



Ivy Place East Providence
Union Studio

Housing 2030

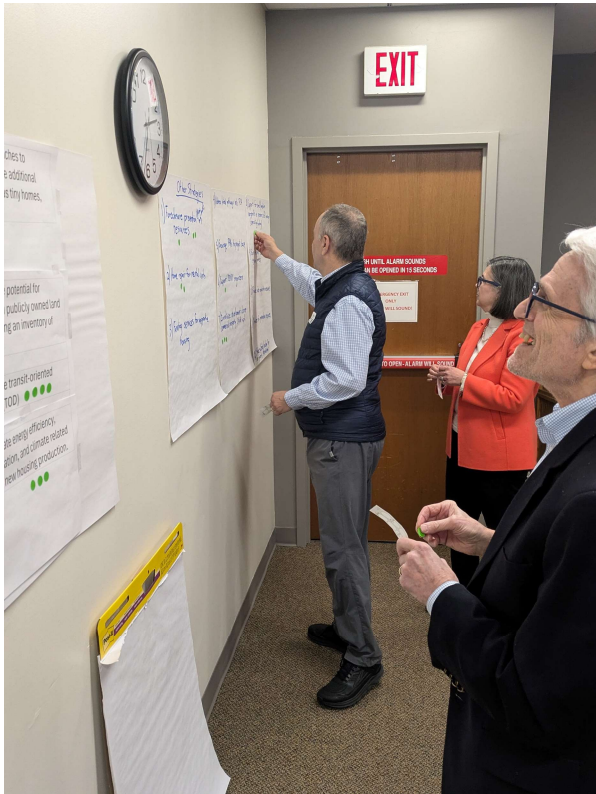
Housing Affordability Commission

February 13, 2025

Draft content for discussion

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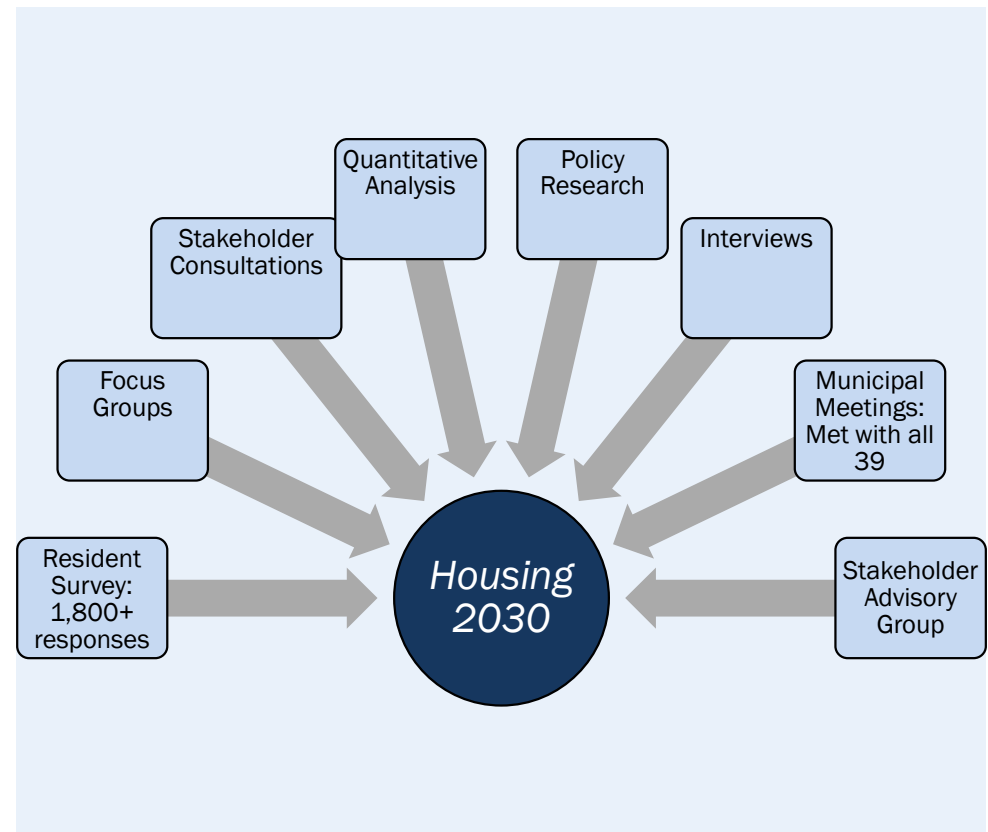
Quick reminders: What is *Housing 2030*?



- *Housing 2030* is the state housing plan for 2026-2030
- The plan will set out **concrete and measurable** housing-related goals and align on strategies for achieving these goals.
- *Housing 2030* is grounded in the existing and projected housing needs of Rhode Islanders and Rhode Island communities.
- *Housing 2030* will be an actionable plan:
 - Creates and informs tools for Rhode Island communities to use
 - Serves as a roadmap for policy and budget proposals for FY2026 and beyond
 - Helps guide the State's use of federal funds
 - To be adopted as the State's Guide Plan Element – which will inform municipal planning efforts for years to come

Quick reminders: Process overview

- Led by the Rhode Island Department of Housing over the last year and a half with contract support from Abt Global, RI League of Cities and Towns, Housing Works RI, and Root Policy Research
- On track to share proposed plan in March
 - Planning to accept public comments on that draft before proceeding with adoption process through State Guide Plan process
- Today:
 - Preview draft goals and strategies
 - Discuss key recommendation around municipal goals & zoning/regulatory reforms



Over and over, we heard...

01

Our kids and grandkids can't afford to live here anymore

02

Employers are struggling to attract and retain a talented workforce due to rising housing costs

03

Seniors want to downsize but cannot find available and affordable homes

04

A lack of affordable housing is driving increased rates of homelessness

Diverse Housing Options

Resident survey data

- Residents want more options for housing that meets the needs of diverse Rhode Islanders:
 - 58% want duplexes/townhouses/triple-deckers
 - 53% want more multifamily apartments
 - 53% want more accessible housing options



*“A lot of my neighbors are older and would love to stay in the community but can’t find housing to downsize.”
Resident, Little Compton*

*“We live in a summer community. There is a critical shortage of year-round rental units available for families.”
Resident, Portsmouth*

How did we get here?

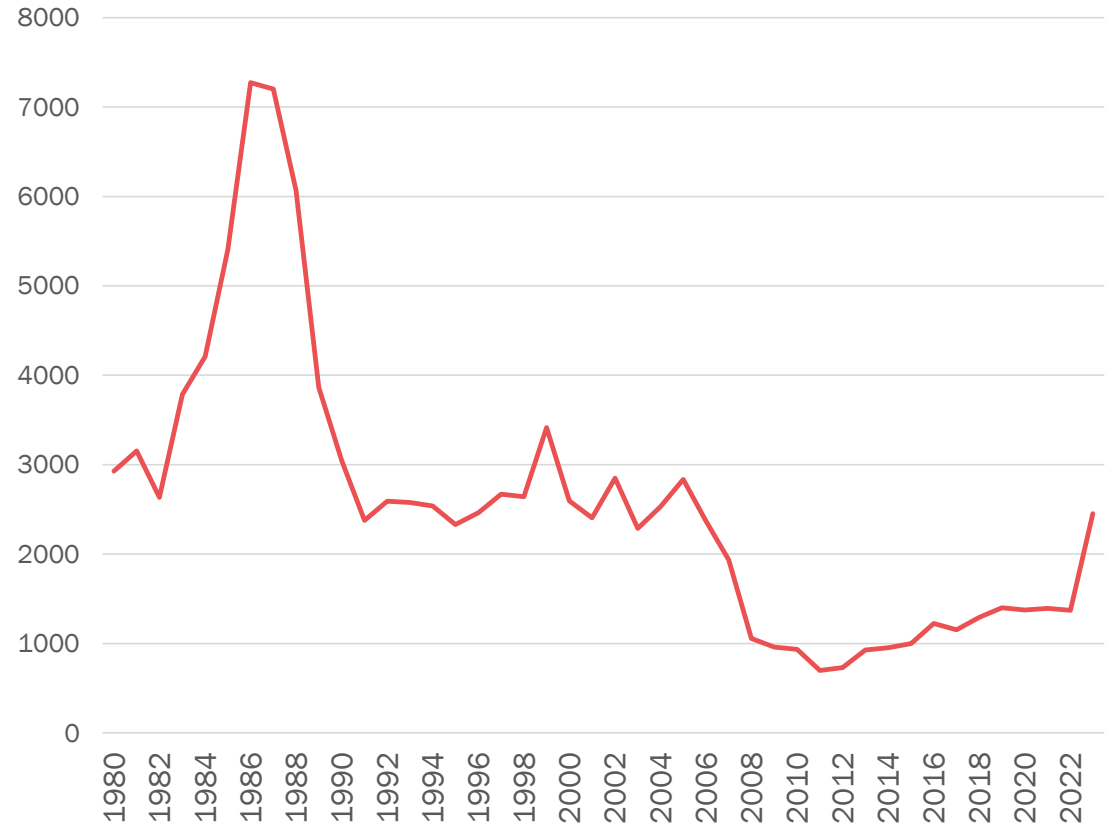
By not building enough homes...

- 79% of residents agreed that Rhode Island needs more housing.
- Rhode Island's current pace of housing production is not sufficient to keep up with the state's projected population growth.

"There isn't enough being built to handle the number of people who would like to move here and help our city grow."

Resident, Providence

Housing Units Permitted 1988 - 2023



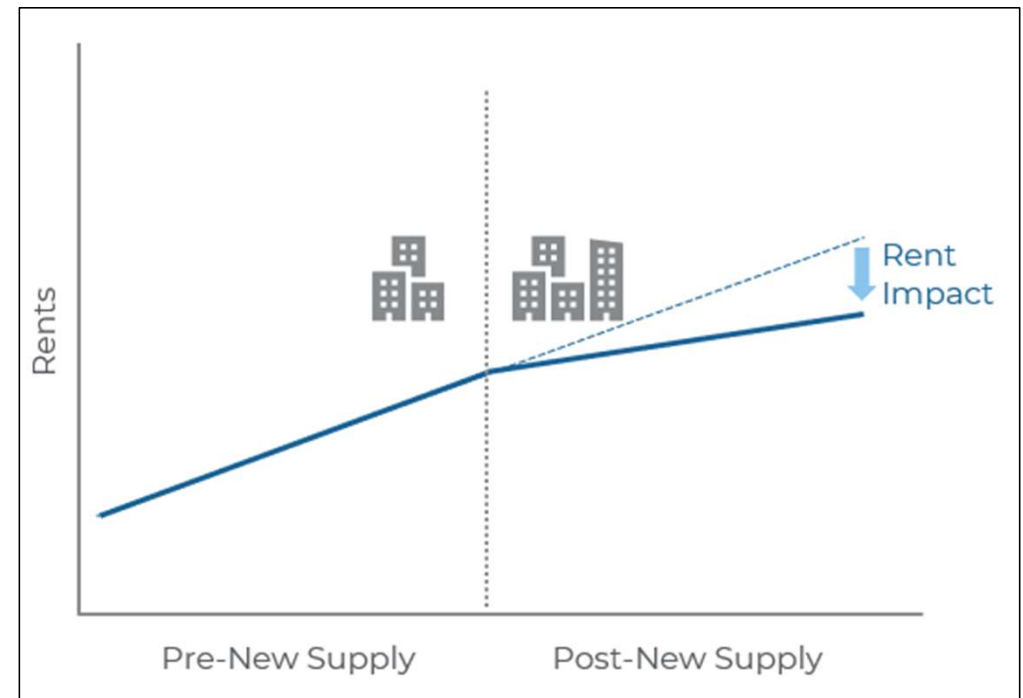
Source: US Census Building Permit Survey and Housing Works RI

Vision Statement: *Housing 2030*

Produce and preserve housing to meet and respond to the needs of all Rhode Islanders; with a focus on creating strong communities with a diversity of housing options that are affordable and accessible.

Impact of Housing Supply on Affordability

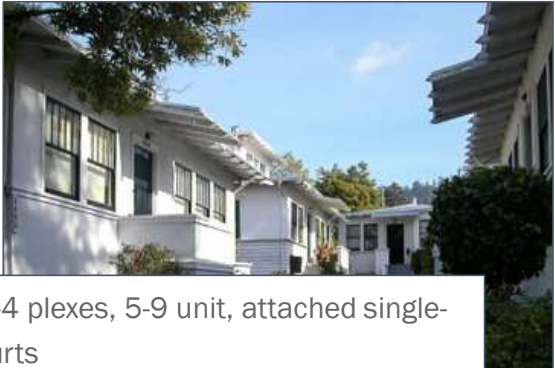
- Increased housing production and preservation are essential strategies for achieving long term housing affordability
- Increased housing supply helps moderate price increases therefore making housing more affordable to low- and moderate-income families¹
- Vacancy rates in Rhode Island and growing housing prices signal a strong need for additional housing construction



1. NYU Furman Center – “Supply Skepticism”. 2018. Been, Ellen, O’Reagan

Housing 2030 Goals

- 1. Increase the production of homes and focus on
 - 1. Middle market units
 - 2. Accessory dwelling units
 - 3. Affordable rentals
 - 4. Low-cost homeownership
- 2. Preserve affordable homes
- 3. Navigate towards 2030 goals



Middle Market Units – duplexes, 3-4 plexes, 5-9 unit, attached single-family, bungalows, and cottage courts
Currently permitting an average of 195 middle market units ('19-'23)



ADUs: Permitting an average of 35 ADUs annually ('21 -'23)



Affordable Homeownership – sales priced under \$400k
Currently averaging 90 units per year ('19-'23)



Affordable Rentals – LMIH units (up to 80% of AMI)
Averaging 237 COs annually ('19-'23)

Housing 2030 Goals

By 2030 proposing to...



Permit 15,000 new homes

This would mean more housing options and would...

Slow housing cost growth and put Rhode Island on a path to healthier vacancy rates



Create 1,000 low-cost homeownership units

Increase inventory of for sale homes that cost less than \$400k



Triple ADUs permitted

Expand lower cost options that more families, seniors, and our workforce can afford



Increase middle-market units by 50%

Building a variety of home types that meet community needs



Finance 2,250 affordable rental units

Support low and moderate income Rhode Islanders and include 375 permanent supportive housing and 500 extremely low income homes



Preserve affordable homes

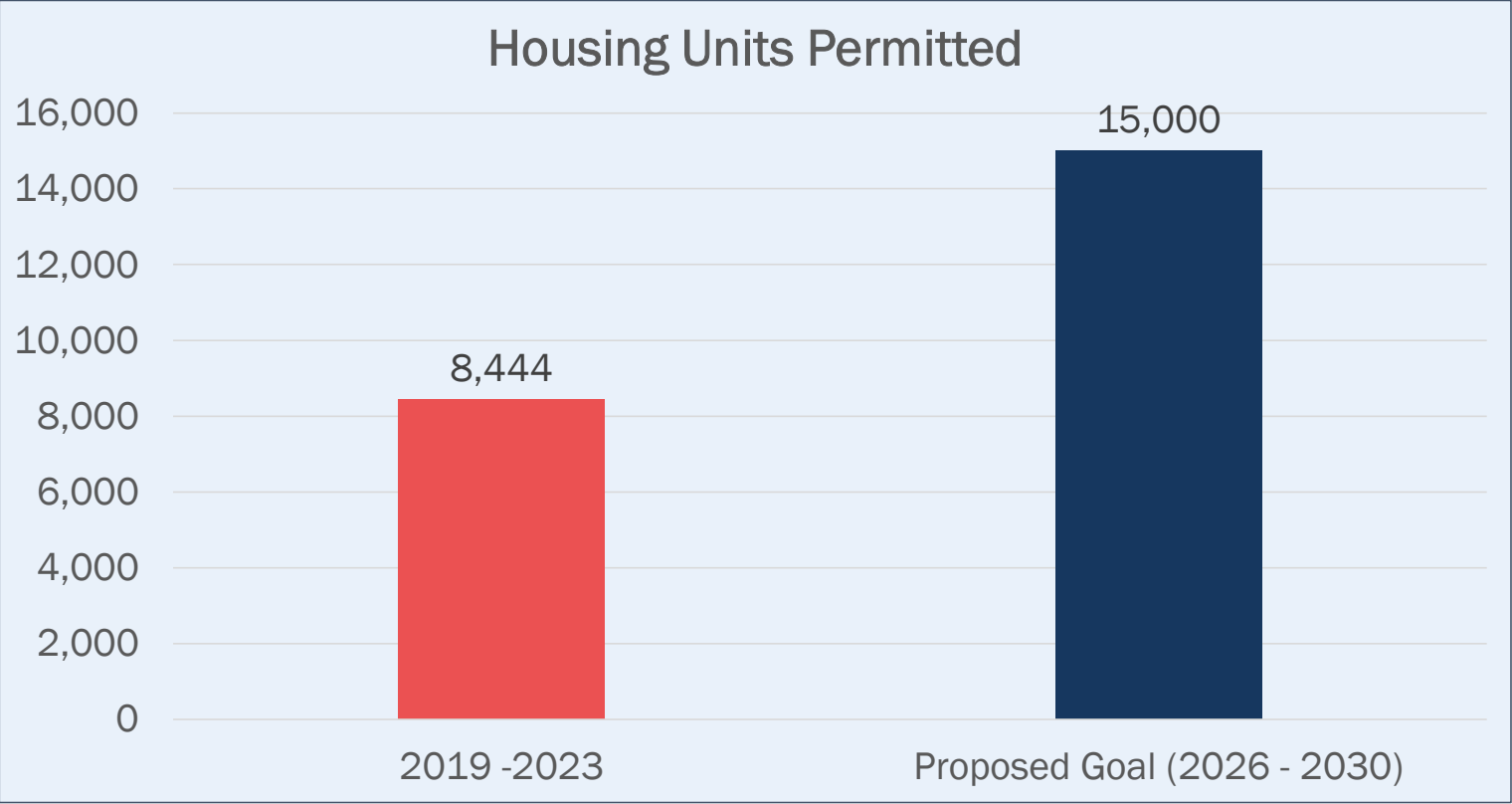
Maintain affordability that already exists



Navigate towards 2030 goals

Complement efforts to improve education, create a healthier RI, address climate change, and build a Rhode to Prosperity

Housing 2030 Overall Production Goal



What is standing in the way of building more...

We don't allow the homes we need to be built by right

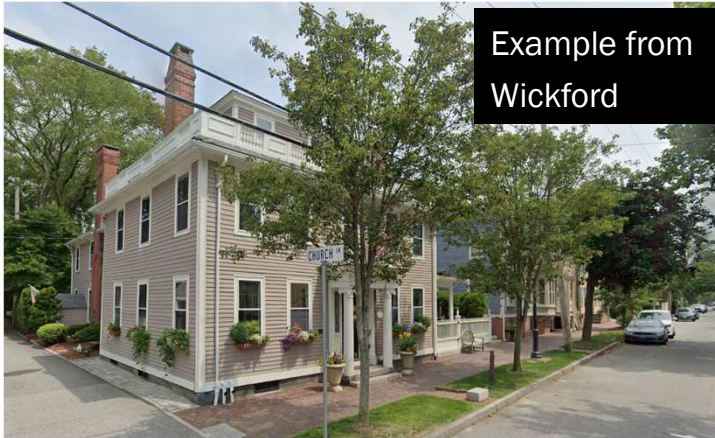
Local zoning ordinances present barriers to middle market housing production

- > Require extra review
- > Require large minimum lot sizes

87% of Rhode Island is zoned for single-family by right

20% of Rhode Island is zoned for 2-family by right

Source: HousingWorks RI Factbook and RI Zoning Atlas



Residential land zoned for duplexes by right on less than one acre.

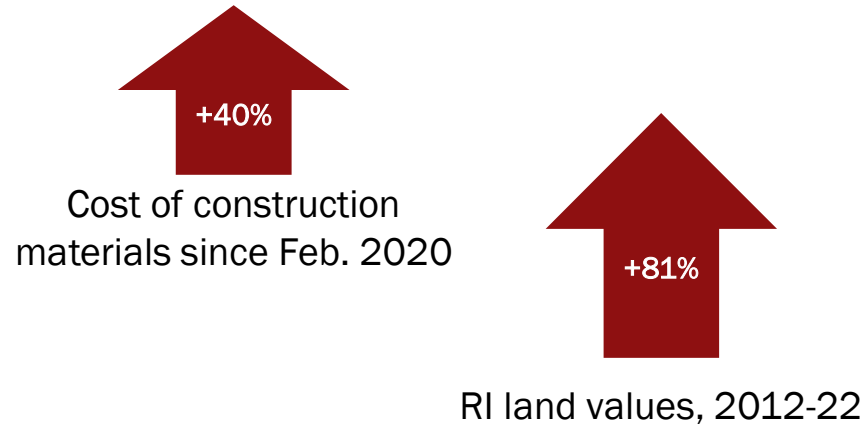
Source: RI Zoning Atlas (Housing Works RI)

The effects of rising development costs

1. Total development costs (TDC) include costs for **land**, **hard costs** (labor, materials) and **soft costs** (architecture, permitting, etc.)

2. When TDC rises, the sales prices or rents needed to support that development also rise

3. In cases where the market won't support the higher rents or sales prices, the development isn't built



4. With land values, materials and labor costs all on the rise, construction costs have skyrocketed



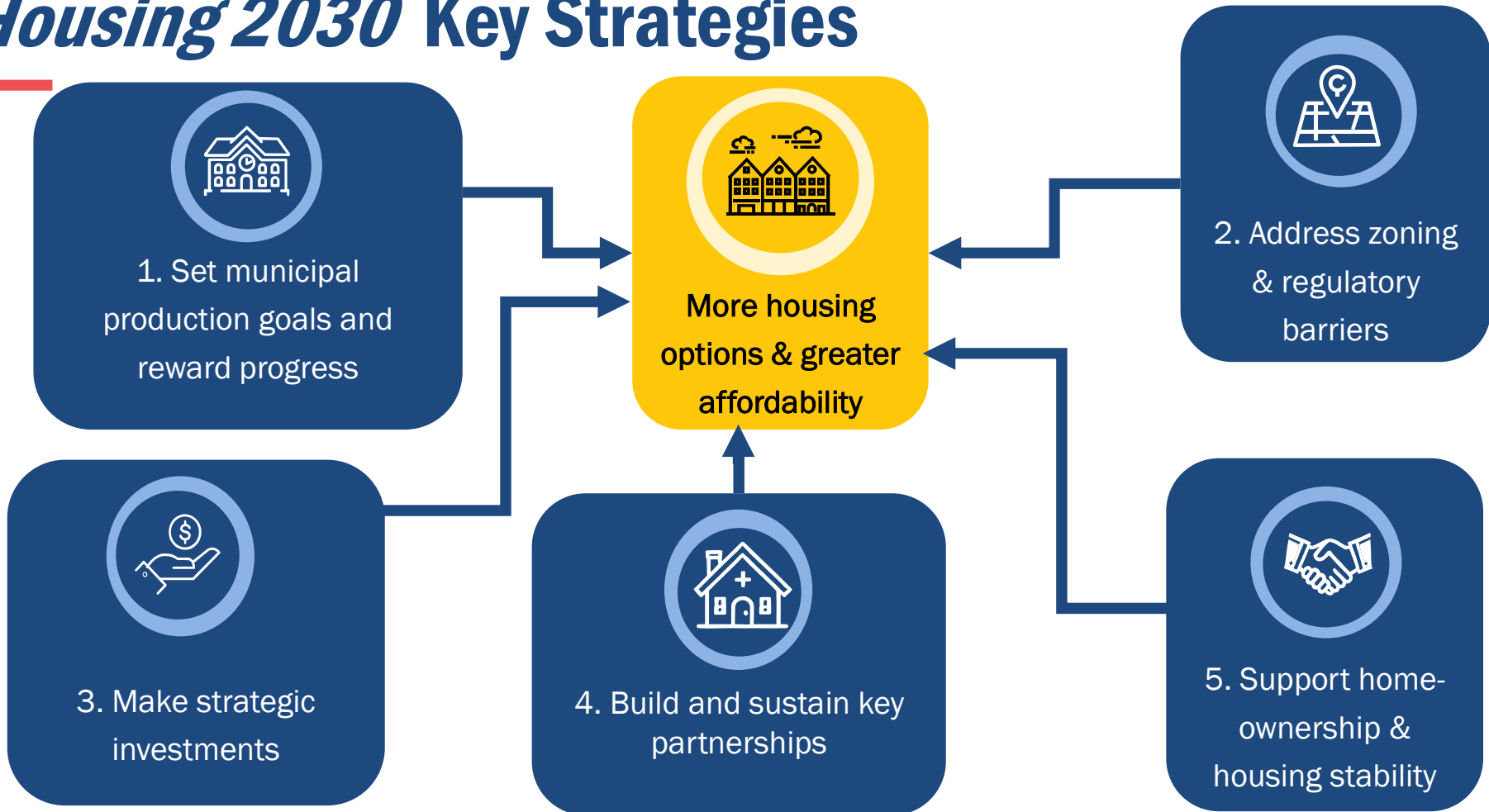
5. As a result, the number of newly developed homes with a sales price under \$400k has fallen by 47% since 2022

Strategies



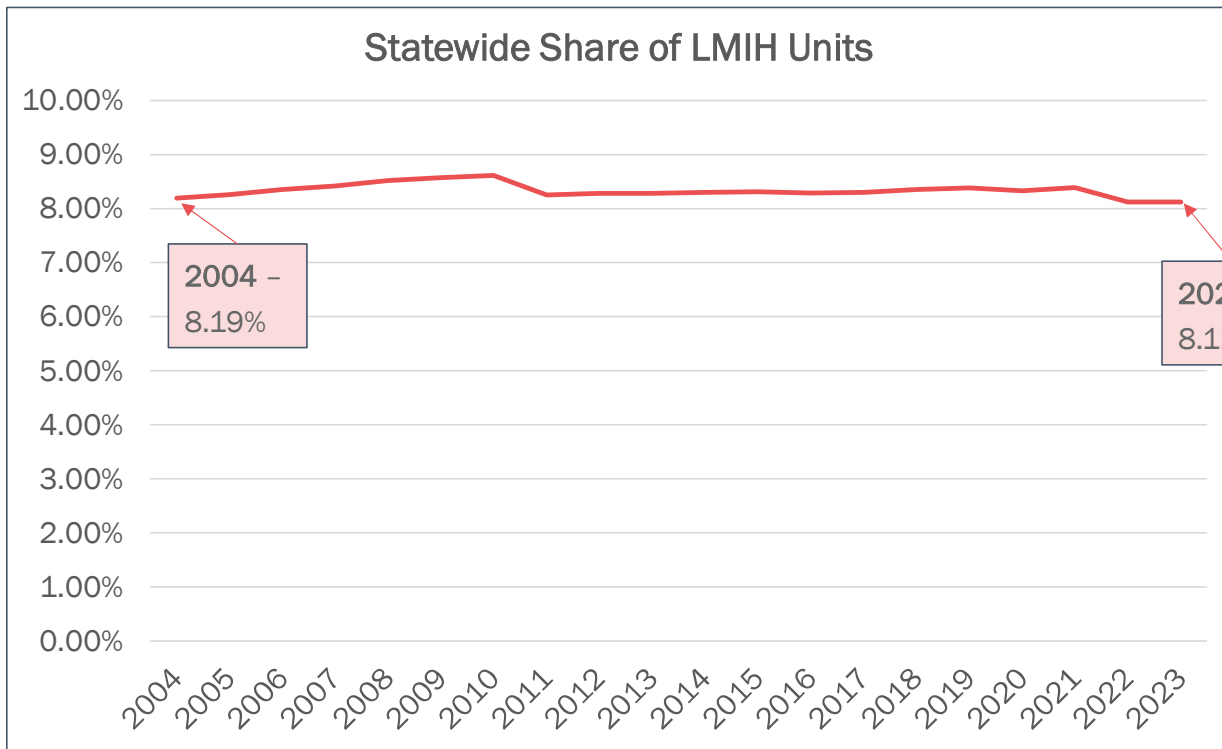
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Housing 2030 Key Strategies



Progress on 10% Goal

Share of LMIH housing has not increased over the last 20 years



- Only 8 RI municipalities have ever hit or exceeded the 10% goal at any point
- As of 2023, only 4% of municipalities have exceeded the 10% (does not include rental exemption)

Proposing "both and" approach to municipal goals

Asking municipalities to focus on both LMIH production and overall production

Current system: focuses on increasing LMIH homes, and many communities report their strategy for reaching 10% involves NOT building any more homes that don't qualify.

Housing 2030: would focus on increasing LMIH homes and overall supply to better meet Rhode Island's diverse housing needs.

LMIH homes



LMIH homes



Overall supply



Overall supply



- Not proposing any change to existing 10% target
- Basing Housing 2030 on available data (legislative changes not yet reflected)

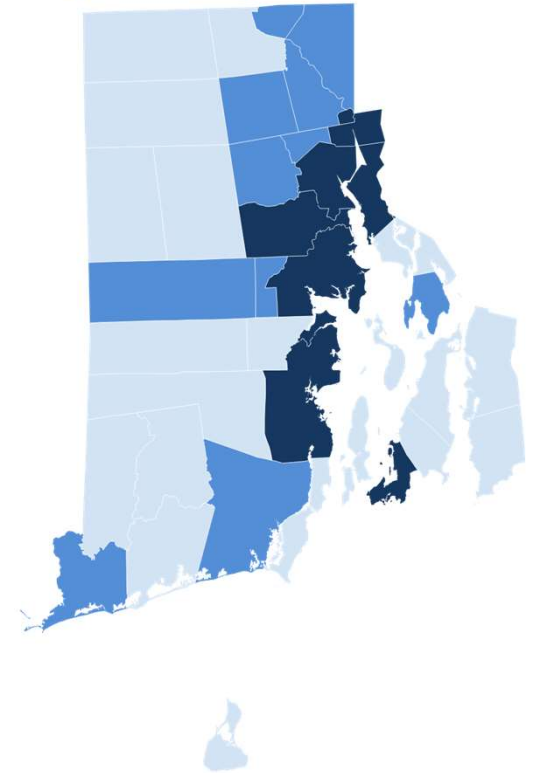
Not proposing a one-sized fits all approach

Proposing higher production goals in communities with more jobs and transit

Supportive Conditions for Housing	Job Density 	Public Transit Amenities 
Continued Growth		
Job-Rich Communities	✓	
Strategic Growth	✓	✓

Updated Municipal Growth Categories

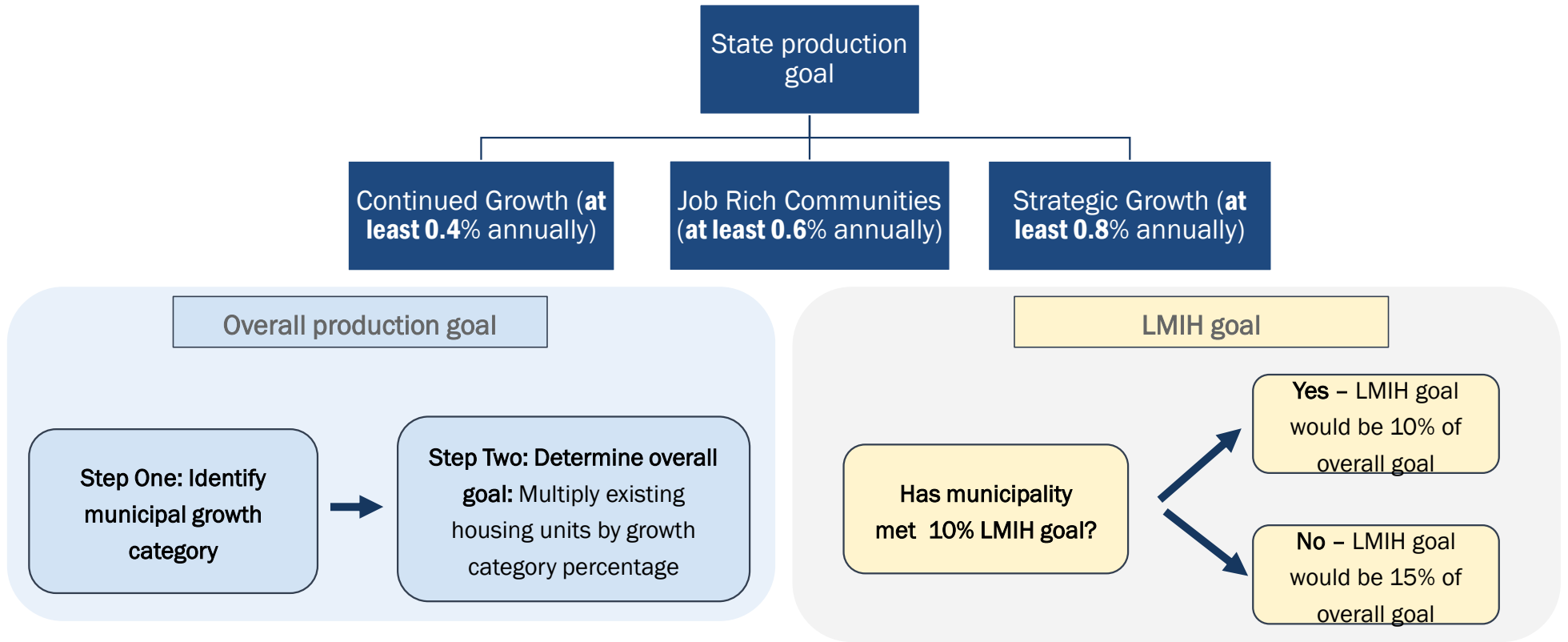
Continued Growth Job-Rich Communities Strategic Growth



Source: RI Department of Housing • Created with Datawrapper

Municipal overall production and LMIH goals

Municipal goals based upon community conditions to improve community and economic development



Draft content for discussion

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Note: Overall production goals for each municipality is at least equal to units permitted over the last five years.

Potential menu of pro-housing reforms

To increase housing supply, municipalities need to adopt changes to achieve their goals. Below is a list of several recommended strategies:

- Allow ADUs by right in any zone where residential uses are allowed, including in mixed-use zones and on lots smaller than 20,000 square feet
- Allow by-right development of duplexes in any zone where residential uses are allowed
- Allow by-right development of three- and four-plexes in at least one additional residential zone
- Allow by-right development of multifamily housing (5+ units) in at least one additional residential zone
- Reduce parking minimums, establish parking maximums for multifamily developments and residential components of mixed-use developments, and allow shared parking options
- Implement TOD zoning of at least 15 units an acre in areas with transit service or planned transit service
- Increase buildable area in some other way, such as by allowing higher building heights or increasing lot coverage maximums and reduce minimum frontages, setbacks, and step backs
- Waive or reduce building and development application fees for middle-market and affordable housing development
- Adopt preapproved blueprints for middle-market housing types to streamline the permitting process
- Adopt form-based codes that emphasize building form and public spaces rather than land use separation, enabling more flexible residential and mixed-use development and streamlined administrative review of new developments

Key strategies

1. Set municipal production goals and reward progress

Overall production goals tailored to local circumstances

Affordable production goals that recognize progress

Include in comprehensive plans

Explore incentives for municipal progress

2. Address zoning & regulatory barriers

Housing friendly zoning reform

Support municipalities with technical assistance

Streamline state building codes

Reduce barriers in tax code

3. Make strategic investments

Infrastructure

Affordable and supportive rental housing

Adaptive reuse and home repair

Low cost homeownership

Other innovative approaches

- Not a one-size fits all approach:
 - Higher goals in areas with jobs and transit
 - Municipalities to choose strategies that make most sense for their communities
- **State support:** Continue investing in infrastructure, development, and technical assistance to help municipalities achieve goals



Key strategies

4. Build and sustain key partnerships

Achieve economies of scale to produce lower-cost homes

Support for nonprofits, PSH developers, builders and PHAs

Housing workforce development

Collaborate with universities

Educate Rhode Islanders

5. Support homeownership and housing stability

First-generation homebuyers & asset building

Employer homeownership partnerships

Homelessness prevention

Accessibility retrofits and shared housing

- Success will require partnerships
- Supports Rhode to Prosperity goals to increase income and build wealth



Thank you

—
Contact Patrick Duffy at
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with questions or feedback

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