

CHAPTER ONE INTRODUCTION

1.1 Problem Statement

The Town of Exeter recognizes the need to take action to promote, encourage and address the need for the construction and maintenance of all housing types in order to serve a more diverse population, house the local labor supply, and provide housing opportunities for current and future residents who desire to live within the Town. The overall housing goal for Exeter is to provide a balance of housing choices for all income levels and for all age groups while developing programs for the preservation, improvement and development of housing for all citizens.

Housing is extremely important in that it is a basic human need; it is a major part of our environment; and housing is a key to sustaining economic growth. The State of Rhode Island has enabled each community to manage residential development by developing an affordable housing plan as a proactive policy to attain the legislative goal of affordable units. The Exeter Affordable Housing Plan will be an integral component of the Exeter Comprehensive Plan's Housing Element, as well as being consistent with the Plan's other elements, especially land use, facilities and services, and implementation. When integrated prudently, the Exeter Housing Element will create an affirmative program for the Town to direct the development and delivery of a range of housing choices, including sufficient housing for lower and moderate-income households.

Housing affordability is not a problem restricted to the marginalized or lower income populations of inner cities. It is an issue for all municipalities, affecting low-income as well as a large portion of the middle-income population of every municipality, including Exeter. The importance of creating a housing plan will indicate what factors Exeter needs to improve upon to maintain or enhance the quality of life it retains.

1.2 Relationship of Town Documents

Under current State law, all Rhode Island municipalities are required to adopt and periodically update a comprehensive plan according to the R.I. Comprehensive Planning Land Use Regulation Act. All plans must include housing elements; these housing elements must identify and analyze existing and forecasted needs and objectives. Local policies and implementation strategies are required to provide a balance of housing choices for all income levels with particular emphasis on those special population groups that are more likely to be vulnerable to housing difficulties.

The purpose of each section of the town's comprehensive plan is to articulate a general future vision for that particular element. The Exeter Comprehensive Community Plan's *Housing Element* was last revised on December 2003; the overall observation of Exeter's current housing element is that it includes necessary information but the information is not up to date and does not include major changes that have occurred in Rhode Island

affordable housing legislation over the last few years. The Town's responsibility to promote, encourage and address the need for the construction and maintenance of all housing types that serve a diverse population as well as to provide housing opportunities for all people who desire to live within Exeter; in order to adhere to the changing State laws, Exeter must revise and update the housing element. Although the Housing Element's goals are the general objectives toward which Exeter is striving, a housing plan establishes the ways the Town is attempting to achieve these goals.

In order to obtain the goals of Exeter's Housing Element of the Comprehensive Plan, the Housing Plan consists of the actual data collection, analysis and interpretation that will lay the foundation as to how to obtain the Housing Element's goals.

Although in past years, consideration of Exeter's Housing Element of the local comprehensive plan has not always been given the priority it deserves, in an era of rapidly escalating housing costs and a shortage of affordable housing options, Town officials now understand that in order to create and maintain affordable housing options for residents at different income levels and in all stages of life, a thorough housing assessment must be done to evaluate the future housing goals of the Town. Current goals of Exeter's Comprehensive Plan, *Housing Element*, are to allow a balance of housing options that blend with the rural and agricultural character that responds to the community's available services and needs. In the years since the Housing Element was written, the need for affordable housing options in Exeter has continued to grow, along with the Town's population and housing prices. Since the Housing Element was implemented, there has been relatively recent legislative activity resulting in amendments to the Low and Moderate Income Housing Act that necessitate modifications to the existing Housing Element.

The Exeter Affordable Housing Plan is the beginning of a chain of changes that will occur when the plan is complete. The Housing Plan is designed to amend the Housing Element and update the Comprehensive Plan. Charting the path of the Town of Exeter's Affordable Housing Plan:



1.3 Methodology

Information and recommendations were collected based on research of affordable housing programs and strategies employed successfully by cities and towns throughout southern New England, as well as information gathered from Exeter Town Officials, Rhode Island Statewide Planning and from local non-profit organizations. Demographic

data and municipal information was gathered from the 1990 and 2000 U.S. Census, Rhode Island Housing Mortgage & Finance Corporation (also known as RIHMFC and RI Housing), the RI Economic Development Corporation, as well as from Town of Exeter documents.

1.4 Purpose of the Affordable Housing Plan

In July 1994, the Town adopted a new Comprehensive Plan as required by the Rhode Island Comprehensive Planning and Land Use Regulation Act (R.I. General Laws, Title 45, Chapter 22.2). As required by the Act, a Housing Element was incorporated into the Plan that addressed existing and forecasted housing needs in the Town.

Since the adoption of the Comprehensive Plan by the Town Council in 1994, Exeter has undergone many changes. According to the U.S. Census, the population of the Town grew from 5,461 in 1990 to 6,045 in 2000, an increase of 11 percent. In July 2004, the Rhode Island Housing and Mortgage Finance Corporation (RI Housing) reported that the Town had 2,158 housing units for a population now estimated to be at 6,274 (R.I. Division of Planning, Housing Data Base 2003). In the most updated tabulation of housing stock, RI Housing reported that 29 units – or 1.34 percent – are subsidized units and therefore can be classified as “affordable” under the statutory definition (RI Housing 2004).

Most importantly, the characteristics of the Town’s housing stock have changed over the last decade so as to make it more difficult for residents to afford to purchase or rent housing in the Town. The purpose of this plan is to examine the Town’s housing policies, to determine how housing affordability has changed over the last decade, and to identify and develop strategies that the Town can follow to meet the housing needs of the future. This plan will also identify specific steps that the Town can take to increase the supply of affordable housing and identify resources to use in this regard.

CHAPTER TWO

THE PLANNING CONTEXT FOR AFFORDABLE HOUSING

The Town of Exeter Comprehensive Plan was adopted by the Town Council on July 6, 1994 and the revised plan was adopted in April 26, 2004. Certification of the Plan is effective for a five-year period ending in April 2009. The Rhode Island Comprehensive Planning and Land Use Regulation Act (R.I. General Laws, Title 45, Chapter 22.2) establishes a series of goals to provide overall direction and consistency for State and municipal agencies in the comprehensive planning process established in the Act. With regard to housing, the Act provides the following goal:

“To promote a balance of housing choices, for all income levels and age groups, and which recognizes the affordability of housing as the responsibility of each municipality and the State.”

2.1 Consistency with the State Guide Plan

A major objective of the Act and one of the principal areas of State review and acceptance is the achievement of consistency with the State Guide Plan. The Act states that local comprehensive plans must be consistent with the State Guide Plan. By maintaining State approval of its Comprehensive Plan, the Town strengthens the validity of its zoning ordinance, its subdivision and land development regulations, and its land use decisions. Not only must local zoning and land use decisions be consistent with the comprehensive plan, the actions of State agencies are required to take the local plan into consideration. The Act further states: “Once a municipality’s comprehensive plan is approved (by the State), programs and projects of State agencies, excluding the State Guide Plan...shall conform to that plan,” (R.I. General Laws, 45-22.2-10(e)).

The State Guide Plan is composed of several sections, or elements. The State Housing Plan (Element 421) makes recommendations for housing in Rhode Island, which the Exeter plan must take into consideration. One of the principal goals of the State Housing Plan is to encourage the production of affordable housing.

2.1.1 Goal 1-1-5 Affordability

Goal 1-1-5 encourages every municipality to provide an adequate number of affordable housing units for low-income citizens, those with severe cost burdens and those with special needs.

As described in the State Guide Plan Overview (State Guide Plan Overview, p. 421.2 2000), the housing policies of the State of Rhode Island are:

1. Population and Diversity: to use the most reliable population and housing statistics available to periodically establish and update State housing proposals; promote diversity of housing types and affordability; and help different racial, ethnic, and special population groups find suitable housing.

2. **Housing Code Enforcement:** promote the updating and enforcement of the various housing codes and ordinances within the State.
3. **Stabilizing and Protecting Existing Areas:** help protect historic as well as other essential aspects of neighborhoods that provide identity and character; help residents from being displaced; and promote ground water protection, watershed management, and flooding abatement.
4. **Improved Usage of Existing Structures:** support the best use and maintenance of existing housing stock.
5. **Optimum Locations for New Housing Units:** encourage new housing construction as warranted, in proximity to planned or existing infrastructure; and support the expansion of neighborhoods relative to a closer relationship with local and regional needs.
6. **Affordable Housing and New Housing Concepts:** study, develop, and support improved methods, techniques, legal remedies, and institutional structures for producing low/moderate income affordable housing; and encourage improved planning of neighborhood development, growth management, affordable housing financing, and housing maintenance programs.

The State Housing Plan (Division of Planning, State Housing Plan 2000, p. 5.10) does not contain a list of specific actions to which local communities are required to conform. The Plan instead provides several Strategies and Recommendations that both State agencies and local communities are urged to consider in their activities and plans that affect the provision of housing. The recommendations on housing affordability are provided below:

**Summary of Strategies and Recommendations for Housing Affordability
State Housing Plan 2000**

1. The State should provide monetary incentives and/or technical support for courses and training for elected local community officials, and planning and zoning administrators regarding affordable housing and responsibilities in meeting mandated State housing objectives. Such training can demonstrate that affordable housing can be attractive and serve as an asset to the host community.
2. The Rhode Island Housing and Mortgage Finance Corporation should encourage the establishment of non-profit housing cooperatives (either single or multi-family housing units) for low and moderate-income households. Housing cooperatives impart a sense of ownership and can serve households that would otherwise lack the means to purchase housing.
3. Communities should consider appropriate zoning changes to allow smaller residential lot sizes as infill for “built-up” areas where there are adequate public utilities and services.
4. Communities should encourage increased residential construction and conversion of existing units for cooperatives, condominiums, and attached housing, when such units will serve low-income households.

5. Communities should take wider use of planned unit and cluster developments to increase affordability where appropriate.
6. Entitlement communities under the Community Development Block Grant Program should make vacant “building” and “lot” homesteading programs an affordable housing initiative.
7. The RI Housing Resources Commission should sponsor periodic statewide housing conferences and workshops to promote information sharing on such topics as State housing program policies, and innovative ways to lower housing costs to stimulate action to resolve housing need issues. Such conferences should target the financial community, providers, developers and key public officials.
8. Communities should be encouraged to earmark an adequate amount of land for the construction of multi-family housing; especially those towns and cities that do not currently meet the 10 percent low-moderate income housing goal as established by the RI Low and Moderate Income Housing Act (RIGL 45-53).

Source: State Housing Plan, State Guide Plan Element 421, March 2000.

2.1.2 The Low and Moderate Income Housing Act

The Low and Moderate Income Housing Act (R.I. General Laws, 45-53) was enacted in 1991 to address the need for cities and towns in the State to provide opportunities for the establishment of low and moderate income housing.

The Act establishes a ten percent minimum threshold for such subsidized housing in each city and town, including Exeter. The Act also provides that urban municipalities having at least 5,000 occupied rental units and where those units comprise 25 percent or more of all housing units, there is a requirement for those cities that at least 15 percent of the rental units must be affordable to persons of low and moderate income. As of July 2004, the following communities fell into this category: Cranston, North Providence, Pawtucket, Warwick and West Warwick. As of July 2004, Rhode Island Housing reported that 1.34 percent of the housing units in Exeter were subsidized and could be considered “affordable” to persons of low and moderate income. At the time, there are 29 communities (out of a total of 39 municipalities) in the State that do not meet the minimum ten percent requirement.

The Act, along with several companion statutes, were substantially amended in 2004 to provide for the provision of safe and affordable housing in accordance with a 5-year strategic plan for housing, to be prepared by a newly-created Rhode Island Housing Resources Commission. This Plan must be prepared by July 1, 2006. Until that time, communities must prepare the housing element of their Comprehensive Plan in accordance with current guidelines adopted by the State Planning Council (see below).

Communities such as Exeter that do not meet the ten percent requirement are subject to what is described in the Act as the “Comprehensive Permit Procedure.” A comprehensive permit is defined as “...a single application for a comprehensive permit to build that (low and moderate) housing in lieu of separate applications to the applicable local boards...” (R.I.G.L. 45-53-4). This procedure allows a developer of such housing to apply to the local board of review (planning or zoning board – at the discretion of each town)) for a permit to build affordable housing under a “streamlined” procedure designed to greatly reduce the time normally required to obtain development permits. The Act also allows a development to request exemptions to local requirements and regulations normally applied to similar developments. These “exceptions” might greatly increase the density and intensity of a proposed project. During the 2003-2004, for example, Exeter received one application for a comprehensive permit to construct 145 housing units at a gross density of nearly 1.2 units per acre at the corner of South County Trail and Mail Road. The zoning regulations in effect at this time require residences on 4 acres; three times the current density would be required.

In February 2004, the General Assembly enacted a moratorium on for-profit developers using the Comprehensive Permit Procedures contained in the Act (R.I.G.L. 45-53-4, as amended February 13, 2004). All current applications on file with a local community are subject to review and appeal procedures specified in the new 2004 general revisions. The moratorium also provided that local communities must prepare by December 31, 2004 a comprehensive plan housing element for low and moderate income housing as specified by the Act. If the plan is submitted and approved, new or pending comprehensive permit applications must conform to the community’s approved housing plan.

The Act prescribes standards and procedures for the Planning/Zoning Board to follow in its review of comprehensive permit applications. Where an application is denied, or is granted with conditions and requirements that make the project infeasible, the applicant may appeal to the State Housing Appeals Board (SHAB), which has the authority to overturn a denial or otherwise unfavorable decision made by the local board.

The Act also allows the SHAB to promulgate its own rules and regulations in hearing petitions filed for review. Under the regulations, the minimum percentage of such units required in order to be eligible to file for a comprehensive permit from the town is twenty-five (25) percent of the total number of units. The intent of this provision in the regulations apparently was to encourage a mixture of housing types and occupants. It may also permit developers of low and moderate-income units to be created via cross subsidization from market rate units. Finally, under an amendment to the Act made by the General Assembly in 2002, private developers were granted expanded authority to file applications. Previously, applications under the Act could only be filed by public agencies, nonprofit organizations, limited equity housing cooperatives and private developers of rental projects. As stated previously, in the case of Exeter, these recent amendments resulted in an application being filed for 115 market-rate housing units out of a total of 145 units in 2003-2004. Under these circumstances, the Town must address the impacts generated from not only the affordable units, but the *non-affordable* units as well.

2.1.3 Affordable Housing Plans

In order to address the requirements of the Low and Moderate Income Housing Act, communities have the option of adopting an “affordable housing plan.” A municipality with a State approved plan can limit annual total number of units in comprehensive permit applications from for-profit developers to an aggregate of one percent of total year-round units in the town. Such a plan addresses the specific requirements of the Low and Moderate Income Housing Act with respect to affordability issues, but does not necessarily require the updating of the entire comprehensive plan, or its housing element. Such an affordable plan must, however, be consistent with other provisions of the housing element and with other elements of the comprehensive plan which affect housing. Local communities that prepare and adopt affordable housing plans must submit them to the Rhode Island Statewide Planning Program and Rhode Island Housing for review and approval in the same manner as prescribed for review and approval of local comprehensive plans. The Act also contains a provision that allows a community to apply local zoning and land use regulations where it has adopted a plan to achieve the ten percent affordable housing required by the Act.

- (ii) The city or town has promulgated zoning or land use ordinances, requirements, and regulations to implement a comprehensive plan which has been adopted and approved pursuant to chapter 22.2 and 22.3 of this title, and the housing element of the comprehensive plan provides for low and moderate income housing in excess of either ten percent (10%) of the housing units or fifteen percent (15%) of the occupied rental housing units as provided in subdivision (2)(i) (R.I.G.L. Section 45-53-3 (ii)).

Such an affordable housing plan must, however, identify specific steps that the municipality will take to increase the supply of affordable housing and identify resources to be used in this regard.

The Rhode Island Statewide Planning Program, in conjunction with Rhode Island Housing, has issued guidelines that identify these specific steps as follows:

- Identifies the number of affordable units needed to achieve the applicable threshold requirement for affordable housing as quantified in the most recent “Low and Moderate Income Housing by Community” tabulation published by RIHMFC by type and tenure consistent with the consolidated plan.
- Identifies specific strategies to attain the threshold over a reasonable period of time, taking into consideration anticipated residential growth based on building permit activity and build-out estimates. The number and type of low and moderate income housing units (i.e. family, elderly, and special needs) produced by these strategies must be in proportion to the unmet local and State housing needs identified in the housing element and consistent with the consolidated plan.
- Provide quantitative estimates of how each strategy will contribute to attainment of the threshold and the timeframe for implementation of each. This implementation schedule must demonstrate commitment to short-term actions (six months to one year) and project out to the initial minimum five-year

- implementation program for the element and any subsequent implementation programs of the housing element and comprehensive plan.
- Identifies responsible parties and partners for each implementation strategy and identifies resources that will be tapped to achieve them.
 - For land management density strategies such as Inclusionary zoning and/or density bonuses, demonstrates that the number of low and moderate income units projected to be produced are consistent with build-out estimates, geographic building constraints (i.e. wetlands, ledge) and infrastructure and services planned for targeted areas.
 - For redevelopment and/or reuse of existing buildings, identifies specific buildings and/or areas and estimate the number of low and moderate income units projected for each (Handbook on the Local Comprehensive Plan, Handbook 16, Statewide Planning Program, 2003.)

The Affordable Housing Plan for the Town of Exeter is prepared in conformity with the applicable requirements provided by State law and with the applicable rules, regulations and guidelines adopted pursuant thereto, as provided above. This Plan outlines the future actions that will be taken by the Town to address the need for affordability of housing for present and future generations.

CHAPTER THREE: REVIEW OF THE CURRENT EXETER HOUSING ELEMENT

The Town Council adopted the original Comprehensive Plan on July 6, 1994, and the housing element was subsequently approved by the Rhode Island Housing and Mortgage Finance Corporation on October 17, 1994. The revised five-year update was adopted on April 26, 2004. The Comprehensive Plan’s Housing Element currently provides an examination of the affordability of housing in the Town; the Housing Element includes necessary data required by State agencies, but does not include the most up-to-date information, Census 2000 data. There is no mention of the Low and Moderate Income Housing Act and its requirements in the Housing Element that has, in essence, become a requirement and an essential part of every town’s housing policy. The implementation section of the Housing Element does include specific recommendations, and identifies the parties responsible for implementation. The Housing Element is, however, very general in scope, and does not include enough concrete, specific actions to be undertaken in order to address affordable housing, and the impact that those actions would have on the State mandated 10 percent affordability goal. This plan has been developed to address those needs and requirements.

The Town of Exeter has reassessed the 2004 goals and policies of the Housing Element and will include more actions to be taken in the Town in light of the requirements of the Low and Moderate Income Housing Act. Specific actions must be stated to ensure that a plan meets needs, and can be implemented over a reasonable amount of time that will enable the Town to meet and maintain the goal of providing the legislative goal of ten percent. Chapter 8 (Affordable Housing Strategies) of this Affordable Housing Plan makes specific recommendations for meeting this goal.

Table 1 – Review of Housing Element’s Implementation Actions 2004 Comprehensive Community Plan		
Goal	Description	Current Status
1.	Determine current and future housing needs in order to provide balanced housing that blends with the rural and agricultural character that responds to the community’s available services and needs.	Currently in progress and is considered a long-term plan.
Policies	Description	Current Status
1.	Update the Development Plan Review and Subdivision Regulations in accordance with the State Zoning Enabling Act	Ongoing
2.	Actively promote the maintenance of existing housing stock through the rehabilitation programs available at SCCA* and the FMHA** and other grants.	Ongoing
3.	Consider zoning alternatives to expand affordable housing stock including, but not limited to: allowing accessory apartments by Special Use Permits, consider zoning for the provision of permanent affordable units, allow duplex development as a Special Use Permit, and consider Planned Development Zoning that would allow a mix of uses.	Ongoing

4.	Encourage developers to address the town requirement for a balance of housing when presenting a plan to the Planning Board.	Ongoing
5.	Consider creating a Housing Land Trust or Housing Board to promote the expansion of affordable housing and open space opportunities in Exeter. Continue to work with State agencies to inventory, analyze and improve existing housing stock. Pursue the development of creative housing programs through applicable agencies to upgrade and/or replace substandard housing.	An Affordable Housing Board has been established and will be reconvening once this plan is done. A housing land trust could possibly be implemented within 10 years (see Chapter 9, Goal 4).
6.	Gain recognition for mobile homes as an affordable housing alternative and work to provide rehabilitation assistance where required.	Mobile homes are considered “affordable” under State legislation but do not count towards the 10 percent goal unless subsidized funding is secured to assist with the rehab of mobile homes.
7.	Support efforts by South County Community Action to access more Housing Vouchers, particularly for families.	Ongoing
Implementation	Description	Current Status
1.	Permit development of Planned Districts in the Town that meet the criteria in the Land Use Element. A mix of commercial, service and residential uses would be allowed with higher density.	The creation of a mixed planned district is currently being researched at the site of the LADD school that will provide for an assortment of uses including low and moderate-income housing units.
2.	The Town’s building officials should actively work with the SCCA and FMHA and other applicable agencies, to expand housing rehabilitation in Town for lower income tenants or homeowners.	Ongoing
3.	The Town should pursue the development of a program that would fund, using the equity or value of the land on which these properties are located, the construction of new housing units at these sites to replace these mobile homes with units of standard construction.	Ongoing
4.	Town should consider the creation of a Housing Board to further identify housing needs in the Town and to coordinate housing programs and outreach activities.	Will be accomplished within 6 months after the approval of this affordable housing plan (see Chapter 7, Goal 4)
5.	Town should support efforts of the ACLT*** which ensures long-term affordable housing for low to moderate-income families, disabled and elderly through rental and home ownership options.	Ongoing
6.	To increase the supply of rental housing, the Town should allow the construction of accessory apartments on conforming lots by Special Use Permit.	Done

7.	Expand Section 8 Housing Voucher/Certificate Program by accessing additional units under these programs.	Ongoing, but not much progress made thus far.
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*SCCA = South County Community Action

** FMHA = Farmers Home Administration

***ACLT = Action Community Land Trust

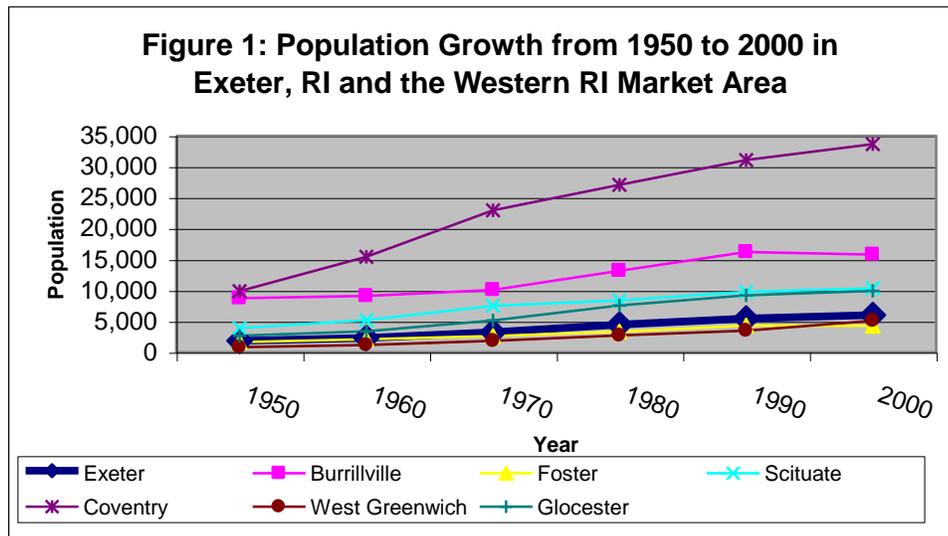
CHAPTER FOUR: DEMOGRAPHIC, ECONOMIC, AND HOUSING INVENTORY

This section provides an inventory of demographic, economic and housing data for the Town of Exeter. Local, State and federal sources were used to compile this data with the greater proportion of statistics coming from the 1990 and 2000 decennial Census. State compilations of the Census data were cited where applicable. Each sub-section summarizes particular datasets and provides interpretations that will lead to further analysis and planning later in this Plan.

4.1 Population Growth and Characteristics

Exeter's population has increasingly grown over the past half-century, typical of most Rhode Island communities. As highway development and improvement provides easier access to undeveloped areas outside of the older urban core communities of Providence, housing construction has steadily increased in the suburban as well as rural areas, such as Exeter.

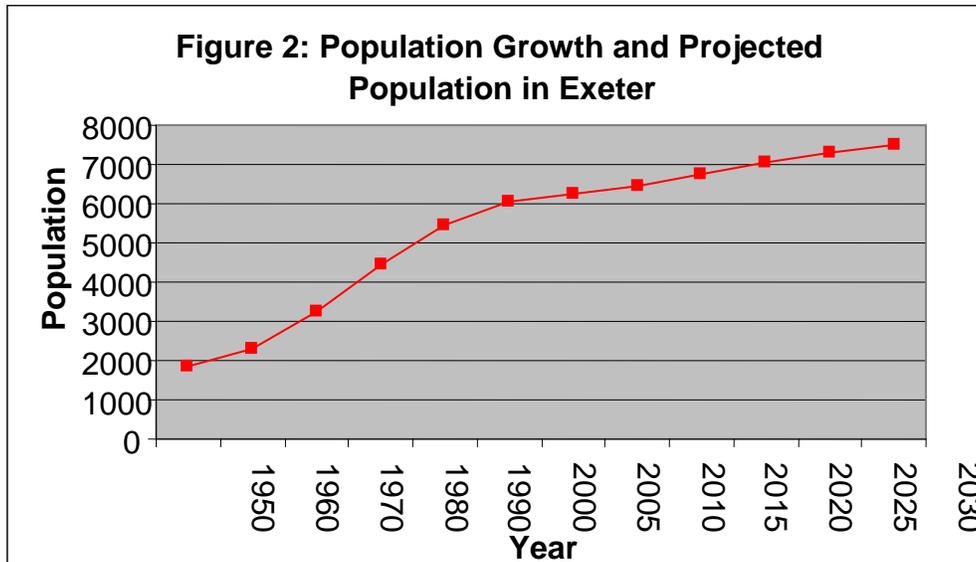
Exeter is part of a larger "housing market area" defined by the State as the "Western Rhode Island Housing Market Area," that includes Burrillville, Foster, Scituate, Coventry, West Greenwich and Glocester which are all relatively rural communities (Division of Planning 2001). This housing market is the least densely settled in the State, and includes several small urban areas centered on mill villages, leaving large areas in between thinly settled. Figure 1 and Table 2 compare the population growth in the Western Housing Market area to that of Exeter.



The housing market area that is comprised of these seven communities grew at an overall rate of 188 percent between 1950 and 2000. The range of growth has been consistently increasing among most western market area towns but the population of Burrillville and Foster decreased slightly between 1990 and 2000 (U.S. Census 2000).

	1950	1960	1970	1980	1990	2000
Exeter	1,870	2,298	3,245	4,453	5,461	6,045
Burrillville	8,774	9,119	10,087	13,164	16,230	15,796
Foster	1,630	2,097	2,626	3,370	4,316	4,274
Scituate	3,905	5,210	7,489	8,405	9,796	10,324
Coventry	9,869	15,432	22,947	27,065	31,083	33,668
West Greenwich	847	1,169	1,841	2,738	3,492	5,085
Glocester	2,682	3,397	5,160	7,550	9,227	9,948
TOTAL	29,577	38,722	53,395	66,745	79,605	85,140

In May 2004, Rhode Island Statewide Planning, using U.S. Census data, published population projections for each municipality from the year 2000 to 2030. Figure 2 below illustrates this data; by 2005 Exeter is expected to have approximately 6,267 people, and increase of 222 people, or 4 percent, from 2000. The population is going to continually grow into the future but not as quickly as previous years. There will be approximately 7,496 Exeter residents by 2030, an increase of 24 percent over the next 26 years.



4.2 Age of Residents

An examination of the population characteristics of Exeter indicates that 26.3 percent (1,589 residents) of the population is aged 18 years or younger, while 9.7 percent (589 residents) of the population is aged 65 years and over. Comparing Exeter's population to the statewide average, Exeter's population is smaller than the statewide average of 14.5 percent elderly. Of the 39 Rhode Island municipalities, Exeter ranked 36th for the proportion of elderly residents in its population. The five communities with the largest population percentage of elderly were North Providence (19.7%); East Providence (18.9%); Johnston (18.9%); North Smithfield (18.0%) and Warren (17.9%). The five communities with the smallest population percentage of elderly include Richmond

(7.0%); West Greenwich (7.1%); Glocester (9.2%); **Exeter (9.7%)** and Foster (10.5%) (U.S. Census 2000).

4.3 Racial and Ethnic Composition

Exeter has an extremely homogeneous racial and ethnic composition. Table 3 summarizes the Town of Exeter’s racial and ethnic composition as captured by the 2000 U.S. Census. The data shows a relatively homogenous local population in terms of race and ethnicity. As with the entire State, Exeter is expected to see increases in its Hispanic population.

Race	Number of Residents	% of Total Population
One Race	5,967	98.7
White	5,825	96.4
Black/African American	40	0.7
Asian	45	0.7
Hawaiian/Other Pacific Islander	1	0.0
American Indian/Alaskan Native	36	0.6
Some Other Race	20	0.3
Hispanic	77	1.3
Two or More Races	78	1.3

Source: U.S. Census 2000

4.4 Exeter’s Households

A household is defined as one or more persons living together in a single dwelling unit, which can be a family and/or a person or group of unrelated persons living together (R.I.G.L. “Zoning Ordinances”). The number of households equals the number of occupied housing units in the census unit. In Exeter, the number of households increased 17.3 percent from 1990 to 2000 – more than double the increase in households statewide for the same period. Table 4 summarizes Exeter and Rhode Island households from 1990 to 2000 below.

	1990 Exeter	2000 Exeter	% Change	1990 Rhode Island	2000 Rhode Island	% Change
Total Population	5,461	6,045	+10.7%	1,003,464	1,048,319	+4.5%
Total Households	1,777	2,085	+17.3%	377,977	408,424	+8.1%
Average # of Persons/Household	2.88	2.77		2.6	2.5	

Source: U.S. Census 2000

4.5 Homeless and Special Needs Populations

4.5.1 Homelessness in Exeter and Rhode Island

The Rhode Island Emergency Shelter Information Project, a consortium of the RI Emergency Food and Shelter Board, United Way of Southeastern New England and the RI Department of Human Services, defines a homeless person, "...as anyone who received emergency shelter, for whatever reason or whatever length of time." The Emergency Shelter Information Project tracks the usage of shelters, nights stayed in shelters and the overall statewide homeless rate to assess the homeless situation in the State. Considered a crisis, homelessness is a growing statewide problem (RI Emergency Food and Shelter Board 2003).

In the Project's report, recent trends show a continued upswing in the number of unduplicated shelter clients and total shelter nights in Rhode Island shelters. In the reporting year of 2002-2003, 5,686 clients utilized shelters compared to 1999-2000, when 4,466 were recorded. Similarly, over 192,000 nights of shelter were provided by Rhode Island's shelter system in 2002-2003 (RI Emergency Food and Shelter Board 2003). In the 1999-2000 reporting year, 134,540 shelter nights were provided. The 2002-2003 year marked all time highs for both indicators.

In addition to the trends in the usage of shelters, the Information Project calculates the overall homeless rate for the State of Rhode Island. Based on 2000 U.S. Census and 2002 American Community Survey data, the chance that a RI resident would enter a homeless shelter was determined. For last year, 5.4 Rhode Islanders per 1,000 were likely to enter a homeless shelter. This figure is up 20 percent from the previous year (RI Emergency Food and Shelter Board 2003).

Multiple circumstances inherent to the nature of the homelessness problem render gathering accurate information relatively difficult. The RI Emergency Food and Shelter Board does attempt to survey shelter clients to determine the last place of residence for each individual. These numbers provide some indication of the homeless need in the area. Fifteen (15) clients reported the Town of Exeter as their last place of residence. Ninety-eight (98) individual clients claimed to originate from towns in the Western RI Housing Market Area, the region designated for this analysis. Of the Western RI Housing Market Area, Coventry has a higher number of clients that claimed that town as a last place of residence. Exeter has the highest percentage of homeless residents while Glocester has the lowest percentage of homeless. The total number statewide for 2002-2003 was 5,686 with Providence reporting the most clients at 2,303. See Table 5 below for a summary of the Western RI Housing Market Area homeless people.

Town	Number of Homeless	Total Population	% Homeless
Exeter	15	6,045	.25%
Burrillville	10	15,796	.06%
Foster	5	4,274	.12%
Scituate	8	10,324	.08%

Coventry	46	33,668	.14%
West Greenwich	11	5,085	.22%
Glocester	3	9,948	.03%
TOTAL	98	85,140	.12%
<i>Source: RI Emergency Shelter Report 2003</i>			

There is no homeless shelter, permanent or emergency, in the Town of Exeter. Regionally, the Welcome House of South County in Peace Dale and the Warwick Shelter are the closest shelters currently available to area homeless people. Also, Exeter is geographically located near (i.e. within 30 miles) two known population centers with relatively high numbers of homeless people like, Providence and Warwick. Homelessness is a statewide crisis with potentially severe localized impact for certain municipalities.

4.5.2 Special Needs Populations

Special need populations in Rhode Island consist of the frail elderly, veterans, persons with physical, mental or developmental disabilities, substance abuse problems and HIV/AIDS persons (RI Consolidated Plan 2000-2005). These individuals have unique treatment and housing needs to their particular situation. In addition, many require specialized medical and/or psychiatric care as well as permanent housing. Others require transitional housing and treatment facilities to assist them in adapting to life outside of the institutional environment.

The 2000-2005 Consolidated Plan discusses special needs populations from a statewide perspective. The State’s frail elderly population is expected to increase as the 75 years and older population grows, which will increase the demand for assisted living facilities and beds. This statement reinforces observations of a more recent study by Blue Cross/Blue Shield, the SHAPE Study, which points to the aging “baby boom” generation as increasing the demand for nursing homes and assisted living facilities (RIPEC 2003). Currently, Exeter ranks 34th in the State for its total number of elderly (i.e. 65 or older) population, and also reported that 313 out of 589 total resident over the age of 65 have a disability (i.e. sensory, physical, mental, and/or self-care disability) (RI Housing Database 2003).

Other disabled people, people living with HIV/AIDS, and persons transitioning from prison, psychiatric and/or substance abuse treatment programs represent a growing population of special needs individuals. Statewide, there has been a rise in the number of people living with AIDS from 808 in 1998 to 1,019 in 2002 (AIDS Action 2004). No AIDS cases were reported for Exeter based on the 2002 data; however, many of the metropolitan areas of Providence County reported the greater proportion of the State’s cases overall (AIDS Action 2004).

Generally, individuals leaving prison, a treatment center for substance abuse or mental health care require assistance entering the community they intend to live in. These populations are particularly important to consider in light of the fact that they are “at-risk” of succumbing to homelessness without support. At the time of this study, there were no available data estimating the population of these special needs populations in the

Town of Exeter. However, it is a well-documented fact that statewide these populations are increasing rather than decreasing (RI Consolidated Plan 2000).

4.6 Housing Availability

This section presents data to provide a detailed look at the total number of housing units, the number of owner-occupied units, the number of renter-occupied units, the number of vacant year-round units and the number of vacant seasonal units for Exeter and its surrounding area as for 1990 and 2000. Table 6 below provides an overview of this data.

The data suggests there were some minor increases and decreases regarding housing ownerships and housing tenure. The number of housing units increased by almost 15 percent from 1990 to 2000, this statistic is five percent higher than the Western Market Area and eight percent higher than Rhode Island. Although the number of occupied housing units increased slightly (2%), the number of owner-occupied units increased at less than one percent and renter-occupied units from 1990 to 2000 actually declined by one percent. The number of vacant units and seasonal units also decreased from 1990 to 2000. These numbers may suggest a possible trend; more housing units that served as seasonal/summer units some time ago are now being converted to year-round housing.

Table 6 – Housing Tenure and Ownerships						
	Exeter	%	Western Market Area	%	Rhode Island	%
Total Units						
1990	1,919		29,333		414,572	
2000	2,196		32,153		439,837	
% Increase						
1990-2000	14.4%		9.6%		6.1%	
Occupied Units						
1990	1,777	92.6%	27,542	93.9%	377,977	91.2%
2000	2,085	94.9%	30,863	96.9%	408,424	92.9%
Owner-Occupied						
1990	1,489	84.0%	22,592	82.0%	224,792	59.5%
2000	1,769	84.8%	25,543	82.8%	245,156	60.0%
Renter-Occupied						
1990	288	16.2%	4950	18.0%	153,185	40.5%
2000	316	15.2%	5320	17.2%	163,268	40.0%
Vacant Units						
1990	142	7.4%	1791	6.1%	36,595	8.8%
2000	111	5.1%	1290	4.0%	31,413	7.1%
Seasonal Units						
1990	45	2.3%	799	2.7%	12,037	2.9%
2000	38	1.7%	558	1.7%	12,988	3.0%
<i>Source: U.S. Census 1990, U.S. Census 2000</i>						

The percentage increase in housing units and population in Exeter since 1980 has generally been synonymous with each other although total housing units has been slightly

higher (see Table 7). These numbers may reflect the national trend toward smaller household sizes, especially in rural and suburban communities. According to Rhode Island Statewide Planning, "...between 1970 and 1995, the State added two units of housing for every one new addition to the population. Although this is not as apparent in Exeter, the reasons for this phenomenon are complicated. Factors include demographic trends such as smaller households, more elderly persons living independently, and economic trends such as the building boom of the mid-1980s (State Housing Plan, op. cit., p.2.5). Between 1990 and 2000, the average household size in Exeter declined slightly, from 2.88 to 2.77, while the average family size also declined, from 3.2 to 3.15 in 2000.

	Exeter		Rhode Island	
	% Increase 1980-1990	% Increase 1990-2000	% Increase 1980-1990	% Increase 1990-2000
Population	22.6%	10.7%	5.9%	4.5%
Total Housing Units		14.4%	11.2%	6.1%

Source: RI Housing Database 2003; U.S. Census 1990; U.S. Census 2000

4.7 Unit Distribution

The most common housing unit type in Exeter is a single family detached home. As shown below in Table 8 – Town of Exeter Housing Stock Distribution, from 1990 to 2000 the proportion of single-family homes in Town increased almost five percent. Another area of significance concerning type of housing unit is the number of mobile homes in Exeter; although the percentage of mobile homes decreased from 1990 to 2000, there is a rather large number of mobile homes that make up the housing stock distribution in Exeter. The type of units that decreased in percentage includes the 1-unit attached unit, 2-4 units, and the 10 or more units.

	1990	% of 1990	2000	% of 2000
Total # Units	1,919	100%	2,196	100%
Single Family Home	1,499	78.1%	1,818	82.8%
1 Unit Attached (ex. Condo)	22	1.1%	8	.36%
2-4 Units	69	3.6%	42	1.9%
5-9 Units	15	.78%	34	1.5%
10 or more Units	18	.94%	14	.64%
Mobile Home	296	15.4%	280	12.8%
Boat, RV, van, etc.	0	0%	0	0%

Source: U.S. Census 1990, U.S. Census 2000

4.7.1 Significance of Mobile Homes

Compared to other communities, Exeter has a large percent of mobile or manufactured homes. Exeter’s housing stock currently consists of 280 mobile homes, or 13 percent of the total housing units. The next largest percentage of mobile homes within the Western RI Housing Market is Coventry with 7 percent followed by West Greenwich with 6 percent mobile homes. Gloucester and Burrillville’s housing stock each consist of 4 percent mobile homes while Foster has 1 percent and Scituate has zero mobile homes. The total number of mobile homes in Rhode Island is 4,563, or 1 percent, of the total housing units.

There are two mobile home parks in Exeter, Split Rock and Mobile Village. Split Rock consists of 71 mobile units while Mobile Village includes 55 mobile units. The other mobile units are scattered around Exeter. Town officials realize that mobile homes do not count towards the ten percent threshold although these are truly “affordable” homes compared to site-built housing units. Given proper maintenance and repair, mobile homes can be an important source of affordable housing, particularly in rural areas, such as Exeter.

People often have a negative stereotype of manufactured or mobile homes. A manufactured or modular home, according to the Manufactured Housing Institute, is a single-family house constructed entirely in a controlled factory environment, built to the local, State or regional code and transported to the site and installed (2004). A “mobile” home is a dated term, this was the phrase used for factory-built homes produced prior to June 15, 1976, when the federal building code administered by HUD went into effect. Most of the housing units in Mobile Village were constructed in 1990. Currently, Exeter is one of nine communities in the State that allows mobile homes in the community (RI Statewide Planning Technical Paper 148 2001).

4.8 Age of Housing

Data on “Year Structure Built” was obtained for both occupied and vacant housing units (Table 9). “Year Structure Built” refers to when the building was first constructed, not when it was remodeled, added to, or converted. The data relate to the number of units built during the specified periods that were in existence at the time of enumeration of the 2000 Census. Most of the housing structures in Exeter were built between 1970-1989.

	Number of Units	% of Total Units
1999 to March 2000	44	2.0%
1995-1998	159	7.2%
1990-1994	281	12.8%
1980-1989	565	25.7%
1970-1979	572	26.0%
1960-1969	199	9.1%
1940-1959	231	10.5%
1939 or earlier	145	6.6%
Total Housing Units	2,196	100%

Source: U.S. Census 2000

Records of building permits issued by the Town are shown in Table 10 below. Almost 100 percent of the new housing stock is single-family homes. Since January 2000 there has been a total of 115 additional housing units constructed. If added to the 2,196 units enumerated in the 2000 Census, it is estimated that there were approximately 2,311 housing units constructed or authorized to start construction in the Town as of May 31, 2004. The quantity of annual building permits issued ranges from a low of 18 units in 2002 to a high of 67 in 1986. This data indicate trends that the development of new housing has historically proceeded at a slow pace. The notable exception was in the mid-to late-1980s when a very active economy and regional housing “boom” resulted in higher numbers of building permits issued. On average there has been approximately 44 units per year since 1980; due to the enactment of a building permit cap in 2002, the number of new housing starts will drop to 23 building permits issued per year.

Table 10 – Exeter Residential Building Permits (as of 5-31-04)			
YEAR	Single-Family	Multi-Family	Total Units
1980	24	2	26
1981	24	2	26
1982	39	0	39
1983	38	0	38
1984	50	0	50
1985	59	0	59
1986	67	0	67
1987	66	0	66
1988	56	0	56
1989	42	0	42
1990	53	0	53
1991	53	0	53
1992	37	0	37
1993	36	0	36
1994	41	0	41
1995	30	0	30
1996	40	0	40
1997	30	0	30
1998	43	0	43
1999	39	0	39
2000	32	0	32
2001	31	0	31
2002	18	0	18
2003	23	0	23
2004	11	0	11
TOTALS	982	4	986
<i>Source: RI Economic Development Corporation 2002, SONCS Data 2004</i>			

4.9 Recent Housing Development

The recent development patterns in Exeter tend to be consistent with the economic trends in the State. Essentially, when the State is experiencing good economic times, then the single-family building permits tend to be higher as can be seen with a spike of permits issued in the mid- to late-eighties and another minor spike in the late nineties. Other economic indicators such as the unemployment rate, per-capita income, federal spending, stock market, and poverty rate are just a few of the guides used to evaluate the economic standing of a town, State or nation.

The majority of the new development in Town takes the form of residential subdivisions. There were nineteen residential subdivisions developed in the late 1970s and 1980s. Subdivision activity was concentrated in the northern and southeastern parts of Town. All development occurred east of the New London Turnpike. Considerable activity took place north of Route 102 (Ten Rod Road) where seven subdivisions, representing 102 lots were developed between Fisherville Brook and the New London Turnpike.

4.10 Zoning

The Town of Exeter is divided into ten zoning districts, of which four zoning districts allow residential use permitted by right within the district for single-family structures. One of the zoning districts is the groundwater protection overlay district. Single-family mobile homes are permitted by right in four of the ten zoning districts and two-family dwelling structures (duplex) are allowed in four zoning districts by special permit only if approved by the zoning board of review.

The zoning districts include:

- *Residential district, RE-2 (Medium density)*. The purpose of this zone is to provide adequate land suitable for residential development. More importantly, the density permitted in this district would maintain an adequate water supply and suitable soil for individual septic disposal systems. This district requires a minimum lot size of two acres. Single-family structures are permitted by right within this district, two-family dwelling structures are allowed by a special use permit only if approved by the zoning board of review. There are five areas in the Town that are designated as RE-2, those areas being: the area around Boone Lake; the area between I-95 and Route 3 to the rear of Black Plain Road; three areas in the southeast portion of Exeter, extending outside the Queens River Aquifer, another between Yawgoo Valley Road and Liberty Road, one off Wolf Rocks Road just behind the business zone along Route 2, and finally in the corner of Town between Wolf Rocks and Slocum Road.
- *Rural district, RU-3 (Medium low density)*. The purpose of this zone is to provide adequate land suitable for low-density residential rural development blended with forestry, farming, and recreational activities. This district requires a minimum lot size of three acres. Single-family structures are permitted by right within this district, two-family dwelling structures are allowed by a special use permit only if approved by the zoning board of review. This zone is found in those areas of reduced environmental constraints to the east of the New London Turnpike; these

areas lie outside of the aquifer and its recharge areas dominating that area adjacent to the Richmond border with a second area in the northeast portion of the Town adjacent to East Greenwich and North Kingstown.

- *Rural district, RU-4 (Low density/Environmental)*. The purpose of this zone is to protect land now used for forestry, farming and related activities and the natural habitat and wildlife and to preserve the area's rural character. This zone provides land suitable for low-density residential development and reserves land for future farming, forestry, conservation practices and recreational uses. This district requires a minimum lot size of four acres. Single-family structures are permitted by right within this district, two-family dwelling structures are allowed by a special use permit only if approved by the zoning board of review. The RU-4 dominates the eastern half of the Town that is home to an extensive aquifer recharge area associated with the Queens River.
- *Conservation/recreation, CR-5 (Rural/Environmental)*. This zone is established as a separate district to preserve and protect an area abundant with natural resources, landscapes and sensitive soils having severe limitations, and to provide for a natural mixture of residential and recreational uses. This district requires a minimum of five acres. Single-family structures are permitted by right within this district, two-family dwelling structures are allowed by a special use permit only if approved by the zoning board of review. The CR-5 is utilized to maintain the rural character of the lands adjacent to Arcadia Park and Beach Pond.
- *Business district, B*. The purpose of this zone is to provide areas for businesses, which would serve the day-to-day needs of the residential population of the community. Also, its purpose is to provide areas for commercial activities to serve the needs of the entire community and the contiguous regions. Any use not specifically listed as a permitted use is prohibited. Each business must contain, within its own lot, the wellhead protection for the well supplying all its water. There is no designated acreage for this district. Single-family structures are allowed by a special permit only if approved by the zoning board of review. Two-family dwelling structures are not permitted and are specifically prohibited within the district.
- *Light business/residential district, LB/R*. The purpose of this zone is to allow the development of low density commercial uses including residences, home occupations and light business uses, and to provide a buffer to the existing general business uses that exist. All uses are subject to development plan review requirements. This district requires a minimum of two acres. Single-family structures are allowed by a special permit only if approved by the zoning board of review. Two-family dwelling structures are not permitted and are specifically prohibited within the district.
- *Light industrial district, LI*. The purpose of this zone is to provide areas for the future development of light industrial and allied uses and to provide for existing uses of this nature. Areas so designated are considered to be geographically and topographically suitable for the future economic growth of the community. All uses shall strictly comply with the established maximum building capacity of 250 persons. Each industry must contain, within its own lot, the wellhead protection for the well supplying all its water. This district requires a minimum of two acres.

- *Open space and public land, OSPL.* The purpose of this zone is to identify State lands and other lands held for recreation, conservation and public access purposes and to afford future protection against the conversion of these lands to another use inconsistent with that now in existence. Other lands that are purchased or controlled in the Town in the future may be added to this category.
- *Groundwater protection overlay district, GWOL.* The purpose of this zone is to preserve, protect and maintain the quality and quantity of groundwater supply and groundwater recharge areas of the Town. This groundwater is the primary existing and future water supply source for the Town. The groundwater reservoirs that underlie Exeter are unique and valuable resources that are vulnerable to contamination to their unconfined condition, closeness to the ground surface, and the permeability of the overlying soils. It is the intent of this overlay district to protect the health, safety and welfare of the public.
- *Planned Districts.* The purpose of this zone is to provide control for the future business and industry, and special sites including the Ladd Center and Dorset Mill. Included in this zone are village center districts, planned business and light industrial development districts. An additional purpose of this zone is to foster development given the unique nature of these zones as sites for future mixed use development and sensitive environmental constraints. Any proposed use in this zone shall require a special use permit and be subject to development plan review requirements. Neither single-family structures nor two-family structures are allowed in this district (Exeter Zoning Ordinance 2003).

Agricultural land makes up the single largest land use category, covering 7.4 percent or 2,760 acres of Exeter's total area of 37,375 acres. The second largest use category is residential at 2,007 acres or 5.4 percent of all lands. The majority of residential development in Town can be characterized as medium density residential. Additionally, State recreational facilities cover close to 5,000 acres or 13 percent of the Town's acreage. Over 2,000 acres is dedicated to private recreational use; combined, the State and private use account for approximately 7,000 acres or a full 19 percent of all Town land. In addition to the vast amounts of land dedicated to recreational use, there are also many legal nonconforming lots around Cedar Grove, Boone Lake and Black Plain Road; such inconsistencies are the result of pre-existing small lots (Exeter Comprehensive Plan 2003).

4.11 Developable Land / Build-Out Analysis

A build-out analysis or land capacity analysis is a technique used to estimate the resulting development in a community if it were to be entirely developed under the provisions of the existing zoning. It is a planning exercise that shows future land uses that result from existing regulations and policies. There are two major reasons for performing a build-out analysis. First, basic knowledge regarding the ability of the land to accommodate additional development under present zoning can be understood. Second, it can help to identify critical issues, such as shortage or surplus, which may need to be considered in the formulation of planning policies and implementation strategies designed to address them. For purposes of this exercise, the Town was divided into two districts, District I

being all land west of New London Turnpike, and District II being that land east of the Turnpike.

A build-out analysis was performed by Beta Engineering and is included in the Exeter Comprehensive Plan. The build-out analysis identified existing developed, buildable, and unbuildable land (due to environmental constraints), current zoning requirements and the land's natural capacity to support development. The number of dwellings was estimated through the number of available buildable acres. In regards to residential build-out, Beta Engineering estimated that 5,508 units could be developed within the Town boundaries. This potential increase in units would result in an increase of 15,865 people (assuming a household size of 2.88 persons per household); this potential increase could mean a total build-out population of 21,326 people. The greatest potential for growth exists in the RU-4 zone bordered by Ten Rod Road to the north and Mail Road to the south in Planning District 2. In addition, another area that has a high capacity for growth includes the RE-2 zone in the southwest corner of the district and the remainder of the RU-4 zone near Ten Rod Road. These combined areas represent 25 percent of the total buildable acres, as well as 27 percent of the total build-out units. Another area for potential growth in Planning District 1 is the RU-4 zone, north of Ten Rod Road. This area has the potential for 413 more units or 25 percent of the District I total. Other areas with significant potential include the RU-3 zone south of Ten Rod Road in Planning District I and the CR-5 zone also south of Ten Rod Road in District II (Exeter Comp. Plan 2003). The following table predicts the residential build-out by planning district.

Table 11 - Residential Build-Out by Planning District		
AREA	UNITS	POPULATION
DISTRICT 1 – West of New London Turnpike		
RE-2	214.2	616.9
RU-3	N/A	N/A
RU-4	537.1	1,546.8
CR-5	889.3	2,561.2
Subtotal	1,640.6	4,724.9
DISTRICT 2 – East of New London Turnpike		
RE-2	791.1	2,278.4
RU-3	1,370.7	3,947.6
RU-4	1,374.5	3,958.6
CR-5	331.7	955.3
Subtotal	3,868	11,139.9
TOWN-WIDE	5,508.6	15,864.8
<i>Source: Town of Exeter Comprehensive Plan, April 2004</i>		

4.12 Income Data

As reported in the U.S. Census, the 2000 *median household income* in Exeter was \$64,452 and the per capita income was \$25,530 (see Table 12). These data compare favorably with the income figures for the State of Rhode Island as a whole, which were \$42,090 and \$21,688 respectively. In terms of median household income, Exeter ranked 4th highest of the 39 communities in the State. Within the Western Market Area, Exeter

ranked 2nd highest median household income; West Greenwich was the only other community in the Western Market Area to have a higher median household income. All of the Western Market Area communities exceeded the State median household income in 2000; four out of the seven communities ranked in the top 10 highest median household incomes in the State.

Since 1980, the median household income in Exeter has increased steadily and on pace with the increases experienced by the region and the State as a whole. Exeter has actually had a significant higher increase in median household income from 1990 to 2000 than most communities in Rhode Island, as reflected with the 68.8 percent increase, compared to the 47.6 percent increase in the Western Market communities and only a 30.8 percent increase overall in Rhode Island. Table 12 provides a summary of the income data for 1980, 1990, and 2000 for Exeter, the Western Housing Market Area and the State of Rhode Island. These data are based on 1979, 1989, and 1999 data respectively, and are not adjusted for inflation. Therefore, the percent changes are given in Table 12 reflect the increases in actual values for the reported years.

Calculations of thirty percent (30%), fifty percent (50%), eighty percent (80%) and one hundred twenty percent (120%) of median household income were made to show standard “benchmarks” for determining household income levels (i.e. very low, low, and moderate). Rhode Island law provides a specific definition for “moderate income household” which, as discussed below, is an important factor in determining the affordability of housing in any given area. According to R.I.G.L 42-128, moderate income household means a single person, family, or unrelated persons living together whose adjusted gross income is more than eight percent (80%) but less than one hundred percent (120%) of the area median income, adjusted for family size.

Table 12 – Median Household Income for Exeter, Western Market Area and Rhode Island, 1980-2000			
YEAR	Exeter	Western Housing Market Area	Rhode Island
1980	\$17,841	\$18,880	\$16,097
1990	\$38,179	\$39,969	\$32,181
2000	\$64,452	\$58,964	\$42,090
Percent Change 1980-1990	114.0%	112.0%	100%
Percent Change 1990-2000	68.8%	47.6%	30.8%
120% of Median	\$77,342	\$70,757	\$50,508
80% of Median	\$51,562	\$47,171	\$33,672
50% of Median	\$32,226	\$29,482	\$21,045
30% of Median	\$19,336	\$17,689	\$12,627
<i>Source: U.S. Census 1980; U.S. Census 1990; U.S. Census 2000 (Based on 1979, 1989, and 1999 economic data)</i>			

According to 2000 U.S. Census and HUD data prepared and analyzed by the RI Statewide Planning Program, Exeter’s household populations consist of a wide range of income levels. Table 13 summarizes the distribution of income in Exeter, the region and the State and the number of households falling into the “very low” (below 30% of median household income (MHI)), “low” (30% to 49% of MHI) and “moderate” (50% to 80% of MHI). These data begin the demonstration of how many households, locally and regionally, could potentially be financially “at risk” and susceptible to living in problematic housing conditions or homelessness.

	Exeter	Exeter %	Western RI Market Area	Western RI Market %	Rhode Island	Rhode Island %
# of Households	2,085	100%	30,842	100%	408,424	100%
Less than \$10,000	84	3.3%	1,468	4.8%	43,800	10.7%
\$10,000-\$14,999	31	4.0%	1,314	4.3%	28,604	7.0%
\$15,000-\$24,999	173	8.3%	2,823	9.2%	50,524	12.4%
\$25,000-\$34,999	156	6.2%	2,856	9.3%	48,428	11.9%
\$35,000-\$49,999	263	17.2%	4,766	15.5%	64,068	15.7%
\$50,000-\$74,999	477	29.0%	8,236	27.0%	82,350	20.2%
\$75,000-\$99,999	460	18.2%	5,010	16.2%	43,623	10.7%
\$100,000-\$149,999	312	10.0%	3,240	11.0%	31,162	7.6%
\$150,000-\$199,999	70	2.4%	611	2.0%	7,914	1.9%
\$200,000 or more	59	1.4%	518	1.7%	7,939	1.9%

Source: 2000, U.S. Census (SF3) P52 Household Income in 1999: Universe Households

	Extremely Low Income Below 30 % MHI		Very Low Income 30 to 49% MHI		Low 50% to 80% MHI	
	Number	Percentage %	Number	Percentage %	Number	Percentage %
Exeter – 2,085	94	4.5%	194	9.3%	264	12.75

Source: 2000 CHAS Data book - Exeter, RI

Table 15 below presents household income data for owner-occupied and renter-occupied households for Exeter, Western Market Area and Rhode Island, including calculations for “moderate income household.” The data reveal a marked difference in incomes between owner-occupied and renter-occupied households. In 2000, the median owner-occupied household income was \$74,673, which is more than double the \$31,458 for renter-occupied households. Similarly, for the region and the State as a whole, owner-occupied household incomes were greater than twice renter-occupied households. The RI Statewide Planning Program reported that approximately 3.0 percent, or 53, of the Exeter households living in owner-occupied housing units in 2000 were living below the poverty level. For renter-occupied households, this figure was 13.3 percent, or 316 households. These percentages were still well below the State averages of 4.1 percent and 25 percent,

respectively. The “weighted average threshold” or “poverty line” for one individual in 2000 was \$8,794 and for a 2-person family unit with no children was \$11,239 (U.S. Census 2000).

	Exeter		Western RI Market Area		Rhode Island	
	Owner-occupied	Renter-occupied	Owner-occupied	Renter-occupied	Owner-occupied	Renter-occupied
120% of median income	\$89,608	\$37,750	\$76,661	\$35,353	\$67,871	\$29,233
Median Income	\$74,673	\$31,458	\$63,884	\$29,461	\$56,559	\$24,361
80% of median income	\$59,738	\$25,166	\$51,107	\$23,569	\$45,247	\$19,705

Source: RI Housing Database, July 2003, U.S. Census 2000

These median household income figures play an important role in assessing the ability of the area’s households to afford local and regional housing prices. Whereas, “affordable housing” is specifically defined by Rhode Island General Law and depends largely on household incomes and whether housing ownership or rental is considered.

The R.I.G.L. 42-128 differentiates the definition of affordable housing between dwelling units “for sale” and “for rent”:

In the case of dwelling units for sale housing that is affordable means housing in which principal, interest, which may be adjusted by State and local programs for property tax relief, and insurance constitute no more than 30% of the gross household income for a moderate income household. In the case of dwelling units for rent, housing that is affordable means housing for which the rent, heat, and utilities other than telephone constitute no more than 30% of the gross annual household income for a household with 80% or less of the area median income, adjusted for family size (R.I.G.L. 42-128).

For affordable home ownership, households earning between 80 percent and 120 percent of the median household income, should not be spending more than 30 percent of their gross annual income. For affordable rental housing, households earning 80 percent or less of the median household income, should not be spending more than 30 percent of their gross annual income. Table 16 summarizes the maximum housing costs for ownership and rental based on the State definitions.

	Exeter		Western RI Market Area		Rhode Island	
	Maximum Monthly Ownership Costs ¹	Maximum Monthly Rental Costs ²	Maximum Monthly Ownership Costs ¹	Maximum Monthly Rental Costs ²	Maximum Monthly Ownership Costs ¹	Maximum Monthly Rental Costs ²

ALL ³	\$1,289- \$1,669	\$1,289 or less	\$1,179- \$1,769	\$1,179 or less	\$842- \$1,263	\$842 or less
Owner- Occupied	\$1,493- \$2,240		\$1,278- \$1,917		\$1,131- \$1,697	
Renter- Occupied		\$629 or less		\$589 or less		\$493 or less
¹ Range calculated from 30% of the 80% and 120% of median household incomes divided by 12 months to determine the maximum payments a household owning and maintaining a home could make. ² Figure represents 30% of 80% of median household incomes divided by 12 months. Affordability for renters is determined to be no greater than 80% of an area's median household income. ³ Figures were determined from the 80% and 120% of median income based upon Table 13.						
<i>Source: U.S. Census, RI Housing Database, July 2003</i>						

Section 4.14 considers housing prices for ownership and rental. It will compare the income data presented above with housing costs (i.e. mortgage payments, insurance, contract rents, utilities, etc.) to indicate if an affordability gap exists for households in Glocester and the region. This analysis will inform the overall study of affordable housing needs in terms of magnitude and extent.

4.13 Local and Regional Job Growth

Exeter is a bedroom community, where the Town stays as primarily residential in character, with most of its residents commuting to a nearby town or city to earn a livelihood. According to a study done by the RI Department of Labor and Training, 72 percent of Exeter residents work outside of Exeter. The study also found that of the 3,252 Exeter residents that are employed, over 13 percent commute to Providence and over 16 percent travel to Warwick. Over 28 percent, or 261 people, who are Exeter residents are also employed in Exeter.

There are currently 912 people who work in Exeter, 651 of those employed within the Town are not Exeter residents (RI Department of Labor and Training 2004). Major employers in Town include Job Corps that employs 93 people when fully operational, Carbon Tech employs approximately 100 people and the Exeter School District is also one of the larger employers.

Over the last few years there has been development at different stages of discussion and/or approval. The development would most likely be a mix of retail stores, restaurants and office space. Oak Harbour Village was constructed two years ago and similar development will most likely take place in the near future. Economic development that does take place in Exeter will not bring major employers but will have a positive impact in Exeter.

4.14 Housing Prices – Ownership and Rental

In order to accurately portray the housing issues in Exeter it is important to present an examination of the cost of buying a home as well as the cost of renting an apartment or other residence. As already discussed, of the several types of housing available in Exeter, single-family detached homes on individual lots are the most common as Table 8

illustrates (almost 83 percent of the total housing stock are single-family, detached homes). Single-family attached units, i.e. condominiums, represent an additional .36 percent (8 units) of all the housing in Exeter. The price of single-family housing in Exeter has grown in proportion with the Western Area Market housing as well as with the State. The median sale price of single-family homes in Exeter has increased from \$131,250 in 1990 to \$184,450 in 2000, an increase of 41 percent. In 2001, the median sales price for a single family home was \$222,000 and the average sale price was \$234,803 based on 37 sales (Housing Data Base 2003). The median sale price continued to increase to \$240,000 in 2002, and by year-end of 2003 it had jumped 16.6 percent to \$279,900. For the first half of 2004, January to end of June, there have been 15 single family house sales in which the median house sale was \$305,000 (RILiving.com 2004), thus confirming a widening gap between housing price and income levels creating an affordability problem for Exeter residents, who maintained a median household income (MHI) of \$64,452 as of 2000.

Year	Median Sales Price	% Change
1980	\$46,000	
1990	\$131,250	185% from 1980
1995	\$142,895	9% from 1990
2000	\$184,450	29% from 1995
2001	\$210,000	14% from 2000
2002	\$240,000	14% from 2001
2003	\$279,900	17% from 2002
2004 (as of 6/30/04)	\$305,000	8.2% from 2003
<i>Source: U.S. Census 1990, U.S. Census 2000, R.I. Living.com 2004</i>		

At mid-year 2004 sales prices, a household would have to pay approximately \$2,491.04 per month to afford a median-priced home in Exeter; this figure is based on the following: assuming a sales price of \$305,000, with 5 percent down with a 30 year mortgage at 7 percent interest, \$14.70 per \$1,000 annual property tax, \$90 per month insurance fee and \$140 per month private mortgage insurance. These monthly payments would be affordable to a household making roughly 135 percent of the owner-occupied median household income, or \$100,809 annually, in Exeter. Approximately 79 percent of all Gloucester households would not be able to afford to purchase a home at this price. In comparison, a home with monthly payments no greater than \$2,240 (or 120% of owner-occupied household income), which equates to an approximate sales price of \$265,000, would be considered affordable to those households making as much as 120 percent of the median household owner-occupied income or \$89,608 annually.

For a household earning a median income of \$64,452, it is estimated that in August 2004, they could afford to purchase a single-family home valued at \$213,500. This figure is based on the assumption of a 30 year mortgage at 5 percent, with 5 percent down, annual property taxes of \$3,500, \$90 per month insurance fee and \$140 per month private mortgage insurance. These estimates are useful as a general guide in determining affordability of housing available for sale in the local market and will change with economic conditions. As already illustrated, the median income household has a very

difficult time finding a single-family home in Exeter at the present time. The 2004 median sales price (for the first half of the year) is over 43 percent higher than the home that the median earner could afford. Homeownership assistance may be available to many prospective buyers, but an “affordable” or “starter” home is virtually unavailable in the present Exeter housing market.

Federal and State housing subsidy program guidelines classify affordability in terms of household income. Table 18 summarizes the current federal and State income limits relating to certain programs. Generally, these guidelines set income limits for entry into particular programs, like Section 8 assistance. For Rhode Island, RI Housing issued Income and Purchase Price Limits (effective March 17, 2004) that dictate the eligibility of applicants for homeownership assistance (RI Housing 2004). The income limits for a 1- or 2-person household was set at \$67,900. For a 3-or more person household, the limit is set at \$78,000. This means that any household earning more than these upper limits would not be eligible for housing subsidy programs.

Table 18 - Income Limits for Federal Housing Programs established by HUD for the Providence-Fall River-Warwick, RI-MA Washington County Statistical Area				
FY 2004 Median Family Income: \$68,300				
	1 Person	2 Person	3 Person	4 Person
30% of Median	\$14,350	\$16,400	\$18,450	\$20,500
Very Low Income	\$23,900	\$27,300	\$30,750	\$34,150
Low Income	\$38,250	\$43,700	\$49,200	\$54,650
Source: HUD 2004				
Rhode Island Housing Home Purchase Price Limits				
Single-family home or condominium	\$330,000			
Existing two-family home	\$360,000			
Existing three- and four-family home	\$500,000			
Source: RI Housing, March 2004				

In Exeter, approximately, 1,283 households, or 62 percent earn more than \$67,900 annually and approximately 533 households or 26 percent of households earn more than \$78,000 annually. Therefore, roughly 38 to 74 percent of the households in Exeter could be eligible for home ownership assistance depending on the size of the household.

The State’s Consolidated Plan for 2000-2005 captures the primary dilemma of current housing trends when it states, “The incomes of Rhode Island’s lower income households are failing to keep pace with rising housing costs” (RI Consolidated Plan). Similar to the issues facing potential homeowners, most renters are faced with monthly costs that are less than affordable. The rental market in Exeter has become more expensive over the past decade. In 2000, monthly gross rent was \$574, which is slightly more expensive than the Western RI Housing Market as well as the State, see Table 19. According to the 2000 Census, there are 269 specified renter-occupied units which have a range of rental prices; there are currently 22 units that have rents of \$200 or less, zero units with rents between \$200-\$299, 26 units with rents between \$300-\$499, 105 units with rents between \$500-\$749, 32 units with rents between \$750-\$999, 7 units with rents between \$1,000-\$1,499, 8 units with rents of \$1,500 or more and 69 rental units with no cash rent

(Housing Database 2003). Approximately 31 percent of renters pay more than 30 percent of their income for rent, and 18 percent of renters pay more than 40 percent of household income for rent (BC Stewart 2004).

	Median Monthly Gross Rent		
	Exeter	Western RI Housing Market Area	Rhode Island
2000	\$574	\$564	\$553

Source: RI Housing Database 2003 – Gross rent is monthly contract rent plus the estimated average monthly cost of utilities and fuels.

The dominating apartment complex in Exeter, Yawgoo Valley Apartments, located on Yawgoo Valley Road provides 56 one-bedroom rental units. RI Housing performed a housing rent survey from 2002 and 2003 and compared the two years; the survey was based on a sample survey of unfurnished apartments advertised in local newspapers. Over the course of the survey timeframe there was no information given for apartments in Exeter, it is reasonable to conclude, with this fact alone, that Exeter has the need for additional rental units. The only information given within the Western RI Housing Market area was for Coventry and Gloucester. The average rent for a 2-bedroom apartment for these towns was \$919 and \$817 per month respectively. The RI Housing apartment survey found that the average rental price of all towns included in this survey for a 2-bedroom apartment was \$1,032 for 2003 (RI Housing 2003); this statistic more accurately portrays the actual rental price for a 2-bedroom apartment in Exeter.

Another way to examine the affordability of local rents is to look at the trend in HUD’s Fair Market Rents. Table 19 summarizes the Fair Market Rents for the areas that pertain to Exeter and Rhode Island as published by HUD from 2000 to 2004. Fair market rents in this region have shown a steady increase since 2001, illustrating a 2 percent increase overall. The data for all households in Exeter, Western RI Housing Market area and Rhode Island indicate that the majority of households could afford these FMRs (see Table 20). Whereas, the inspection of renter-occupied household income reveals that current renters are in a much more challenging financial situation. Roughly half of the renter-occupied households in Exeter and the Western RI Housing Market area are priced out of the FMRs for the area.

FMR Region	2001	2002	2003	2004	% Change 2000-2004
New London-Norwich, CT-RI	\$738	\$764	\$784	\$797	8%
Providence-Fall River-Warwick	\$628	\$650	\$667	\$678	8%

Source: HUD 2004

As will be addressed in the next section, the greatest housing needs in Exeter, like those in the region and the State, come from several subsets within the population. A principal

demand for affordable houses comes from low and very low-income households (566 households in 2000) and families that cannot afford current home ownership and rental prices.

CHAPTER FIVE: AFFORDABLE HOUSING IN EXETER

As defined in the Rhode Island Low and Moderate Income Housing Act (R.I. General Laws, 45-53-3), as amended, the term “Low or moderate income housing” means:

Any housing subsidized by the federal, State, or municipal government under any program to assist the construction or rehabilitation of housing as low or moderate income housing, as defined in the applicable federal or State statute, whether built or operated by any public agency or any nonprofit organization, or by any limited equity housing cooperative or any private developer, that will remain affordable for not less than thirty (30) years from initial occupancy through a land lease and/or deed restriction.

As stated earlier, the Act requires all Rhode Island municipalities to provide that a certain minimum percentage of the total housing units in the Town qualify as subsidized low and moderate income housing. In Exeter, this percentage is 10 percent, and as of July 2004, 1.34 percent of the total housing units in Exeter met this definition. Two categories of housing in Exeter clearly meet the common sense definition of affordable housing: mobile homes and HUD Section 8 tenant-based vouchers. Information from local, State, and federal sources differ somewhat, but a conservative estimate puts the mobile home count at about 280 and a Section 8 voucher count at 15, for a total of 295 truly affordable units of housing that are not counted under the statutory definition.

5.1 Existing Affordable Units in the Town

According to the State definition of low and moderate-income housing, which requires that the units be subsidized, there were a total of 29 affordable housing units in Exeter as of February 2004. These are listed as follows:

Table 21 – Low and Moderate Income Housing, Exeter, RI				
NAME	TYPE	RENT/OWNER	ADDRESS	# UNITS
Elderly				
THERE ARE CURRENTLY NO ELDERLY LOW/MODERATE INCOME HOUSING				
Family				
	South County Habitat for Humanity		Yawgoo Valley Road	2
Special Needs				
Various	Group Home Beds	N/A	Various	27
Total				29
<i>Source: RI Housing, February 2004</i>				

5.2 Barriers to Affordable Housing Development

Barriers to the construction of affordable housing in Exeter are similar to those of the other Western RI Housing Market Area communities. Issues include, apart from regional

factors, the cost of land, difficulty providing infrastructure (including water and sewer), community opposition and constraints, and local zoning.

5.2.1 Cost of Land

Exeter is in a far more favorable position to secure affordable vacant land than other communities to the south, due to coastal properties. Exeter's generally rural character and inland location result in vacant-land costs one-fifth or less the cost of land in the southern communities. Exeter's per acre cost of \$31,000 to 60,000 is principally associated with the sale of multiple acres of land for prices from \$179,000 to \$260,000. Affordable housing is most likely to be feasible in multi-family developments or as a percentage of total housing units in a new market-rate subdivision (BC Stewart 2004).

5.2.2 Septic and Water Costs

The certification and cost of constructing septic systems for new housing units poses a financial barrier to the creation of affordable housing in Exeter. In 1990, 95 percent of all existing homes in Exeter utilized septic tanks for the disposal of waste (Housing Database 2003). According to local developers, the construction of septic systems increases the cost of new housing by \$5,000 to \$15,000 per unit. The cost of septic systems depends upon the suitability of the land given the water table, adjacency to watershed features (streams, rivers and ponds), and drainage. The suitability of vacant land primarily affects the length of time required to receive State permit approvals from the Department of Environmental Management and the cost of the system chosen. The construction of multi-unit septic systems can increase the efficiency of land use and reduce the per-unit cost of sewerage disposal.

Currently, the only public water systems in Exeter include: Camp E-Hun-Tee, Mobile Village Park, Shady Acres, and Split Rock Corporation. According to Statewide Planning's Housing Database, 1,554 housing units in Exeter rely on an individual drilled well and 557 housing units get water from an individual dug well. Only 72 housing units obtain water from a public system or private company. The cost of a typical drilled well will cost on average about \$5,000 per home.

5.2.3 Zoning

Zoning requirements can often be an impediment to the construction of affordable housing units. Given the high cost of land, large minimum lot sizes (even as small as one acre) can add significantly to the per-unit cost of construction in Exeter. The adoption of cluster or conservation zoning and smaller minimum lot sizes would add to the efficiency of land use. However, given the prevalence of septic systems and cesspools on lands not well suited to septic systems, developers may face increased costs and longer certification periods when constructing multi-unit septic systems at a density of more than one unit per acre.

5.2.4 Community Opposition/Fiscal Constraints

Exeter is similar to many communities in Rhode Island in the relative strength of local opposition to new affordable housing units. Some opponents of affordable housing harbor a misunderstanding about the design and quality of most affordable housing currently constructed, or are unaware of the broad range of current Exeter residents who need affordable housing. Other opponents of affordable housing fear that the creation of higher density housing developments will alter the design and feel of the community.

The addition of new low-income families with children into the community will create a fiscal burden on town budgets. Public concern over new housing developments, whether affordable or not, can create real concerns that must be mitigated through a process of public planning and discussion. However, it is essential to note that affordable housing benefits not only new residents, but also current residents who pay a disproportionate percentage of their income for shelter. Those low and moderate-income residents are typically families who work full-time and contribute to communities in a variety of roles. Additionally, Exeter does not have a housing authority, thus the Town Council and planning and zoning boards are at the forefront of the local affordable housing as well as working on other daily issues. These board members are severely limited in the amount of time they are able to put toward affordable housing issues.

5.3 Tax Exemptions and “At Risk” Exeter Residents

The Town of Exeter offers several tax exemptions for qualifying residents. In order to make the cost of living more affordable to some qualifying residents in Town, the tax assessor provides tax exemptions to residents who face some sort of hardship due to disability, age or income. Residents who qualify for tax exemptions can have a portion of or all of their taxes rescinded to lessen the burden of living in Exeter. A further summary of these tax exemptions are provided as follows:

1. Elderly tax exemption for residents whose income ranges from less than \$20,000 to \$52,000. Residents whose yearly income is less than \$20,000 can receive a 50 percent tax deduction while a resident whose income is between \$40,001 - \$52,000 can receive a 5 percent deduction.
2. Elderly tax exemption per a sliding scale.
3. Veterans can receive between a \$1,000 - \$5,000 tax deduction.
4. Tax exemption for residents who claim farm, forestry and/or open space; can receive a \$500 deduction per acre.

According to Rhode Island Housing’s *Housing Database*, there is a wide array of social, economic and demographic factors that place individuals and families “at risk.” The following are a list of statistics taken from the Housing Database which includes Exeter “at risk” residents. In June 2002, there were 17 active cases involving the Family Independence Program (welfare), 43 active cases of supplemental security income, four cases received General Public Assistance (GPA), 77 active cases of residents who received participated in the Food Stamp Program, 93 cases received financial support from the Rhode Island Low-Income Energy Assistance Program (LIHEAP) (2003).

5.4 South County Habitat for Humanity

Habitat for Humanity works in partnership with people in need to build and renovate decent, affordable housing. These houses then are sold at no profit to qualifying low-income individuals and families and financed with no interest mortgages (Habitat for Humanity website 2004). The South County Habitat for Humanity has had a presence in Exeter. While Habitat's work has not added significantly to the affordable housing stock (only 2 home-ownership units), its presence on the affordable housing front and visibility as a force of the housing needs of families contribute in important ways to community awareness of the issues (BC Stewart 2004).

5.5 South County Community Action (SCCA)

The South County Community Action program is the administrator of the Home Repair Program in Exeter.

5.6 Rehabilitation of Existing Housing Stock

Unlike other communities in Rhode Island, Exeter does not have a rich history of historic buildings and properties. Less than 7 percent of the housing structures were built in 1939 or earlier while most of the housing stock (52%) was built between 1970-1989. The rehabilitation of the oldest housing stock is possible but of more significance to Exeter is the large number of mobile homes in Town. Any housing strategy must recognize the importance of these mobile homes, considering these housing units comprise 13 percent of the total housing stock, and integrate them into the future plans for housing rehabilitation. Obtaining State and federal subsidies by the Town for the mobile homes that are in need of an upgrade or improvement in any aspect would be an important route for Exeter to take in order to increase the number of low and moderate units without building new housing units.

5.7 Building Permit Cap System

In 2001 the Exeter Town Council determined that growth management was in the best interest of the Town and implemented a building permit cap system with a purpose to equitably allocate a limited number of new residential building permits over time, so as to minimize the burden on existing facilities and resources (Exeter Zoning 2003). The total number of building permits issued annually is computed each year based upon a formula, which currently allows 23 units per year.

There are certain exemptions from the building cap system that includes vested rights building; elderly housing; retired adult communities; multifamily dwellings; and community residences. Under the zoning ordinance, first priority of issued building permits is given to applications for construction of low and moderate-income housing followed by applications for construction of a new single-family detached dwelling

CHAPTER SIX: PROJECTION OF LOW AND MODERATE INCOME HOUSING NEED

6.1 Quantitative Estimates of Future Housing

This section examines the number of affordable housing units needed to achieve the applicable threshold requirement for affordable housing in Exeter. The Act requires 10 percent of the Town's housing units to qualify as low or moderate-income housing. At the present time, the Town has 29 such units. Ten percent (10%) of the Town's 2,158 housing units (minus seasonal units)(U.S. Census 2000) require a total of 216 units, or a deficit of 187 units. In order to encourage the construction of enough affordable units to reach the ten percent goal "within a reasonable period of time," the Housing Plan must adopt policies and identify strategies that will, if successfully implemented, put the Town in compliance with the requirements of the Act (Handbook 16, *op. cit.*, p. IV-19).

Rhode Island Housing had prepared a template Microsoft Excel worksheet that estimates the status of Low and Moderate Income Housing in numerous towns (RI Housing 2003). This worksheet provides an estimate of the number of housing units required over time to reach the ten percent requirement, and is shown below. **The worksheet does not take into account the building permit cap Exeter implemented in 2002 but is still useful in order to acknowledge what could happen to Exeter if the building permit cap was not put into practice.** The document assumes four growth scenarios; an estimate is made of the number of low/moderate units that would be required to be constructed annually to reach the goal. These estimates range from 12-14 units per year over an estimated 20 years. If any one of these estimates is used, the Town would have to restrict anywhere from 30 to 46 percent of the annual number of housing units built in the Town to qualified low and moderate income housing. The column, "most recent building rate," is very close to the building rate with the implemented permit cap. The permit cap is the reason the "most recent building rate" is not increasing as fast as the "slow growth" column. On the following page is Table 22, the Rhode Island Housing worksheet, as described above.

The number of building permits issued in Exeter peaked in 1986, and the number has declined steadily since. The average permits issued for the three years prior to the growth management cap was 34 (see Table 10, Chapter Four). Since Growth Management, the cap has been 22 permits per year. Assuming the permit cap remains at the current rate, the number of houses per year will be 22 and by 2020 there will be 2,598 units, requiring 260 LMI units by 2020.

6.2 The Consolidated Plan

Demand for affordable housing must also be examined in terms of meeting local and regional affordable housing needs. The Town must plan its affordable housing strategies so as to encourage production of the types of housing that are most needed by the community. These strategies must also bear a direct relationship with the State's five-

year Consolidated Plan. This five-year plan is based on a review of the State's housing market and housing, homeless and community development needs.

The State of Rhode Island Consolidated Plan 2000-2005 examined housing conditions in the State based on the 1990 Census. Some of the major findings of this study are:

- Rhode Island's homeownership rate continues to be lower than the national average
- Rhode Island has an insufficient number of large rental units
- Rhode Island has an inadequate supply of affordable housing
- The cost of rental housing continues to be a problem for Rhode Island renters
- Homelessness continues to be a statewide problem, not restricted only to cities
- There is a need for more permanent supportive housing for Rhode Island's diverse special needs population

The Plan assigned a high priority to several groups for which housing is needed on a statewide basis. Local communities are required to develop local housing strategies that are in proportion to the unmet local and State housing needs identified in the Housing Element and in the Consolidated Plan. The Consolidated Plan identifies unmet regional and statewide housing needs as follows:

1. Rental Housing
 - a. Extremely Low-Income Households (0-30% MFI)
 - b. Families for both small and large related households
 - c. Elderly, especially frail elderly and extremely low income elderly
2. Home Owners
 - a. Moderate Income (51-80% MFI)
3. Homeless
4. Special Needs
 - a. Frail Elderly
 - b. Disabled Persons
 - c. People Living with HIV/AIDS
 - d. People Transitioning from Institutional Care

6.2.1 The Local Housing Needs in Exeter

In order to measure the nature of housing demand in Exeter, the information contained in the CHAS was reviewed. CHAS is required as part of the National Affordability Housing Act of 1991, and is a requirement of agencies such as Rhode Island Housing to receive federal monies to support their programs. The CHAS is now a component of the Consolidated Plan. This information is published by HUD after every Census and provides information on the type of housing problems in a given community. It is important to note that the CHAS data and the U.S. Census data differ minimally in the number of total households for all communities examined in this study, i.e. CHAS data reports there are currently 2,132 total households in Exeter while the U.S. Census reports there are currently 2,085 total households.

The 2000 CHAS data reveals that of Exeter’s 2,132 households studied, 19.4 percent, or 414 households, face some type of housing problem. The term “housing problem” is defined as households forced to spend more than 30 percent of their income on housing and/or living in substandard conditions. (Substandard conditions are defined as facilities without complete kitchen or bathroom facilities.) Table 23 below summarizes the CHAS data by listing the number of households having housing problems by type. In general, the following trends appear from the data:

- The table indicates that there are 95 out of the total 339 rental units (28.0% of total rental units) and 319 of the 1,793-homeowner units (17.8% of total owner units) that have some type of housing problem.
- The table shows a stronger need for housing among the Town’s rental residents who have a household income between 30-50 percent of the MFI and owner-occupied households who maintain a household income greater than 80 percent MFI.
- Over 78 percent of those residents who qualify as very low-income (income is less than 30% of MFI) have a housing problem.
- Small low/moderate income households (2 to 4 occupants) experience a higher proportion of the housing problem (36%) than the other types of households (30 small household renters and 119 small household owners).
- Of those Exeter households who experience a housing problem, 65 percent earn less than 80 percent of the median family income while 35 percent of households (who are all homeowners) experience a housing problem earn greater than 80 percent of the median family income.
- Owner-households who earn greater than 80 percent MFI, 145 households, may be living in exclusive, pricey homes which is simply beyond their means.

The 2000 Exeter CHAS Data is in its entirety in Appendix A.

Table 23 – CHAS Analysis Summary					
	RENTERS				
Household by Type & Income	Elderly 1 & 2 Member Households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	TOTAL
Household income <=30% MFI	0 ^{**}	10	N/A *	10	20
Household income >30 to <=50% MFI	N/A	10	0	45	55
Household income >50 to <=80% MFI	0	10	N/A	10	20
TOTALS	0	30	0	65	95 ²
	OWNERS				
Household income <=30% MFI	30	14	10	N/A	54
Household	10	30	N/A*	20	60

income >30 to <=50% MFI					
Household income >50 to <=80% MFI	10	20	15	15	60
TOTALS	50	64	25	35	174 ³
TOTAL HOUSEHOLDS					269
<i>Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data</i>					

NOTES:

- * N/A = There are zero households within a particular income bracket.
- **0 = There are households who fell within a particular income bracket but none of the households had any housing problems.
- The proportion of renter-occupied units with housing problems = 95 renter units/339 total renter-occupied units in Exeter (28.0%).
- ³ The proportion of owner-occupied units with housing problems = 174 owner units/1,793 total owner-occupied units in Exeter (9.7%).

If the current affordable housing stock is considered, some 29 affordable housing units have already been constructed to meet a portion of this need. This leaves a total of 385 housing units that need to be constructed in order to address all of the households identified as having housing problems.

Table 24 – RIH Analysis of Exeter’s LMI Housing Need by CHAS Data (as of 3/8/05)				
Household Type	Proportional Need for </= 80% AMI projected by 2000 CHAS	# of LMI Units Needed by 2024 (=275 x CHAS %)	Existing Supply	Future Need (=2000 CHAS proportion - existing supply)
Elderly (50/174)	28.74%	79	0	79
Family (89/174)	51.15%	141	2	139
Other (35/174)	20.11%	55	27	28
Total LMI units	100%	275	29	246
2158	Yr-rnd units as of 2000 Census			
104	units built 2000-2003 according to annual US Census data			
23	Assumed number of building permits for 2004			
2285	Yr-rnd units as of Jan 2005			
460	23 units/yr X 20 yrs			
2745	Projected number of yr-rnd units as of Jan 2005			

Table 24 above is solely based on the CHAS data discussed previously and indicates a projection of affordable housing development in Exeter that addresses the needs discussed in this chapter. The column “CHAS Need” is based on Table 22, the “existing Supply” is the number and type of housing units Exeter currently has, “Future Need”

equals “CHAS Need” minus “Existing Supply,” and “% of Future Need” is the household type’s future need divided by the total future need.

It is not feasible for the Town to address all of the housing needs in the same time period. Therefore, in terms of meeting affordable housing needs, the Town should prioritize ownership programs for families (46% of need) initially, and then focus towards “other owners” and “elderly owners” (both consist of 18.2% of need). It should also address the 10 percent goal established in the Low and Moderate Income Housing Act, while at the same time achieving its own housing priorities. While local needs indicate that the greatest need is for family ownership, as shown in Table 24 above, regional and statewide needs indicate that there is strong demand for affordable rental housing for both small and large households and other groups identified in the Consolidated Plan.

6.2.2 Regional Housing Needs

In addition to analyzing the local needs, it is important to evaluate and compare the local needs to the regional and State housing needs as well. Table 25 below compares the number and percent of households with housing problems in Exeter, the Western RI Housing Market Area and Rhode Island. Exeter has a lower percentage of households with housing problems compared to the region and to the State. Overall, the State has the highest percent of housing problems compared to the region and Exeter.

Table 25 - Housing Problems at the Local, Regional and State Level			
	Exeter	WRIHM	Rhode Island
Total Households	2,132	30,648	408,381
Households with Housing Problems	414	7,271	126,967
% of Total Households with Housing Problems	19.4%	23.7%	31.1%
Total Rental Households	339	5,235	163,252
Renter Households with Housing Problems	95	1,684	63,382
% of Total Renter Households with Housing Problems	28.0%	32.2%	38.9%
Total Owner Households	1,793	25,413	245,129
Owner Households with Housing Problems	319	5,587	63,585
% of Total Owner Households with Housing Problems	17.8%	22.0%	26.0%
<i>Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data 2004</i>			

Further analyzing the housing problems amongst different income brackets, compares the renter-occupied households for Exeter, Western RI Housing Market Area and compares owner-occupied households. In general, the following trends appear from the data:

- Housing Problems for Renter-Occupied Households indicates there are three Exeter categories that have the highest percentage of housing problems compared to the region and the State. Those categories include: small related (2 to 4) households that have a household income between 50-80 percent of MFI, and “other” households that have a household income between 30-50 percent of MFI and 50-80 percent of MFI. These statistics are highlighted in red on the following page.

- Housing Problems for Owner-Occupied Households indicates that Exeter has highs and lows in terms of percentages and is more random than the renter households. Nine out of the sixteen groups of owner-occupied Exeter households have the highest percentage of housing problems. (The nine highest groups are highlighted in red on the following page.)

6.3 Reaching the 10 Percent Affordable Housing Level

Under the current provisions of the Low and Moderate Income Housing Act, Exeter must adopt policies that will enable it to provide ten percent of its housing stock for low/moderate income persons and to maintain that percentage level as the community grows in the future. To reach the ten percent goal within 20 years, Exeter will have to add housing as shown in Table 26 below. This table is based upon the current number of low and moderate housing units and the assumption that Exeter will have attained the 10 percent State requirement in a 20-year timeframe. The total housing units are estimates using the maximum number of single-family building permits issued per year (23 permits). This table represents the number of affordable housing units that Exeter currently has and will need to build and/or rehab in order to reach the ten percent goal.

Currently there are 29 low and moderate-income housing units; from 2004 to 2014 the Town anticipates 86 low and moderate housing units built in this time period. By year-end there will be 115 low and moderate housing units (current 29 low/mod units + estimated 86 low/mod units = 115 low/mod units). The assumption was made that during the first ten years of the overall 20-year implementation period; a smaller percentage of the low and moderate housing units would be constructed (estimated 35%) because the initial time would be used for organizational and administrative procedures while funding for the low and moderate-housing units is acquired. Once the organizational process has been arranged and funding has been secured, then building the low and moderate housing units will take place at a faster pace. Exeter will begin the year 2015 with 115 low and moderate housing units and in between 2015 to 2024 the Town will add another 160 low and moderate housing units by year-end 2024. That said, it should be noted that through a consent order for the Deer Brook development, Exeter has already approved an additional 31 LMI units, units that are exempt from the Exeter Growth Management Ordinance.

Table 26 - Required Number of Housing Units required to obtain the 10% Low and Moderate Income Housing Standard				
Year	Total Housing Units	Low and Moderate Housing Units	Additional Low and Moderate Units (from 2004)	% Low and Moderate
2000	2,158	N/A	0	N/A
2004	2,273 ¹	29	0	1.34%
2014	2,515 (est.) ³	115 (est.)	86	4.47%
2024	2,745 (est.) ³	275 (est.)	159	10.0%
At Build-Out (2145)	5,508 ²	551	246	10.0%

Assumptions:

1. The 2004 total housing units is an estimate from the SOCDS record of new building permits issued, not including seasonal housing units.
2. A build-out estimate of 5,508 total housing units is based upon a land capacity analysis from the Exeter Comprehensive Plan.
3. The 2014 and 2024 total housing units are estimates using the maximum number of building permits issued per year (23 units per year) in which all are market rate units and the current zoning does not change.

Source: State of the Cities Data System 2004

CHAPTER SEVEN: VISION, GOALS, AND POLICIES

Goals and objectives of this affordable housing plan are based on the 2004 Exeter Comprehensive Plan's Housing Element, an analysis of existing conditions and trends, current State mandated law, housing programs in other towns, information gathered from Town officials, the 2001 Exeter Growth Management Plan by Teitz and Shamoon, and the Affordable Housing Plan prepared by BC Stewart.

7.1 The Basis for Housing Policy

The Town of Exeter, like many communities in Rhode Island, is being faced with growth issues. Exeter has become a very desirable place to live due to the rural character as well as to the proximity of metropolitan areas, access to major roadways, and close to major employment centers such as Providence and Warwick. The need to provide a housing stock to meet the housing needs of the entire resident population is just one of the issues that Town officials face.

After a review of the 2003 Comprehensive Plan's Housing Element, and in anticipation of future growth management measures, the following vision, goals, and policies are presented. The vision, goals and policies will be worked into the update of the Comprehensive Plan for 2008.

7.2 Vision and Goals

The Exeter Comprehensive Plan's current housing goal states, "Investigate and determine balanced housing that blends with the rural and agricultural character and which responds to the community's available services and needs."

In addition to the current goal, there are five issues described in the current Housing Element that support the overall housing goal. These issues are:

1. Relate Housing Development to the environment and character of Exeter.
2. Present large lot subdivision development may not be the only way to preserve the Town's environmentally sensitive areas. Other zoning techniques could be considered to allow a diversity of approaches to environmental protection.
3. A need to provide a balance of housing choices for all present and future Exeter residents.
4. Mobile homes do provide affordable housing alternatives, but there is a concern associated with this form of housing and a general objection to the development of more units.
5. Investigate alternatives to provide affordable housing, which would best relate to Exeter's rural landscape (BC Stewart, p.24 2004).

Although the overall goal and issues remain valid they are quite general and indistinct. In addition to the overall housing goals to be set forth, there needs to be a clear housing vision statement as well. Once a clear vision is stated then the goals and policies will

fall into place. The Vision for the Housing Element should incorporate the Town's current conditions as well as what is needed to meet State regulations while maintaining Exeter as a desirable place to live:

“The vision for housing is to maintain and enhance the quality of life of the Town, while providing housing to meet Exeter’s needs without jeopardizing the qualities that make Exeter a desirable place to live. The supply of housing must be within the limits of available resources, while meeting the Town’s fair share housing needs and increasing affordable housing opportunities to all ages and income groups and family sizes.”

It is recommended that the Town devise goals and objectives in order to more clearly as well more effectively State actions that will:

1. Upgrade deteriorating and substandard housing;
2. Provide new housing opportunities geared to the needs of all segments of the population, and
3. Address the documented need for affordable housing opportunities.

The following goals and associated policies are recommendations on the basis of the data inventory provided in previous chapters of this plan, projections and research. The goals are broad statements of the Town's long-range housing objectives. Policies are action-oriented strategies intended to achieve the stated goals. In order for the following goals, recommendations and policies/strategies to work, there must be the following in place:

1. Political will;
2. Effective organization and communication among all those involved;
3. Appropriate tools and regulations need to be used and enacted; and
4. Financial resources.

7.3 Exeter Housing Goals

GOAL 1: To promote a safe, sanitary, well-maintained and constructed housing stock through new construction and renovation of existing structures and undeveloped parcels.

Policy 1A: Encourage and support the optimum use of existing housing stock, existing neighborhoods and existing structures suitable for residential use, in meeting housing needs, including rehabilitation of historic buildings for housing; in particular, Exeter will work with available resources to rehabilitate and/or replace mobile homes with units meeting current housing codes.

Policy 1B: Utilize federal, State and local governmental assistance programs and other available tools to ensure that the quality of the housing stock is maintained.

Policy 1C: Provide homeowners as well as potential homeowners with information regarding home mortgage and finance corporations (i.e. RIHMFC, Fannie Mae, and South County Community Action).

Policy 1D: Develop policies that will encourage and support the continued long-term availability of housing units to low and moderate-income elderly tenants.

Policy 1E: Provide incentives and/or subsidies to replace mobile homes with minimum housing, and amend zoning to allow for the same.

GOAL 2: To encourage a safe and desirable neighborhood atmosphere.

Policy 2A: Encourage and support the protection and improvement of stable neighborhoods as well as rural areas of the Town.

Policy 2B: Support activities that seek to maintain and/or improve the quality of life for all local residents.

Policy 2C: Integrate affordable housing development into existing neighborhoods in a scattered site manner that will enhance and protect the character and value of the neighborhoods, i.e. mobile homes. See 1E above.

Policy 2D: Distribute new affordable housing development throughout the Town at various sites that is consistent with neighboring homes.

Policy 2E: Encourage second floor rental units over existing commercial buildings in commercial areas.

GOAL 3: To encourage a range of housing opportunities to meet the diverse individual and family income needs for purposes of increasing housing for residents at risk.

Policy 3A: Stimulate development of a variety of housing, in terms of type, cost, size, location and design, to meet the broad range of needs and desires of homeowners and renters, and of all income groups and sizes.

Policy 3B: Support the activities of non-profit developers such as Habitat for Humanity, Women's Development Corporation, Community Builders, and Church Community Housing upon meeting the needs of families, special needs and the elderly in building affordable housing.

Policy 3C: Require mixed-income subdivisions as a way to minimize the stigma associated with affordable housing. See 5D.

GOAL 4: Create programs that actively support affordable housing opportunities in Exeter.

Policy 4A: Form a dedicated, long-term Affordable Housing Advisory Board.

Policy 4B: Consider the creation of a local housing authority to manage the subsidized housing units.

Policy 4C: Participate in the regional Affordable Housing Council to enhance affordable housing opportunities within Exeter and surrounding towns.

Policy 4D: Provide educational and informative programs to raise awareness about affordable housing.

Policy 4E: Create an Affordable Housing Trust Fund, with the contribution of funds from private and public sources to implement and/or supplement the Town's housing programs.

Policy 4F: Seek out untapped community support for affordable housing (i.e. churches, civic organizations, local businesses).

Policy 4G: Establish a community land trust in Exeter to provide affordable housing while preserving open space.

Policy 4H: Incorporate Inclusionary zoning variants, such as cash-in-lieu fees, also referred to as "payment-in-lieu" – Inclusionary zoning requirement met by payment, typically to the affordable housing trust fund for constructing affordable housing units, could also be used for down payments for homeownership or rental assistance programs. See 4G above.

GOAL 5: To relate the location, density and nature of new housing to the Town's long range land use and growth management policies.

Policy 5A: Identify areas for the construction of new affordable housing development within the Town, i.e., village development areas. Encourage "Village" Development" in the two areas identified in this plan for village style/mixed-use development, including the construction of new affordable housing development with increased densities, and/or multi-family.

Policy 5B: Inventory potentially suitable sites of inactive/abandoned housing or nonresidential properties for adaptive reuse as affordable

housing. Work with the Deer Brook developers per the Consent Order on the construction of 4 age-restricted LMI units and 27 family-LMI units.

Policy 5C: Establish a new floating zone for affordable housing where a density bonus would apply.

Policy 5D: Include a mandatory Inclusionary zoning provision in the Zoning Ordinance.

Policy 5E: Ascertain more funding possibilities for new housing developments and the rehabilitation and improvements of the existing housing stock.

Policy 5F: Consider amending the building impact fee ordinance that it exempts affordable units.

Policy 5G: Establish an article in the zoning ordinance permitting senior housing developments, or “retired adult communities,” for persons aged 55/65 and over, in specified residential and commercial areas with reduced parking, setback and other requirements.

Policy 5H: Work with for profit and non-profits to encourage and enable the development of affordable senior housing.

Policy 5I: Establish a conservation development ordinance that allows buildings to be grouped closer together, disturbing a smaller portion of the site than conventional development to preserve open space. Grouping buildings can decrease the cost of infrastructure, long-term maintenance costs, and reduce per-unit cost.

CHAPTER EIGHT: AFFORDABLE HOUSING STRATEGIES

As required by Handbook 16, the Town must identify specific strategies to attain the ten percent threshold requirement for affordable housing. This section presents a detailed explanation of policies/strategies specifically recommended for affordable housing.

The strategies listed below provide an in depth detail to the goals and policies listed in the Chapter 7. The next chapter will identify estimates of the number of affordable units expected to be generated by each strategy; the group and/or individual responsible for implementing each strategy; the timeframe; and the resources required to achieve them.

8.1 Organizational Strategies

Policy 1A: Encourage and support the optimum use of existing housing stock, existing neighborhoods and existing structures suitable for residential use, in meeting housing needs, including rehabilitation of historic buildings for housing.

Through the Affordable Housing Advisory Board, the town should evaluate the existing housing stock by creating a database of housing units that are underutilized, have experienced code violations, and/or sought rehabilitation loans from a local home repair program. This database will ultimately list potential sites for low and moderate housing units.

Policy 1E: Provide incentive and/or subsidies to replace mobile homes with minimum housing.

Through the Affordable Housing Advisory Board, the town will begin to develop the human and financial resources to replace existing mobile home units with manufactured or stick built housing that meets codes and provides safe and affordable housing, both within the two mobile home parks, and at scattered sites around town. This needs to be done with local, State, or federal subsidies and deed restricted for a minimum of thirty years, and preferably for 99 years, so that the resulting units will be counted toward the 10% requirement for affordable housing. The Town has begun this process by meeting with Richard Palmer, one of the owners of the Split Rock Trailer Park (Route 2), on April 22, 2004 to discuss the options by which the Town can partner with Split Rock to begin the process outlined above. Options discussed ranged from a Town buy out of the entire trailer park to locating new manufactured units on empty pads as they become available. Split Rock has 71 existing pad sites, with considerable vacant build able land as well. The Town, in conjunction with the Women's Development Corporation, has also met with the owner of Mobile Village (Victory Highway) and discussed similar options. Another option would be to form a mobile home cooperative. Mobile Village has 55 existing pad sites. These activities are ongoing. It is anticipated that the LMI units created by this policy will be created using State and federal subsidies depending on availability (see Appendix C).

Policy 4A: Form a dedicated, long-term Affordable Housing Advisory Board.

The Town of Exeter has already taken the initial steps of organizing an Affordable Housing Task Force. An affordable housing committee or task force is needed to act as a catalyst for the creation of affordable housing within the Town. Without local leadership through an entity empowered to monitor and promote affordable housing, production is often chaotic and happenstance. The existing Task Force structure is ideally suited, if made permanent, to serve as the Town steering committee that monitors, recommends and educates. The development of the task force is the first proactive approach Exeter has taken to begin the process of affordable housing development. The committee should have at least five appointed members to work with the Town Planner, Building/Zoning Official, as well as with the Planning Board, Zoning Board, and Town Council. The committee/task force should consist of citizens who represent the housing community such as real estate agents, housing professors from local colleges and universities, developers, and businesses for example, as well as others who have a direct interest in affordable housing. The general duties of the Affordable Housing Advisory Board include a variety of tasks including: providing support and/or assistance for affordable housing throughout Exeter by focusing on both subsidized and unsubsidized housing units, making sure the goals of the housing element are met, and research properties in the Town that could be potential sites for affordable housing units. Other tasks consist of performing more in-depth research of the inventory of suitable sites for re-use of residential and nonresidential properties, conduct educational programs regarding affordable housing, assist Town officials with zoning amendments, determine whether the affordable housing units should be spread throughout the Town or grouped together, and administer/monitor the Affordable Housing Trust Fund along with other small tasks.

Policy 4C: Participate in a regional Affordable Housing Council to enhance affordable housing opportunities within Exeter and surrounding towns.

The establishment of a regional affordable housing to encompass the western section of the State may prove beneficial to Exeter as well as to the other six “rural” towns since all seven municipalities are well below the ten percent threshold. This committee may oversee the creation of a HOME consortium as well as to provide assistance to each local affordable housing task force. This policy may prove beneficial considering Exeter does not currently have its own housing authority.

8.2 Zoning and Land-Use Strategies

Policy 2E: Encourage second floor rental units over existing commercial buildings.

The idea of building rental units above commercial buildings, particularly within the Oak Harbour Village, has already been discussed as a possibility for placement of affordable rental units. Future village centers in Exeter will also be a potential source

of affordable housing placement. Oak Harbour Village, which opened earlier this year, is one of Exeter's first major developments on Route 2. The shops within the new Village development offer various services, ranging from a deli to a restaurant, from a sun-tanning salon to a ceramic shop as well as a boutique and art gallery. The services currently provided within Oak Harbour are compatible with housing units. The developer for Oak Harbour Village has indicated that he wants to include second floor units in his next two buildings. He has proposed a total of 26 units, including 6 LMI units. The units will be a mix of family and special needs, ranging from 600 sf to 1250 sf in area. The developer proposes to accommodate another 45 units (including another 9 or 10 LMI units) in his phase II (over twenty acres with a footprint of \pm 70,000sf) development, not yet designed or permitted, adjacent to the current development. This same concept has also been discussed with the developer of Pine Ridge Commercial Park (with a footprint of over 41,000 square feet) directly across Route 2 from Oak Harbour Village, and it is believed could provide 5 additional LMI units. It is anticipated that Pine Ridge units will range in size from 600 sf to 1250 sf in area, and will be a mix of household types. . The Route 3 corridor will also be targeted for this type of development. Based on historical development of the past five years of over 30,000 sf of commercial space along Route 3, it is anticipated that it is reasonable to expect the development of at least 30 residential units with at least 5 LMI units. The remaining 15 LMI units for this strategy will be constructed in the village development areas as part of the over 75 residential units expected in this mixed-use development (see 5A below for additional details). The units in Oak Harbour and Pine Ridge will likely be built within the next five years, with the other projected units occurring later (see Table 27). This is a way to provide much needed affordable rental (and owner-occupied) units for families, elderly, and persons with other needs in locations that are close to transportation, services, and jobs. **This will require an amendment to the Exeter Zoning Ordinance to allow second floor residential development in commercial structures in the Business and Light Business/Residential Zones.** The intent of this strategy is to create housing for a variety of household types and a broad range of income levels. Such a regulation would include a requirement of a minimum of 25% LMI units. Densities will be based on the footprint of the development, and the capacity of the site to provide utilities. It is anticipated that the LMI units created by this policy will be created using State and federal subsidies depending on availability (see Appendix C). In addition, local subsidy of increased density will be used to support this policy.

Policy 5A: Encourage “Village Development”; identify areas for village style/mixed use development.

Affordable family-owned housing units can be distributed throughout Town while targeting more specific areas for elderly and/or multi-family facilities to be located, such as in the proposed village centers, and above commercial buildings, in commercial developments along Route 2 and Route3, such as Oak Harbour.

The Exeter Comprehensive Plan (section 5.2.7b.2) recommends the development of Village Development (mixed-use development) that, “cluster services and other ancillary uses in locations convenient to the general population of the Town”. Such

village centers will contain a mix of stores, restaurants, professional offices, and would be an appropriate settings for low to moderate-income multi-family housing, and low to moderate-income elderly housing. Village development will provide for multi-family and/or elderly housing at an increased density than otherwise currently allowed, up to four units per acre. A minimum of 20% to 25% of all residential units would be LMI units.

The Town has identified two areas that have a high potential for village development. They are: the Route 2/Exeter Road area, comprising \pm 100 acres, of which half is Town owned, and the Route 2 area to the south containing Oak Harbour and Pine Ridge Commercial Park, and the Split Rock Mobile Home Park. The Town has analyzed these areas of Town, particularly the town-owned Reynolds Farm property located on Route 2/Exeter Road. A preliminary analysis shows the following:

- Route 2/Exeter Road – the area contains over 100 acres of land within and without of the ground water overlay (GWOL) district, and would be developed accordingly. Included are portions of parcels 62-3-1, 62-2-1, and 67-3-1. According to the Soil Conservation Soil Survey, the predominant soil types are EfA, EfB, Enfield silt loam 0 to 8% slope and BhA, Bridgehampton silt loam 0-3% slope, and Bhb at 3-8% slope, all suitable for community development. Access to transportation is via Route 2 to Route 4 and thence I-95, and is good. Most of the area is zoned RU-4 and RU-3, except for a small portion that is currently developed commercially, and that is zoned Light Business Residential (LB/R) and would require zoning amendment to allow for increased density. Importantly, a considerable portion of this area is Town-owned. If one were to extend the scope of this area, one could also include portions of State owned land (portions of the former LADD property). This area is seen as having high potential for multi-family, elderly, and family LMI units.
- Route 2/Oak Harbour Village/Split Rock - the area contains \pm 130 acres of land within and without of the groundwater overlay district, and would be developed accordingly. Included are portions of parcels 72-2-11, 72-3-3, 72-2-10, 71-4-1, and 71-4-3. The predominant soil types are UD, Udorthents-Urban complex of well-drained previously disturbed land, BhB, BhA, Bridgehampton silt loam, BnB, Bridgehampton-Charlton very stony silt loam, and ChB, and CkC, Canton and Charlton stony and extremely stony loams. All of the above are considered suitable for community development by the Soil Service. Slopes vary from very moderate, to fairly steep. Access to transportation is via Route 2 to Route 4 and thence I-95, and is good. Much of the area is zoned B (business) and would require zoning amendment to allow for increased density. Currently, the area contains two major development projects. The first, Oak Harbour Village consists of multiple structures including retail, food sales, and office. The project is not yet 50% complete. Almost directly across the street, Pine Ridge Commercial Park is approved for a footprint of approximately 41,000 square feet of mixed-use development, and construction is expected to begin Spring 2005. Both developers have expressed an interest in second story, affordable and market rate, residential units. Additionally, both developments were encouraged to utilize a village

center” type design during the permitting process. Finally, the area includes the Split Rock Mobile Home Park. It contains about 70 existing mobile home sites, with considerable developable vacant land. This area is seen as having high potential for multi-family, elderly, and family LMI units.

Policy 5B: Inventory potentially suitable sites of inactive/abandoned housing or nonresidential properties for adaptive reuse as affordable housing.

Although the Town of Exeter has a fairly young housing stock, over 17 percent of the housing stock was built before 1960. The rehabilitation of this housing is important because it can add to the supply of affordable housing without significantly increasing the total number of units in Town. Rehabilitation of these inactive parcels could potentially be developed into duplex or single-family units that would increase housing options Exeter has to offer. Additionally, the Town of Exeter has 280 existing mobile homes, some of which are sub-standard and need rehabilitation. Finally, as part of the agreed to Consent Order for the Deer Brook development, there will be four (4) LMI units for persons 55 or older, and twenty-seven (27) LMI units for family and other households. The Deer Brook project is part of a former gravel bank property.

Policy 5C: Establish a new floating zone for affordable housing where a density bonus would apply.

In an effort to increase affordability without altering the zoning ordinance, a floating zone for affordable housing may be appropriate. In order to increase the development of affordable housing, two-family dwelling units should be made as allowable uses in the floating zone, thereby eliminating the special-use permit. Secondly, the maximum permitted density of the residential zoning districts does not allow for multifamily units. Ultimately, the Town should assess standards for a new zoning district as follows:

1. Development proposals that contain 100 percent affordable units will be allowed to develop at the highest density.
2. Development proposals that contain between 25 to 100 percent affordable units will be allowed to develop at the second highest density.
3. Development proposals that contain a majority of non-affordable units, and have high impacts on Town services and facilities, will be required to develop at the lowest density, or conform to the specific designations of each residential zoning district.
4. Housing types other than multifamily, such as a duplex, or single-family housing may be permitted in this floating zone if they contribute to reaching the ten percent threshold.

Policy 5D: Include a mandatory Inclusionary zoning provision in the Zoning Ordinance.

The fundamental purpose of Inclusionary zoning is to allow the development of affordable housing to become an integral part of other development taking place in Town; this type of zoning can require below-market housing in future market-level developments.

There are many variations of this technique, including the option of allowing the developer to pay into an affordable housing trust fund instead of constructing the actual units in a particular subdivision (Town of Smithfield 2004). The ultimate goal of such a process is to establish a relatively permanent stock of affordable housing units provided by the private market and at little or no financial cost to the Town. Additionally, the affordable housing enabled by Inclusionary zoning is not produced as an “island” of the poor but rather is integrated into the development of the overall community with market-rate units (Burchell and Galley 2000).

The adoption of an Inclusionary zoning regulation is an integral part of this plan. The regulation should require all subdivisions of more than five lots provide 20% of its units as affordable single family or two-family units for a minimum of 99 years. In order to facilitate this, the regulation shall grant a 20% in increased density to the developer. Thus a property that would otherwise support a ten-lot subdivision, shall have 12 lots, two of which shall be affordable. Affordable units are to be completed at the same rate as the market rate units, such that in such a 12-lot subdivision, once six market rate units are completed, one affordable unit shall also be completed. For such subdivisions, the fee-in-lieu of open space shall be waived. For such subdivisions, dimensional relief shall be granted as needed to provide for the increased density. Past records since the adoption of the growth management shows that an average of 34% of building permits issued are issued for subdivisions that would fall under this proposed Inclusionary zoning ordinance. This means that of the 460 units to be built in the next twenty years (see Table 23), 34% would be required to have a 20% LMI component, or 31 units. It is anticipated that the LMI units created by this policy will be created using State and federal subsidies depending on availability. In addition, local subsidy of increased density will be used to support this policy.

Policy 5F: Adopt a building impact fee ordinance that exempts affordable units.

The Rhode Island Development Impact Fee was enacted in July 2002, in that the General Assembly found that an equitable program was needed for the planning and financing of public facilities to serve new growth and development in the cities and towns in order to protect the public health, safety and general welfare of the citizens of the State. Cities and towns now have the authority to access, impose, levy and collect fees for all new development within town limits. Unlike the other growth management techniques, impact fees are not primarily aimed at slowing the rate of development, but rather compensating the Town for excess costs of development. Impact fees establish the costs of providing municipal services most notable school costs, and assesses these costs to the developer, either in a lump sum up-front payment or over a number of years (R.I.G.L. Development Impact Fee Act 2000).

An impact fee is a fee charged against new nonresidential and market-rate residential development to help offset the costs of new infrastructure required by the Town's growth. The problem with impact fees is the method of determining the value of local costs resulting from new development. However, with the proper research, a fair impact fee system can be properly implemented. Due to the fact that Exeter shares a school system with West Greenwich, Exeter must work with West Greenwich in tandem to research whether using impact fees may be worthwhile.

Affordable housing waivers should be applied to the proposed impact fee ordinance where any residential project containing newly constructed units or substantially rehabilitated housing units that are affordable for low and moderate-income residents.

Policy 5G: Establish an article in zoning ordinance permitting senior housing developments, or "retired adult communities," for persons aged 55/65 and over, in specified residential and commercial areas with reduced parking, setback and other requirements.

The latest populations projections from Statewide Planning Technical Paper #154 indicate a growth in the population age bracket of 65 years and older from 589 as of 2000 to 1190 in 2020. This significant projected growth serves to emphasize the need to provide elderly housing in Exeter. The best way to do this is to establish specific provisions in the zoning ordinance. This concept has political support in Exeter. In the case of for profit senior developments, require a minimum of 25% be affordable. For developments dedicated to 100% LMI persons, densities of as much as four units per acre could be allowed.

Policy 5H: Work with for profit and non-profits to encourage and enable the development of affordable senior housing. Assist non-profits with obtaining land and/or funding to develop affordable elderly/senior housing in Exeter.

This plan has identified, in policy 5A above, locations most appropriate for low to moderate-income multi-family housing, and low to moderate-income elderly housing. These areas are the two areas identified as appropriate for village development. Table 23 of this report has identified a need for 79 LMI units for elderly. Table 26 has identified 40 LMI units dedicated for elderly persons under this policy. Some these units will be constructed by non-profits, while others will be built by for profit developers. A for profit developer, Exeter Real Estate Holdings, LLC, has purchased over 120 acres on Ten Rod Road and is currently negotiating with the Town Council to be allowed to construct age-restricted housing, at a density of \pm one unit per acre, with some portion being reserved for LMI units (\pm 15 LMI units anticipated). Finally, the Town is working with a non-profit (WDC) to develop \pm 25 units of LMI senior housing. Such a development would best be located in or close to the areas of village development (see 5A above).

The remaining needed elderly units will be provided through other strategies, including policy 1E, the conversion of existing mobile homes to deed restricted LMI

units (see Table 26). It is anticipated that the LMI units created by policy 5H will be created using State and federal subsidies depending on availability (see Appendix C). In addition, local subsidy of increased density will be used to support this policy.

Policy 5I: Establish a conservation development ordinance that allows buildings to be grouped closer together, disturbing a smaller portion of the site than conventional development to preserve open space. Grouping buildings can decrease the cost of infrastructure, long-term maintenance costs, and reduce per-unit cost.

Open space is very important to the people of Exeter, as great strides have already been taken to preserve precious land. In order to continue preserving open space in Exeter while obtaining the ten percent affordable unit threshold, the Town should consider enacting a cluster zone. Many rural and suburban towns in New England have enacted a zoning ordinance that include either a conservation, open space or cluster zoning ordinance that is an alternative site planning technique that concentrates dwelling units in a compact area to reserve undeveloped space elsewhere on the site. This technique minimizes lot sizes, setbacks, and frontage distances to allow for open space (Arendt 1996). The advantages of this type of zoning include the preservation of open space, and reducing impervious surfaces while lowering the cost of development and ultimately supporting the affordable housing goal. Grouping housing units closer together offers distinct advantages to all parties. Developers can reduce the costs of building roads, the Town can save on snowplowing and road resurfacing, and homebuyers pay less because of these cost savings.

Existing Ordinances:

The strategies listed above in this section, 8.2, will require changes to local ordinances. It is noted that the State requires these “legislative actions” to be implemented within one year after the plan is approved and adopted. These changes have been listed below for clarification:

- Policy 2E - Revise zoning to allow for second floor rental units. Tie this option to the Inclusionary zoning requirement, mandating a minimum of 25% affordable units for any such project.
- Policy 5A - Revise the Comprehensive Plan and Zoning to identify village centers and to define the requirements (increased densities, mixed use, etc.) for developing within these areas
- Policy 5C - Establish a new floating zone for affordable housing
- Policy 5D – Adopt a mandatory Inclusionary zoning provision requiring a minimum of 20% affordable units with a density bonus to match the % of affordable units proposed.
- Policy 5F – amend existing ordinances to exempt affordable units from certain existing fee requirements such as fee-in-lieu of open space and impact fees.
- Policy 5G - Adopt a zoning ordinance allowing elderly/senior housing in village centers with increased density, requiring up to a minimum of 30% minimum of affordable units as in Inclusionary zoning.

- It is noted that the above policies do not conflict with the existing Growth Management Ordinance in as much as that ordinance lists senior housing as exempt from the growth cap and affordable (low and moderate income) housing as having a “first priority” under the cap.

8.3 Outreach Strategies

Policy 4D: Provide educational and informative programs to raise awareness about affordable housing.

Educational and/or promotional workshops for both the public and private sectors will potentially break the myth that “affordable” housing is an issue affecting only the marginalized and poor. In order to minimize the stigma associated with affordable housing, and to reiterate the need for more affordable housing within the Town, educational workshops should be developed for all interested parties. The current residents of Exeter should have access to information about affordable housing, such as an informational website on affordable rental and homeownership opportunities.

Policy 4F: Seek out untapped community support for affordable housing.

The Town should seek out the support of private residents, churches, local businesses, civic organizations, and area non-profit organizations for affordable housing. Together, affordable housing advocates will be able to increase affordable housing opportunities.

8.4 Financial Strategies

Policy 4E: Create and Affordable Housing Trust Fund, with the contribution of funds from private and public sources to implement and/or supplement the Town’s housing programs.

The establishment of an affordable housing trust fund would essentially be a treasury for funds generated specifically for the creation of affordable housing. The funds would go towards new construction, rehabilitation and/or preservation of affordable housing units. Funds would be generated through private donations, impact fees (if implemented), grants, State/federal funding, etc. The Affordable Housing Advisory Board should advise the Town Council and other Town officials as to where these funds should be allocated but the Town Council should approve all disbursements from the fund.

Policy 4G: Establish a community land trust in Exeter to provide affordable housing while preserving open space.

There are two types of land trusts: conservation trusts, which acquire and protect open space and agricultural land; and community land trusts, which focus on housing and

community development. Community Housing Land Trusts (CLT) is a concept to encourage affordable homeownership and local control of land and other resources where a nonprofit organization owns the land the housing unit is on but the homeowner owns a long-term ground lease. In other words, a CLT is a private nonprofit corporation created to acquire and hold land for the benefit of a community and provide secure affordable access to land and housing for Town residents (Iceclt.org 2004). This concept is fairly new but has already been implemented in Burlington, Vermont. The removal of land costs significantly reduces home ownership costs.

Community land trusts help communities to:

- Gain control over local land use and reduce absentee ownership;
- Provide affordable housing for lower income residents in the community;
- Promote resident ownership and control of housing;
- Keep housing affordable for future residents;
- Capture the value of public investment for long-term community benefit;
- Build a strong base for community action (Iceclt.org 2004).

The framework of a CLT is as follows: when a community land trust “sells” a home, it leases the underlying land to the homeowners through a long-term (usually 99-year) renewable lease, which gives the residents and their descendants the right to use the land for as long as they wish to live there. When a homeowner decides to move out of the home, the resident can sell them. However, the land lease requires that the home be sold back to the CLT or to another lower income household at an affordable price (Peterson 1996).

Community housing land trusts are relevant to Exeter because there are limited public funds to subsidize housing costs for lower income households and the gap between the amount of subsidy needed and the amount of subsidy available continues to widen as housing costs increase. Community housing land trusts control housing costs by permanently limiting land costs and “locking in” subsidies so that it benefits one homeowner after another and the process does not need to be repeated each time a home is sold (Peterson 1996).

Policy 5E: Ascertain more funding possibilities for new housing developments and the rehabilitation and improvements of the existing housing stock.

The most crucial factor in order to implement the number of affordable housing units Exeter is in need of is funding. Funding assistance is available to renters, and homebuyers at the State and federal level. *The Developer’s Handbook for Affordable Housing* distributed by RI Housing and the RI Housing website lists various funding resources the Affordable Housing Task Force can research in order to get money for affordable housing. Some of these resources include:

- Low Income Housing Tax Credits, Section 8 are family units and/or elderly units constructed or renovated by tax credits and Rental Assistance Funds that are issued each year.

- Community Development Block Grant (CDBG) money is issued to each community based on need.
- Targeted Loan Funds are deferred payment loans to encourage the construction or rehabilitation of affordable apartments.
- HOME Investment Partnerships Program funds may be used for acquisition, rehabilitation, new construction and tenant-based rental assistance for affordable housing.
- Family Housing Funding – Capital and operating funds are awarded to produce units of rental housing to ensure rents are affordable to families with children working at or near minimum wage.
- Building Better Communities Fund – Capital funds are awarded for renovation or demolition of commercial or mixed-use properties re-use of vacant lots, and homeownership opportunities in neighborhoods designated for revitalization.
- Neighborhood Revitalization Program provides grants of up to \$50,000 to encourage long-term planning around neighborhood revitalization issues.
- Targeted Assistance Grant is money for improving affordable housing and its environment (RI Housing 2004).

The success of this plan and likelihood to which it becomes implemented hinges partly upon Rhode Island Housing Mortgage & Finance Corporation and their affordable housing programs (i.e. HOME Program, Neighborhood Revitalization Program, and LIHTC Program). Several of these programs can work together, leverage HUD subsidies and work to effectuate the Exeter Affordable Housing Plan.

Development Strategy	Totals by Strategy	Elderly		Family		Special Needs*	
		Rental	HO	Rental	HO	Rental	HO
Incentives/subsidies for mobile homes to LMI units	110	0	13	20	75	2	0
Second floor units over commercial buildings	40	15	5	8	5	7	0
Mandatory Inclusionary zoning	31	2	2	8	15		4
Zoning ordinance for senior housing	40	23	15	0	0	2	0
Deer Brook Consent Order	31		4		27		
Total low-mod units added	252						
Totals by HH type & rental or ownership		40	39	36	122	11	4
Totals by HH type		79		158		15*	
Future Need Goal by CHAS data		GOAL 79		GOAL 139		GOAL 28*	

**Note that the “Special Needs category is only a subset of the HUD category “Other”*

CHAPTER NINE: IMPLEMENTATION PLAN

The following table summarizes the number of LMI units to be created by each strategy, and the projected timeframe for each.

Table 28– Low and Moderate Units By Strategy With Timeframe						
Strategy	Projected	Timeframe	Year 1-5	Year 6-10	Year 11-15	Year 16-20
Incentives/subsidies for mobile homes	110	yrs 2-20	15	20	50	25
Second floor units over commercial bldgs.	40	w/in 20 yrs yrs 2-20	10	10	10	10
Mandatory Inclusionary zoning	31	w/in 20 yrs yrs 1-20	7	8	8	8
Work with others to develop senior housing	40	w/in 20 yrs yrs 1-20	10	10	10	10
Deer Brook Consent Order	31	Yrs 1-5	31			
Totjal	252					
% low-mod units achieved			28%	47%	78%	100%

Table 29: These are strategies that the Town believes are viable, but cannot completely specify at this time.						
Non-profit development	40	W/in 20 yrs.	yrs.1-20	10	10	10
Regional affordable housing council	20	W/in 20 yrs	yrs.1-20	5	5	5
Untapped community support	10	W/in 20 yrs.	yrs.2-20	2	3	3
Community land trust	8	W/in 20 yrs.	yrs.1-20	1	2	3

Table 30, on the following page, includes the policies described in the previous chapter; the number of affordable units each policy is expected to generate; the resources required to achieve the policy; the group and/or individual responsible for that specific policy; and the timeframe that each policy will need to obtain the ultimate goal of providing affordable housing units in Exeter.

RESPONSIBLE PARTY

- TC** = Town Council
- PD** = Planning Department
- TS** = Town Solicitor
- AHAB** = Affordable Housing Advisory Board
- PB** = Planning Board
- BZ** = Building and Zoning Departments
- ZB** = Zoning Board
- HH** = Habitat for Humanity
- SCCA** = South County Community Action