

**AFFORDABLE HOUSING BOND 2006-2007
TOWN OF CHARLESTOWN
TIMELINE OF APPROVALS AND AUTHORIZATIONS**

1. JULY 24, 2006 Town Council approval of ballot question

(ref. Town Council Minutes Book 28 page 283)

"Shall the Town be authorized to borrow up to ONE MILLION DOLLARS (\$1,000,000.00) for the purpose of funding affordable housing initiatives in the Town, consistent with the approved Charlestown affordable housing plan?"

(Approval of this question would authorize the Town to borrow up to ONE MILLION DOLLARS (\$1,000,000.00) to fund various affordable housing initiatives.)"

**2. SEPTEMBER 11, 2006 Town Council approval of
Recommendation, Charlestown Affordable Housing Commission,
Affordable Housing Bond Procedures.**

(ref. Town Council Minutes Book 28 page 315)

1. Resolution by the Town Council describes the purpose for the proposed bond expenditures and the procedures for approving those expenditures:

A. Eight hundred thousand dollars (\$800,000) to be used for the acquisition of land suitable for affordable rental housing for the elderly and the work force; Town Council will approve acquisition in accordance with Affordable Housing Land Acquisition Procedures. Any funds remaining after land acquisitions, until the balance remaining is inadequate for land acquisition, may be placed in the Restricted Fund.

B. Two hundred thousand dollars (\$200,000) to be placed in a Restricted Fund for Affordable Housing Initiative Grants, to be established by ordinance; Town Council will approve grants to non-profit agencies not to exceed fifty thousand dollars per project, in accordance with the Affordable Housing Initiative Grant Procedures.

Grant applications will be accepted and reviewed on a quarterly basis by the Affordable Housing Commission and referred to the Town Council with recommendation for Town Council action. Projects must include one or more rental units restricted for at least 30 years, but preferably 99 years, to households of low or moderate income as defined by state and local laws. Approved grants shall be conditioned upon the approval of the comprehensive permit by the Planning Commission.

2. Rationale: *One of the most important housing needs in Charlestown is for safe and affordable year-round rental housing, especially for the elderly and for Town and local workers. This bond issue will address this specific need for affordable rental housing.*

The acquisition of land will position the Town to direct the development of elderly and/or workforce housing in partnership with the Washington County CDC or other non-profit agencies. The grant program will facilitate at least four additional rental housing proposals of a modest size and of a type and location acceptable to the Town. Since the grant applications will be limited to non-profits, all of the rental units produced will be affordable housing units.

Limiting the projects supported by the bond issue to affordable rental units will ensure that the benefit of the housing generated extends to the largest number of residents, and is a renewable housing resource, servicing generations of Charlestown residents.

3. Affordable Housing Land Acquisition Procedures, modeled on the Town's Open Space Acquisition Procedures, to be developed and approved by resolution.

4. Affordable Housing Initiative Grant Procedures to be developed and approved by resolution or adopted as part of the ordinance creating the Restricted Fund.

3. November, 2006

The Pipeline

(ref. The Pipeline, November 2006 Vol. 11 No. 3)

This pre-election issue of the town newsletter provided the following information on "Question 18. AUTHORIZATION TO BORROW FUNDS FOR AFFORDABLE HOUSING INITIATIVES (Authorized by Town Council 7-24-06)

"(the ballot question in item 1 above)

"(the resolution of 9-11-06 in item 2 above)

" END OF RESOLUTION

The Low and Moderate Housing Act of 1991 (amended in 2002) provides a comprehensive permit process (a fast track approval) for both non-profit and for-profit developers. It requires a Town to have 10% of it's (sic) housing stock be affordable and remain affordable for at least 30 years. If Charlestown fails to produce 10% of affordable housing units then the Town will have less control over housing plans proposed by for-profit developers.

The federal government considers your rent or mortgage affordable if it consumes no more than 30% of your gross monthly income. The median house in Rhode Island costs \$283,000. The median house in Charlestown costs \$389,900. The average two-bedroom apartment in Charlestown rents for \$1,147. Families that earn less then (sic) \$123,891 cannot afford the median priced home in Charlestown. Families that earn less then (sic) \$45,880 cannot afford to rent a two-bedroom apartment in Charlestown. The homes created with this bond will be affordable for at least 30 years. The estimated cost to taxpayers will be approximately .03 cents to .04 cents per \$1,000 assessed valuation. As of April of 2006, Charlestown had 3,318 year-round housing units. The number of units that qualified as affordable was 46. There were zero units reserved for the elderly.

If the voters of Charlestown approve this question, approval by the General Assembly will be required before the Town can utilize the money.

**Sources sited- www.housingworksri.org, Letter from Town Treasurer to Affordable Housing Commission dated August 30, 2006."*

4. November 7, 2006

General Election

Ballot question 18 approved by voters.

5. November 13, 2006

Resolution of the Town Council

(ref. Resolution November 13, 2006)

"A RESOLUTION MEMORIALIZING THE GENERAL ASSEMBLY TO ENACT LEGISLATION AUTHORIZING THE TOWN OF CHARLESTOWN, WITH THE APPROVAL OF THE QUALIFIED ELECTORS, TO ISSUE BONDS AND NOTES TO FINANCE AFFORDABLE HOUSING INITIATIVES IN THE TOWN CONSISTENT WITH THE APPROVED CHARLESTOWN AFFORDABLE HOUSING PLAN

WHEREAS, the Town Council of the Town of Charlestown endorses and supports affordable housing initiatives in the Town consistent with the approved Charlestown Affordable Housing Plan (the "Project");

WHEREAS, in order to undertake and complete the Project, there would be a need to issue bonds and notes in an amount not to exceed \$1,000,000. NOW, THEREFORE BE IT

RESOLVED: that the Town of Charlestown hereby memorializes the General Assembly to enact legislation authorizing the Town, with the approval of the qualified electors, to issue bonds and notes in an amount not to exceed One Million Dollars (\$1,000,000.00) for the above purposes. AND BE IT FURTHER

RESOLVED: that Town Officials, working with Bond Counsel for the Town of Charlestown, ensure that the appropriate legislation in substantially the form attached hereto is submitted in a timely manner to the Rhode Island General Assembly to ensure that all requirements are met to ensure consideration of this question by the electors. AND BE IT FURTHER

RESOLVED: that this resolution is an affirmative action of the Town Council of the Town of Charlestown toward the issuance of bonds or notes in accordance with the purposes of the laws of the State. This resolution constitutes the Town's declaration of official intent, pursuant to Treasury Regulation Section 1.150(2), to reimburse the Town for certain capital expenditures for the Project paid on or after the date which is sixty (60) days prior to the date of this resolution but prior to the issuance of the bonds or notes. Such amounts to be reimbursed shall not exceed \$1,000,000 and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid, or (b) the date the Project is placed in service or abandoned, but in no event later than three (3) years after the date the expenditure is paid. AND BE IT FURTHER

RESOLVED: THIS Resolution shall take effect upon its passage.

Passed at legally assembled Town Council meeting held November 13, 2006.

6. January 24, 2007

Senate Bill No.135

BY Algieri, Breene

ENTITLED, AN ACT AUTHORIZING THE TOWN OF CHARLESTOWN TO FINANCE AFFORDABLE HOUSING INITIATIVES IN THE TOWN CONSISTENT WITH THE APPROVED CHARLESTOWN AFFORDABLE HOUSING PLAN BY THE ISSUANCE OF NOT MORE THAN \$1,000,000 BONDS AND/OR NOTES THEREFOR

01/24/2007 Introduced, referred to Senate Housing and Municipal Government

03/01/2007 Scheduled for hearing and/or consideration

03/01/2007 Committee recommends passage

03/01/2007 Placed on Senate Calendar

03/07/2007 Senate read and passed

03/07/2007 Referred to House Municipal Government

03/14/2007 Scheduled for hearing and/or consideration

03/14/2007 Committee recommends passage in concurrence

03/15/2007 Placed on House Calendar

04/03/2007 House passed in concurrence

04/03/2007 Transmitted to Governor

04/11/2007 Effective without Governor's signature

7. January 24, 2007

House Bill No.5189

BY Walsh, Scott

ENTITLED, AN ACT AUTHORIZING THE TOWN OF CHARLESTOWN TO FINANCE AFFORDABLE HOUSING INITIATIVES IN THE TOWN CONSISTENT WITH THE APPROVED CHARLESTOWN AFFORDABLE HOUSING PLAN BY THE ISSUANCE OF NOT MORE THAN \$1,000,000 BONDS AND/OR NOTES THEREFOR

{LC167/1}

01/24/2007 Introduced, referred to House Municipal Government

02/08/2007 Scheduled for hearing and/or consideration

02/08/2007 Committee postponed at request of sponsor

02/14/2007 Scheduled for hearing and/or consideration

03/07/2007 Scheduled for hearing and/or consideration

03/07/2007 Committee recommends passage

03/21/2007 Placed on House Calendar

03/22/2007 House read and passed

03/22/2007 Referred to Senate Housing and Municipal Government

03/29/2007 Scheduled for hearing and/or consideration

03/29/2007 Committee recommends passage in concurrence

04/12/2007 Placed on Senate Calendar

04/25/2007 Senate passed in concurrence

04/25/2007 Transmitted to Governor

05/03/2007 Effective without Governor's signature