



BRISTOL PLANNING BOARD JUNE 13, 2024 MINUTES

TOWN HALL
10 COURT ST.
BRISTOL, RI 02809
401-253-7000

Held: June 13, 2024 in person

Present:

Charles Millard, Chairman; Anthony Murgo, Vice Chairman; Steve Katz, Secretary; Member Brian Clark; Member Richard Ruggiero; Alternate Member Michael Sousa; Alternate Member Jessalyn Jarest

Also Present:

Diane Williamson, Administrative Officer/Director of Community Development; Amy Goins Esq., Assistant Town Solicitor

Not Present:

N/A

Chairman Millard called the meeting to order at 7:13pm and led the assembly in the Pledge of Allegiance.

A motion was made (Murgo/Katz) to accept the May meeting minutes.

In favor: Clark, Katz, Millard, Murgo, Ruggiero

Opposed: None

D1. Scheduling of July 2024 Planning Board meeting

Director Williamson asked if everyone is available on July 18th. Chairman Millard and Alternate Member Michael Sousa mentioned that they will have to be recused as it's related to the Bristol Yarn Mill. Everyone else confirmed they are available to attend.

C1. Update to Housing Chapter of Bristol's Comprehensive Plan - Presentation, Review, and Discussion to continue the update with Jeff Davis from Horsley Witten Group & Robert O'Brien from Camoin consulting firm. Update will include strategies to achieve the goal of 10% Low-Moderate Income Housing. Also for discussion is program for affordable housing trust fund.

Robert O'Brien from Camoin consulting presented. Robert O'Brien explained that he has five strategies to dispense the in-lieu-of fees from the Yarn Mill. He would like to hear from the Board of the five seem most feasible.

1. **ADU Incentives:** Financial incentives to property owners toward the installation of an ADU in exchange for affordable deed restriction.

Robert O'Brien reviewed an example program from San Diego, but explained that each example can be changed to suit Bristol's needs.

San Diego's program involved 4% interest loans up to \$250k as 75% of project cost to owner-occupied homeowners earning up to 150% of area median income. The loan terms are 15 years, and new ADUs must be rented affordable to 80% AMI for 7 years. San Diego also required a minimum credit score of 680. The loan is fixed at 1% while construction is happening, then converts to 4% after the unit is placed in service.

Robert O'Brien mentioned that because this is revolving and money is coming back to the Town, the Town could in theory borrow against it. He also suggested that for all of these strategies, that the Town uses an external service to manage these programs and loans.

Director Williamson responded that East Bay CDC, Church Community Housing or Community Housing Land Trust might have bandwidth to assist so the Town doesn't have to manage the programs. Robert O'Brien also suggested using the bank that the Town uses.

Member Sousa asked if the owner is responsible for 25% of the project cost, since the loan only is up to 75%. Robert O'Brien confirmed, and also clarified the 1% vs 4% interest rates. Member Sousa suggested doing 4% off the bat.

The Board discussed the 7 year criteria and whether this would have to be adjusted in Bristol in order to meet the State's requirements.

2. Buy Affordability Deeds: Directly purchase deed restrictions from landlords.

Robert O'Brien explained that there are landlords in Bristol that are currently offering rents that are technically affordable, so why not give them a cash incentive to deed their property and claim the credit through the State law.

The example was from Mountain View, CO. This town purchased a deed restriction on houses that said that whoever occupied the home needed to be employed locally. The restriction was for 15-18% of the home's appraised value, capped at a \$200k incentive. Robert O'Brien mentioned that \$200k is a pretty high cap.

Member Clark asked who pays for the appraisal. Robert O'Brien responded that this is negotiable.

Assistant Town Solicitor Goins mentioned that this example is framed as an occupancy restriction, but Bristol could modify it to be an LMI restriction. Member Sousa mentioned that he prefers this approach over the affordability program. Assistant Town Solicitor Goins responded that the State wouldn't give us credit if it doesn't have an affordability aspect.

Chairman Millard asked why someone would restrict their own property. Robert O'Brien responded that they will receive a cash incentive up front, and it would ensure that the property will be occupied by locals who work in town.

Robert O'Brien added that only 1 occupant has to work locally, but this is a risk to the tenant if they do get a job in a different town. Member Sousa added that it is a risk to the landlord as well.

Vice Chairman Murgo asked for clarification on the cash incentive. Robert O'Brien responded that it's between 15 and 18% of the house's appraised value. The Board discussed possible tax implications that would need to be considered.

- 3. Lease-to-Locals Program:** Grants to landlords for qualifying leases to local workers.

Woodstock, VT is the example for this program. They leased apartments to local workers in exchange for a cash incentive. This is similar to option 2, but it's an annual payment and there is no deed restriction. Placemate is a company that manages this program for towns, but Robert O'Brien was not sure what fee they charge.

Chairman Millard asked if there are any stats on how well this program has been received. Robert O'Brien did not have these stats.

- 4. Housing Assistance for Public Employees:** Direct cash assistance toward housing - could be rent or mortgage subsidies or security deposit or downpayment assistance.

The District of Columbia's program was for first responders and teachers, but this could be modified for whatever public employees Bristol wanted to recruit. They paid \$10k in downpayment assistance as a recoverable grant in exchange for a 5-year contract. If the contract is met, the grant is converted to a 0% interest loan and is recaptured when the property sells. There is also a matching grant up to \$15k.

Member Katz mentioned this might be a good option for teachers and library staff. Director Williamson mentioned police officers. Member Clark added that picking and choosing occupations could become an issue.

- 5. Buying an Option-to-Purchase:** A lump-sum payment to homeowner for the right to sell the property at an affordable price.

Robert O'Brien explained that this is similar to a right of first refusal; a cash payment is given to homeowners in exchange for a contract that says when they sell their house, the Town has the first right to buy it at a set price. He added that the term to execute can be negotiated. Assistant Town Solicitor Goins mentioned this strategy might be good for older folks.

Chairman Millard asked if all of these programs are subsidized by the Town. Assistant Town Solicitor Goins responded that tax money will not be used, it will be the money that's in the Town's affordable housing trust fund.

Chairman Millard mentioned that there will be stiff competition for local workers like bartenders and waitresses competing with teachers and police officers, and this might become a union issue. Director Williamson responded that it depends on how the Board sets up the program.

Member Sousa asked if there is data to show that there is an issue for these types of workers to live in Bristol. Director Williamson responded that it's just anecdotal. Member Sousa added that it would be good to know if there is an actual need before this goes public, and that the Board shouldn't worry about controversy. He suggested opening this up to people who grew up in Bristol.

Member Ruggiero said that the Board shouldn't present something to the public that will be controversial if we want people to accept it. He also mentioned that he thinks some people make less than public employees, and that public employees have good benefits, so this should also be considered.

Robert O'Brien reviewed the example from Camarillo, CA. The city used CDBG money to purchase properties and reset the deeds before reselling.

Member Sousa suggested adding the same right of first refusal clause to all ADU properties. Member Clark responded that this will affect the overall value. Assistant Town Solicitor Goins added that we would have to do some sort of incentive.

Chairman Millard asked if we expect an explosion of ADUs. Director Williamson responded that yes, Ed Tanner is already getting 5 per week. This includes both garages and free standing.

Member Clark reminded the Board that there is only \$500k to work with. The rent shouldn't be lowered, but it should be free rent up front. He wondered how we incentivize without cash. He suggested excluding the ADU when the house is reappraised or reassessed. Chairman Millard disagreed with this suggestion.

There was discussion about the expected wave of ADUs coming, and that the State law doesn't require any ADUs to be deed restricted affordable. These are two separate issues.

Member Sousa wondered how to replenish to keep the fund going. Member Clark suggested a \$500 application fee for ADUs in Bristol that would go into the LMI fund. The Board agreed that this was a good idea to explore.

The Board discussed the RWU Almeida building with 125 units, and that it would be a good spot for affordable units. If the whole building was deed restricted, it would put a huge dent in the Town's target. Robert O'Brien stated that as of 2022, Bristol would need about 500 more units to satisfy the State law.

Robert O'Brien summarized that the options with the most traction seemed to be the options with the ADU incentives.

Assistant Town Solicitor Goins mentioned that Assistant Town Solicitor Tietz will look into the new ADU bill restrictions, but these might not apply to incentive programs.

Member Jarest asked if ADUs are the best way for the Town to make money for the LMI fund. Robert O'Brien responded that yes, if it was structured as a loan, not a grant.

The Board discussed the lease-to-locals program example again, and how it might be catered to Bristol's housing market. The Board agreed that Almeida needs to be a focus.

There was a discussion about Adaptive Reuse, and the changes the planners requested. Assistant Town Solicitor Goins mentioned that the Inclusionary Zoning law is going to be fixed. Bristol had opted out of this but there will be a full analysis done next month to see if Bristol should reinstate this.

Robert O'Brien summarized again that the ADU incentive option seemed most popular, and they will review lots of options including grants, a long program, etc. Director Williamson added that the buy back affordability was also a good option to consider.

Director Williamson asked if the Board agreed that the fund should be replenished. Assistant Town Solicitor Goins suggested doing a pilot program to see what the demand is.

A motion was made (Clark) to adjourn the meeting.

In favor: Katz, Millard, Murgo, Ruggiero, Sousa

Opposed: None

Meeting adjourned at 8:28pm

Respectfully submitted by Doran Smith, Recording Secretary

Date Approved: 18 July 2024 Planning Board: 