

Approved As Amended

Affordable Housing Committee Minutes

January 21, 2022

8:30 a.m.

93 Narragansett Ave.

Jamestown RI 02835

THIS MEETING WAS TELECONFERENCED VIA ZOOM

Meeting ID: 893 6427 9835

I. Call to Order

The meeting was called to order at 8:30 am and the following members were present: Bob Plain, Michael Liebhauser, Quaker Case, Nick Radesca, Fred Pease, Joseph Cannon, Jr., Lisa Bryer – Town Planner, Mary Meagher – Town Councilor
Also present: Carrie Kolb, Planning Assistant; Christian Belden, Church Community Housing Corporation

- II. Approval of Minutes December 13, 2021** review, discussion and/or action and/or vote
A motion to approve the minutes of December 13, 2021 as written was made by Liebhauser and seconded by Case. So unanimously voted.

- III. Recommended listen:** <https://www.marketplace.org/2021/12/21/western-wilderness-crowds-of-vacation-renters-are-pricing-out-locals/>
Chair Plain stated that discussion not needed, but wanted to share this interesting piece.

- IV. Jamestown Community Land Trust** - review, discussion and/or action and/or vote
Chair Plain explained that he, Meagher, and Bryer met with Christian Belden of Church Community Housing Corporation (CCHC), a non-profit based in Newport, RI, that deals with Affordable Housing. Meagher's initial proposal is to pay people to make their homes into what would count for Affordable Housing. In addition to Meagher's proposal, the Affordable Housing Committee's proposal is to work with CCHC, buy the land, create a ground lease with the home owners, home owners retain ownership of the home, pay taxes on the house, and the land to create Affordable Housing. How to finance was discussed, does the issue go to bond or use real estate conveyance tax? How to pay was discussed, does the town pay over time or up front?

Belden clarified that CCHC buys the land and leases it back to the homeowner. The homeowner still owns the home. CCHC also enters into a ground lease with the homeowner. The ground lease stipulates who the house can be sold to. The future owner must enter into a ground lease as well, and this ensures that property remains Affordable

Housing. Belden also stated that the house can be transferred with inheritance. High land values are the single largest factor preventing working class people from becoming home owners. This system removes the prohibitively high land value from the equation. Toll asked if banks are willing to write a mortgage if there is a ground lease. Belden replied that they work with a suite of banks including Bank Newport, Washington Trust and People's Credit Union to name a few.

Radesca asked how to determine valuation and what would be paid to the home owner for the ground. Belden said the Town needs to come up with creative ways to finance the acquisition of the land. CCHC gets funding from federal and state that comes with parameters. Meagher stated that Jamestown is undergoing tax assessment re-evaluations. Her view is that old assessments were inconsistent and inequitable. Because this will be a Town effort, go with towns assessment of the land valuation. The land maybe valued very high. The example of how to pay for this was given: if eight homeowners are given \$10,000 per year for 20 years, only \$80,000 per year is required from the Town's budget. The Town depends on the conveyance tax each year but doesn't use the entire amount. The surplus could fund this and that is an easier way for taxpayers to accept the project. Cannon questioned if there are hurdles with inheritance? Belden stated that if the Town is the sole decision maker, they can create the parameters for the project. CCHC ground lease allows for the house and the ground lease to go to the children. Children might not meet the same income requirements. What makes sense for Jamestown may be different from what CCHC does.

Cannon asked that since Rhode Island takes 51.7 % of the tax, should we ask the State to contribute to funding? Plain stated that it is a politically hard ask and doesn't think that Jamestown needs to ask the State because we should be doing more Affordable Housing because of the success of the sales. Bryer stated that until we have dedicated 100% of what the State gives us, we shouldn't be asking for funds. Meagher stated that from the 51.7% the State takes, they use part of its money for Affordable Housing and distressed communities across the state.

Bryer – will there be a proposal going to the Town Council for the upcoming budget season? Meagher stated that budget season begins in March and get a proposal to Town Council in February. She is making sure that there is a placeholder in the budget for an Affordable Housing Committee proposal for funding.

V. Discussion of Accessory apartment ordinance – Ordinance proposal - review, discussion and/or action and/or vote

Agenda item not discussed

VI. Real estate conveyance tax / dedicated funding source for affordable housing projects - review, discussion and/or action and/or vote

Liebhauser asked if taking money out of real estate conveyance tax needed to be part of the proposal? Meagher stated that there are 2 different proposals that require a commitment from the Town over many years being and use funding from the real estate conveyance tax.

Discussion ensued about real estate conveyance tax. In summary the Town has historically only used a portion of the tax. The Affordable Housing Committee will ask for use of the surplus of the tax. The two proposed programs will be delivered separately to the Town Council. Meagher is working with Director of Finance and Town Solicitor to figure out how much of the conveyance tax is used and what part of surplus is available to request for use on Affordable Housing.

Liebhauser asked when the proposal from this committee will be transmitted to Town Council? Meagher stated that a proposal should go to the Town Council in February. A subcommittee comprised of Plain, Liebhauser, Case and Cannon was formed. The next meeting will be on Monday, February 7, 2022 at 8:30am. Due to quorum, this meeting will be advertised on Secretary of State and Town website, and any member from the committee and public is welcome to attend. The fine details of inheritance will be figured out by Plain, Meagher, Bryer and Belden. The meeting will focus on creating a proposal with structure of land trust, noting that all the fine details do not have to be worked out as the Town has resources that can be used to assist.

VII. Tools and Techniques for Creating Affordable Housing in Jamestown - review, discussion and/or action and/or vote

Discussion ensued with this topic. This is not a single conversation, but an ongoing one and this topic should be on the agenda each month. This can help create topics for discussion and, subcommittees on these topics can be formed. We can look at what different parts of the State and the world are doing. We can have night time meeting with a speaker and invite the town officials, other committees and the public to attend. One suggestion of a speaker is Professor Brenda Clement from Roger Williams University.

VIII. Future meetings and agenda items of Affordable Housing Committee

Next meeting is set for February 7th at 8:30am

IX. Adjournment

A motion to adjourn at 9:42 am was made by Pease and seconded by Cannon. All in favor.

Attest:

Carrie Kolb
Planning Assistant