

VII. Housing

Affordable Housing Plan Progress

ACCOMPLISHMENTS SINCE ADOPTION OF MIDDLETOWN'S 5-YEAR AFFORDABLE HOUSING ACTION PLAN (2003):

- ✓ **21 Low-and-Moderate Income Housing Units were added to the housing stock**
- ✓ **Amended Zoning Ordinance to allow for Mixed-Use Development**
- ✓ **Adopted Conservation Style Subdivision Development**
- ✓ **Provided Waiver of Impact Fees for Affordable Housing**

2022 update:

During the past few years, the Town has worked toward addressing several action items of this plan that are intended to promote the development of affordable housing. Recent and ongoing actions include the following:

- Establish an affordable housing committee to implement the affordable housing plan and review the plan's progress annually (Action Item H-VI.A.1.) – The committee has met on a regular basis over the past year to investigate options and opportunities to create affordable housing.
- Continue to grant tax exemptions to seniors; allow tax deferments for elderly; and freeze taxes for low-income seniors (Action Item H-II.B.4.) – The Town is actively evaluating alternatives for enhancing policies to benefit elderly and low-income residents.
- Permit forms of housing that are affordable without subsidies; such types of housing include multi-family housing, mobile homes and Accessory Family Dwelling Units (Action Item H-III.A.4.) – The Town has adopted a mixed-use ordinance and amendments to make it a more attractive development option.
- Encourage development of new rental housing by allowing multi-family and mixed-use development where appropriate in the Zoning Ordinance (Action Item H-III.A.5.) - The Town has adopted a mixed-use ordinance and amendments to make it a more attractive development option.
- Allow mixed use by right in appropriate areas including second story residential over commercial properties (Action Item H-IV.B.2.) – Completed with the adoption the Town's mixed-use development ordinance.
- Identify both municipally and privately owned properties which could be considered suitable sites for the development of affordable residential units (Action Item H-IV.C.3.) – The Affordable Housing Committee has been active in evaluating potential development sites, including the identification of two town-owned properties with the potential for 50+ units of senior housing. The Town has also identified the West Main/Coddington redevelopment project as a significant opportunity to create new market-rate and affordable units.
- Consider adopting an inclusionary zoning ordinance with density bonus (Action Item H-III.A.1.) – Identified by the Planning Board for consideration in 2022.

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- Continue use of Community Development Block Grants (CDBG) funding for programs that create low- and moderate-income units in Middletown supported by the community (Action Item H-VI.B.1.) – The Town continues to support development and rehabilitation of affordable housing units through CDBG applications, and in partnership with outside organizations such as Lucy’s Hearth and Church Community Housing Corporation.
- Explore establishing an affordable housing trust fund (Action Item H-VI.C.3.) – The Town is exploring funding options for creation of a trust fund.

In addition to these actions taken by the Town, several private developers have recently expressed interest in creation of both market-rate and deed-restricted affordable multi-family residential and mixed-use developments. Projects currently under review include a total of 270 multi-family units, including 153 market-rate units and 117 affordable units.

The combination of Town efforts and private development noted above, if they come to fruition, are anticipated to increase the share of residential units that meet the state definition of affordable from the current 5.2% to 8% or higher over the next several years.

GOAL I: PROTECT EXISTING SUPPLY OF AFFORDABLE HOUSING

Privately owned publicly assisted low-and-moderate income units are at risk of conversion to market rate housing as they near the end of their contracts. Owners may choose not to renew their subsidy contracts and then raise the rents. The town understands that preserving subsidized housing works best when it includes pro-active organizing to identify units that are in danger of going market rate.

Middletown was the first suburban Rhode Island community to meet the state’s Low and Moderate Income Housing Act’s ten percent affordability threshold. However, due to the loss of affordability restrictions on 88 units at Blenheim through the early retirement of an FHA loan, the town dropped below ten percent subsidized units. In 2013, 182 subsidized units at Oxbow Farm were also lost creating a great challenge to the community to meet the town’s need for very low-income family rental housing further reducing the town’s total low and moderate income housing percentage from 8.25% to 5.6%.

In order to prevent the further loss of affordable units, a detailed inventory of low-and-moderate income units should be utilized and maintained. By tracking affordable housing, the town will be aware of upcoming potential losses of affordable units and with the assistance of housing advocates and state housing organizations, the town can try to persuade owners to renew using various government incentives.

GOAL II: PROMOTE A BALANCE OF HOUSING CHOICES FOR ALL INCOME LEVELS AND AGE GROUPS