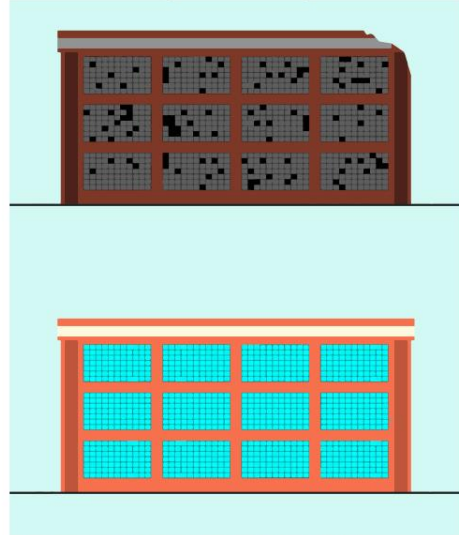
## ADAPTIVE REUSE

### USE WHAT YOU ALREADY HAVE

- REUSE OF OLD BUILDINGS FOR NEW PURPOSES
- STATE LAW PERMITS ADAPTIVE REUSE EVERYWHERE TO ENCOURAGE HOUSING PRODUCTION
- UNDERUTILIZED PROPERTIES ARE OFTEN LOCATED IN AMENITY RICH ENVIRONMENTS



### Renovation of Existing Industrial Building



Adaptive reuse puts to work vacant and underutilized properties.

SOURCE:

1. <https://nhhousingtoolbox.org/strategies/adaptive-reuse/>



## ACCESSORY DWELLING UNITS

### ADU STATE LAW CHANGES IN 2022

- ADUS ADD HOUSING WITHIN THE EXISTING BUILT ENVIRONMENT
- FOSTER HAS ADUS SINCE 1994
- RHODE ISLAND WIDE AS OF 2016
- A PREVIOUS REQUIREMENT TO DEMOLISH ADUS WHEN THE FAMILY MEMBER MOVES OUT WAS REMOVED IN 2022
- MUNICIPALITIES THAT PERMIT ADUS ARE NO LONGER ALLOWED TO LIMIT TO FAMILY MEMBERS
- RI STATE LEGISLATURE MAY PERMIT ADUS STATEWIDE IN 2024

### Accessory Dwelling Unit Typologies



ADUs capitalize on the existing built environment.

SOURCE:

1. <https://nhhousingtoolbox.org/strategies/accessory-dwelling-units-adus/>

## INFILL DEVELOPMENT

### URBAN TOOL - MAY HAVE RURAL APPLICATION

- NEW CONSTRUCTION ON UNUSED OR UNDERUTILIZED LAND WITHIN AN EXISTING NEIGHBORHOOD OR COMMERCIAL AREA
- DEVELOPED AREAS HAVE MORE INFRASTRUCTURE, LOWERING COSTS FOR NEW DEVELOPMENT
- DEVELOPMENT IN EXISTING AREAS REDUCES PRESSURE ON UNDEVELOPED AREAS
- CHANGES OVER THE LAST 15 YEARS TO FOSTER'S COMMERCIAL AREAS HAVE FOCUSED ON ADDITIONAL INFILL



SOURCE:

1. <https://nhhousingtoolbox.org/strategies/infill-development/>

Infill Development Diagram



Infill development repairs village fabric and clusters uses for optimal planning.

## MANUFACTURED HOUSING

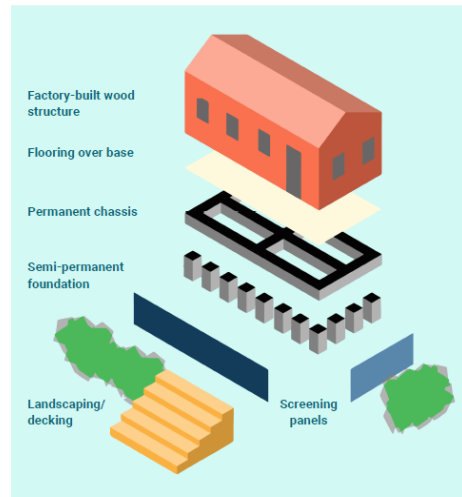
### MOBILE HOMES AND PREFAB

- HOUSING IS PREFABRICATED AND BROUGHT INTO A SITE
- SITES CAN BE INDIVIDUAL LOTS OR HOUSING PARKS
- REDUCES DEVELOPMENT COSTS
- FURTHER REDUCE COSTS WITH SHARED INFRASTRUCTURE AND MAINTENANCE

SOURCE:

1. <https://nhhousingtoolbox.org/strategies/manufactured-housing/>

Manufactured Housing Breakdown



Manufactured housing can be quick, cost effective and less disruptive.

# MIXED-USE DEVELOPMENT

## SCALED DOWN FOR FOSTER

- REAL ESTATE DEVELOPMENT THAT COMBINES RESIDENTIAL, COMMERCIAL, CULTURAL, ENTERTAINMENT, AND INSTITUTIONAL USES INTO ONE PROJECT
- MIXED-USE MAY BE LOCATED IN VILLAGE CENTERS, NEAR SHOPPING CENTERS OR STRIP MALLS, OR MAY STANDALONE CREATING A NEW CENTER IN AN AREA
- REDUCES HOUSING COSTS, PARTICULARLY FOR BUSINESS OWNERS WITH ONSITE HOUSING
- MAY SUBJECT RESIDENTS TO POLLUTION



SOURCE:  
1. <https://nhhousingtoolbox.org/strategies/mixed-use-development/>

Mixed-Use Development Diagram



Mixed-use development places housing near the most desirable assets and resources.

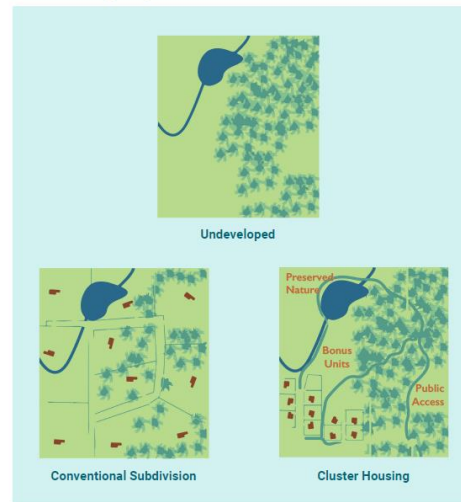
# PLANNED UNIT DEVELOPMENTS

## CLUSTER SUBDIVISION

- LAND USE REGULATION THAT SPECIFIES MIX OF LAND USES, BUILDING TYPES, DENSITIES, SITE DESIGN, AND INFRASTRUCTURE FOR A SINGLE PARCEL OR SMALL COLLECTION OF PARCELS
- PRESERVES NATURAL AREAS
- REDUCES DEVELOPMENT COSTS
- MUST CONSIDER CONSERVATION AREAS

SOURCE:  
1. <https://nhhousingtoolbox.org/strategies/planned-unit-developments-puds/>

PUD Planning Diagrams



Planned Unit Developments cluster housing in desirable suburban contexts.