



1 general laws, and

2 (ii) Pursuant to §§ 42-162-4(15) and 42-162.3-11(f), codified at §§ 42-162-4(15) and 42-  
3 162.3-11(f) for the hiring of per diem, project-based, part-time, or seasonal staff as determined to  
4 be necessary by the secretary of housing to assist municipalities in the planning and/inspection of  
5 potential projects and projects to ensure there are no staffing issues at the municipal level that would  
6 delay projects from being approved or completed and to fund and administer the programs under  
7 section 3 of this act.

8 SECTION 2. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
9 GOVERNMENT" is hereby amended by adding thereto the following chapter:

10 CHAPTER 162

11 DEPARTMENT OF HOUSING

12 **42-162-1. Department of housing.**

13 (a) There is hereby established within the executive branch of state government a  
14 department of housing.

15 (b) The head of the department shall be the secretary of housing, who shall be appointed  
16 by the governor, with the advice and consent of the senate, and shall serve at the pleasure of the  
17 governor, except for the initial director to serve under the transition provision provided under § 42-  
18 162-3(2).

19 (c) The department shall contain:

20 (1) The division of housing and community development (chapter 128 of title 42);

21 (2) The division of residential planning and policy (§§ 42-11-10 and 42-11-12) (chapter  
22 162.1 of title 42);

23 (3) The land bank administration (chapter 162.2 of title 42);

24 (4) The residential development program (chapter 162.3 of title 42); and

25 (5) The administrative office of housing permitting and appeals (chapter 53 of title 45 and  
26 chapter 163.3 of title 42).

27 **42-162-2. Powers and duties of the department.**

28 (a) The department of housing shall have the following powers and duties:

29 (1) To operate the land bank program created pursuant to chapter 162.2 of title 42;

30 (2) To administer the housing development fund created pursuant to chapter 162.1 of title  
31 42;

32 (3) To operate the residential development program created pursuant to chapter 162.3 of  
33 title 42;

34 (4) To operate a division within the department to be called the "division of housing and

1 community development" as the successor to the housing resources commission created pursuant  
2 to chapter 128 of title 42;

3 (5) To serve as the chief coordinator and operate the "interagency council on homelessness"  
4 created pursuant to chapter 17 of title 40;

5 (6) To operate the rental and other assistance programs created pursuant to section 11.2 of  
6 title 42;

7 (7) To coordinate with the office of healthy aging and the director of the department of  
8 elderly affairs or their successor to ensure the operation of programs created by the security housing  
9 for the elderly act pursuant to section 66.1 of title 42;

10 (8) To coordinate with the director of the department of elderly affairs and the director of  
11 the department of human services or their successor or successors to assist in the operation of  
12 programs created by the Rhode Island limited housing assistance waiver act pursuant to chapter  
13 66.8 of title 42;

14 (9) To coordinate with the department of human services and office of healthy aging or  
15 their successors to ensure the operation of programs created by the Rhode Island aging and  
16 disability resource center act pursuant to chapter 66.12 of title 42;

17 (10) To coordinate with Rhode Island housing and conservation board or its successor to  
18 ensure the operation of programs created by Rhode Island housing and conservation trust fund act  
19 pursuant to chapter 113 of title 42;

20 (11) To administer the program for expedited permitting for affordable housing pursuant  
21 to chapter 128.2 of title 42;

22 (12) To operate the program for municipal housing incentives created pursuant to chapter  
23 128.3 of title 42;

24 (13) To control statewide planning related to housing development and policy and  
25 coordinate with agencies and entities regarding the infrastructure necessary for housing  
26 development for the state and affiliated activities as listed in §§ 42-11-10 and 42-11-12 including,  
27 but not limited to:

28 (i) Local planning assistance;

29 (ii) Community development training; and

30 (iii) Building code standards committee;

31 (14) To create and operate housing and homelessness initiatives and/or programs which:

32 (i) Provide, promote and encourage the preservation, expansion and sound development of  
33 new and existing residential housing units that ensure a sufficient safe, modern, transit friendly,  
34 healthy, affordable, and environmentally and climate sensitive housing stock for the residents and

1 workers of this state thereby enhancing the business, commerce, agriculture, tourism, recreational  
2 sectors and promote thereby the economic development of the state and the general welfare of its  
3 citizens;

4 (ii) Administer appropriated and grant funds related to housing production, lead hazard  
5 abatement, housing rental subsidy, housing retention assistance, and homelessness services and  
6 prevention assistance with priority to veterans.

7 (b) In the carrying out of said duties, the department of housing shall be authorized and  
8 empowered to negotiate and to enter into contracts and cooperative agreements with agencies and  
9 political subdivisions of the state, not-for-profit corporations, for profit corporations, and other  
10 partnerships, associations and persons for any lawful purpose necessary and desirable to effect the  
11 purposes of this chapter, subject to the provisions of chapter 2 of title 37 as applicable.

12 **42-162-3. General powers, duties and qualifications of the secretary of housing.**

13 The secretary of housing shall:

14 (1) On the effective date of this act assume all of the powers and duties previously conferred  
15 on the deputy secretary of commerce and housing, including, but not limited to, those delineated in  
16 § 42-64.19-3 and such other duties as may be assigned by the general assembly through legislation  
17 from time to time.

18 (2) On the effective date of this act, the individual then serving as the deputy secretary of  
19 commerce and housing shall assume the role of secretary of commerce under this chapter.  
20 Thereafter, prior to hiring, any individual nominated to be the secretary of housing shall have  
21 completed and earned a minimum of a master's degree in the field of urban planning, economics,  
22 or a related field of study or possess a juris doctor law degree. Preference shall be provided to  
23 candidates having earned an advanced degree consisting of an L.L.M. law degree, a doctor of  
24 business administration degree, a Ph.D. in urban planning or economics, or the equivalent academic  
25 degree. Qualified candidates must have documented five (5) years full-time experience employed  
26 in the administration of housing policy and/or development;

27 (3) The secretary of housing shall be responsible for overseeing all housing initiatives in  
28 the State of Rhode Island and developing a housing plan, including, but not limited to, the  
29 development of affordable housing opportunities to assist in building strong community efforts and  
30 revitalizing neighborhoods;

31 (4) The secretary of housing shall coordinate with all agencies directly related to any  
32 housing initiatives including, but not limited to, the Rhode Island housing and mortgage finance  
33 corporation (RIHMFC), coastal resources management council (CRMC), and state departments  
34 including, but not limited to: the department of environmental management (DEM), the department

1 of business regulation (DBR), the department of transportation (DOT) and statewide planning; and

2 (5) The secretary of housing is hereby authorized and empowered to make rules and  
3 regulations as the secretary may deem necessary for the proper administration and enforcement of  
4 the laws of Rhode Island for the department of housing and its divisions and offices.

5 (6) The secretary of housing shall formulate and provide an integrated housing report to  
6 include findings and recommendations to the governor, speaker of the house, senate president, each  
7 chamber's finance committee, and any committee whose purview is reasonably related to,  
8 including, but not limited to, issues of housing, municipal government, and health on or before  
9 December 31, 2022, and annually thereafter which report shall include those items which are listed  
10 in § 42-162-10.

11 (7) The secretary of housing shall serve as a member of or appoint a designee to serve on  
12 the aging in the community subcommittee created pursuant to chapter 66.11 of title 42 and in  
13 default in the performance of said committee to ensure its formation and operation;

14 (8) Notwithstanding any provision of law to the contrary, the secretary of housing shall  
15 appoint the chiefs/directors of the divisions/departments within the executive office of commerce  
16 with the consent of the governor.

17 **42-162-4. Specific powers of the secretary of housing.**

18 The secretary of housing shall be subject to the direction and supervision of the governor  
19 for the oversight, coordination and cohesive direction of state housing development and planning  
20 activities of the state and in ensuring the laws are faithfully executed, notwithstanding any law to  
21 the contrary. In this capacity, the secretary of housing shall be authorized to:

22 (1) Coordinate the administration and financing of various departments or divisions within  
23 the office and to supervise the work of the Rhode Island housing resources commission;

24 (2) Serve as the governor's chief advisor and liaison to federal policymakers on housing  
25 development and housing related issues as well as the principal point of contact in the state on any  
26 such related matters;

27 (3) Review and ensure the coordination of the development of an overarching housing  
28 development plan as produced by the office;

29 (4) Receive from department directors, within the timelines specified, any information and  
30 resources the secretary of housing deems necessary in order to perform the reviews authorized in  
31 this section;

32 (5) Engage in regulatory reform across all state agencies under his or her oversight to  
33 protect the health and wellbeing of Rhode Islanders while meeting business needs for a clear,  
34 predictable, and reliable regulatory structure in the state related to housing and related infrastructure

1 for residential development; including the implementation of systems to enhance customer service  
2 by simplifying and expediting state permitting processes;

3 (6) The directors of the departments, as well as local governments and school departments,  
4 shall assist and cooperate with the secretary of housing in fulfilling this responsibility by providing  
5 whatever information and support shall be necessary;

6 (7) Resolve administrative, jurisdictional, operational, program, or policy conflicts among  
7 departments and their executive staffs on housing related issues and make necessary  
8 recommendations to the governor;

9 (8) Assure continued progress toward improving the quality, accountability, and efficiency  
10 of state-administered programs to support the Rhode Island housing plan.

11 (10) Prepare and integrate comprehensive budgets for the housing services departments,  
12 programs and functions and duties assigned to the office. The budgets shall be submitted to the  
13 state budget office by the secretary of housing, for consideration by the governor, on behalf of the  
14 state's housing agencies in accordance with the provisions set forth in § 35-3-4;

15 (11) Utilize objective data to evaluate economic development policy goals, resource use  
16 and outcome evaluation and to perform short-and long-term policy planning and development;

17 (12) Establish an integrated approach to interdepartmental information and data  
18 management that complements and furthers the goals of the state;

19 (13) At the direction of the governor or the general assembly, conduct independent reviews  
20 of state-administered housing programs, policies and related agency and municipal actions and  
21 activities and assist the department directors in identifying strategies to address any issues or areas  
22 of concern that may emerge thereof. The department directors and municipal officials shall provide  
23 any information and assistance deemed necessary by the secretary of housing when undertaking  
24 such independent reviews;

25 (14) Provide regular and timely reports to the governor and make recommendations with  
26 respect to the state's housing development agenda;

27 (15) Employ such personnel and contract for such consulting services as may be required  
28 to perform the powers and duties lawfully conferred upon the secretary of housing; and

29 (16) Implement the provisions of any general or public law or regulation related to the  
30 disclosure, confidentiality and privacy of any information or records, in the possession or under the  
31 control of the executive office or the departments assigned to the executive office, that may be  
32 developed or acquired for purposes directly connected with the secretary's duties set forth herein.

33 **42-162-5. Reassignment and consolidation of agencies and programs related to**  
34 **housing.**

1           (a) The departments, councils, commissions, programs, agencies and/or divisions assigned  
2 to the department or secretary of housing shall:

3           (1) Exercise their respective powers and duties in accordance with their statutory authority  
4 and the general policy established by the governor or by the secretary of housing acting on behalf  
5 of the governor or in accordance with the powers and authorities conferred upon the secretary of  
6 housing by this chapter;

7           (2) Provide such assistance or resources as may be requested or required by the governor  
8 and/or the secretary of housing; and

9           (3) Provide such records and information as may be requested or required by the governor  
10 and/or the secretary of housing to the extent allowed under the provisions of any applicable general  
11 or public law, regulation, or agreement relating to the confidentiality, privacy or disclosure of such  
12 records or information.

13           (4) Forward to the secretary of housing copies of all reports to the governor.

14           (b) Except as provided herein, no provision of this chapter or application thereof shall be  
15 construed to limit or otherwise restrict the departments, offices, or divisions assigned to the  
16 secretary from fulfilling any statutory requirement or complying with any valid rule or regulation.

17           (c) The secretary shall determine in collaboration with the department directors whether  
18 the officers, employees, agencies, advisory councils, committees, commissions, and task forces of  
19 the departments who were performing such functions shall be transferred to the department.

20           (d) In the transference of such functions, the secretary of housing shall be responsible for  
21 ensuring:

22           (1) Minimal disruption of services to consumers;

23           (2) Elimination of duplication of functions and operations;

24           (3) Services are coordinated and functions are consolidated where appropriate;

25           (4) Clear lines of authority are delineated and followed;

26           (5) Cost savings are achieved whenever feasible;

27           (6) Program application and eligibility determination processes are coordinated and, where  
28 feasible, integrated; and

29           (7) State and federal funds available to the department and the entities therein are allocated  
30 and utilized for service delivery to the fullest extent possible.

31           (e) Except as provided herein, no provision of this chapter or application thereof shall be  
32 construed to limit or otherwise restrict the departments under this section from fulfilling any  
33 statutory requirement or complying with any regulation deemed otherwise valid.

34           (f) To ensure an orderly transfer of functions to the department of housing the following

1 transition shall occur at the direction of the governor, secretary of housing and the respective  
2 directors of the departments affected.

3 (g) On or about July 1, 2022, the department of housing shall commence to operate all of  
4 the statewide planning responsibilities listed in § 42-11-10 related to housing planning and  
5 production and all duties under § 42-11-12 currently assigned to the department of administration.

6 (h) On or about July 1, 2022, the department of housing shall commence to operate all of  
7 the responsibilities related to residential housing planning, aid, development and programs  
8 currently assigned to the commerce corporation, the executive office of commerce and/or the  
9 department of commerce.

10 (i) On or about July 1, 2022, the department of housing shall commence to operate all of  
11 the responsibilities assigned to the state housing appeals board as provided in chapter 53 of title 45.

12 (j) In addition to the requirements of § 35-3-7, budgets submitted by the impacted state  
13 departments for state fiscal years 2015 and 2016 shall include provisions to implement this section.

14 **42-162-6. Appointment of employees.**

15 The secretary of housing, subject to the provisions of applicable state law, shall be the  
16 appointing authority for all employees of the department of housing. The secretary of housing may  
17 assign this function to such subordinate officers and employees of the department as may to him or  
18 her seem feasible or desirable. The appointing authority of the secretary of housing provided for  
19 herein shall not affect, interfere with, limit, or otherwise restrict the appointing authority vested in  
20 the directors for the employees of the departments under applicable general and public laws.

21 **42-162-7. Appropriations and disbursements.**

22 The general assembly shall annually appropriate such sums as it may deem necessary for  
23 the purpose of carrying out the provisions of this chapter. The state controller is hereby authorized  
24 and directed to draw his or her orders upon the general treasurer for the payment of such sum or  
25 sums, or so much thereof as may from time to time be required, upon receipt by him or her of  
26 proper authenticated vouchers approved by the secretary of the executive office of commerce, or  
27 his or her designee. All other laws related to appropriation by the general assembly, except as  
28 otherwise provided related to restricted receipt accounts, multi-year funds and/or revolving funds  
29 as set out in specific acts of the general assembly, shall apply to the department.

30 **42-162-8. Severability.**

31 If any provision of this chapter or the application thereof to any person or circumstance is  
32 held invalid, such invalidity shall not affect other provisions or applications of the chapter, which  
33 can be given effect without the invalid provision or application, and to this end the provisions of  
34 this chapter are declared to be severable.



1           **42-162-9. Cooperation of other state and municipal public bodies and quasi-publics.**

2           As may be appropriate from time to time, the departments and other agencies of the state  
3 of the legislative, executive and judicial branches that have not been assigned to the department of  
4 housing under this chapter and all municipal public bodies shall assist and cooperate with the  
5 department as may be requested by the secretary.

6           **42-162-10. Requirements of reports.**

7           The report required under § 42-162-3(f) shall include, but not be limited to:

8           (1) The total number of housing units in the state with per community counts, including  
9 the number of Americans with Disabilities Act compliant special needs units;

10           (2) The occupancy and vacancy rate of the units referenced in subsection § 42-64.19-  
11 3(a)(4)(iv)(A);

12           (3) The change in the number of units referenced in § 42-64.19-3(a)(4)(iv)(A), for each of  
13 the prior three (3) years in figures and as a percentage;

14           (4) The number of net new units in development and number of units completed since the  
15 prior report;

16           (5) For each municipality the number of single-family, two-family (2), and three-family  
17 (3) units, and multi-unit housing delineated sufficiently to provide the lay reader a useful  
18 description of current conditions, including a statewide sum of each unit type;

19           (6) The total number of units by income type;

20           (7) A projection of the number of status quo units;

21           (8) A projection of the number of units required to meet housing formation trends;

22           (9) A comparison of regional and other similarly situated state funding sources that support  
23 housing development including a percentage of private, federal, and public support;

24           (10) A reporting of unit types by number of bedrooms for rental properties including an  
25 accounting of all:

26           (i) Single-family units;

27           (ii) Accessory dwelling units;

28           (iii) Two-family (2) units;

29           (iv) Three-family (3) units;

30           (v) Multi-unit sufficiently delineated units;

31           (vi) Mixed use sufficiently delineated units; and

32           (vii) Occupancy and vacancy rates for the prior three (3) years;

33           (11) A reporting of unit types by ownership including an accounting of all:

34           (i) Single-family units;

- 1           (ii) Accessory dwelling units;
- 2           (iii) Two-family (2) units;
- 3           (iv) Three-family (3) units;
- 4           (v) Multi-unit sufficiently delineated units;
- 5           (vi) Mixed use sufficiently delineated units; and
- 6           (vii) Occupancy and vacancy rates for the prior three (3) years;
- 7           (12) A reporting of the number of applications submitted or filed for each community  
8 according to unit type and an accounting of action taken with respect to each application to include,  
9 approved, denied, appealed, approved upon appeal, and if approved, the justification for each  
10 approval;
- 11           (13) A reporting of permits for each community according to affordability level that were  
12 sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for  
13 each approval;
- 14           (14) A reporting of affordability by municipality that shall include the following:
- 15           (i) The percent and number of units of extremely low-, very low-, low-, moderate-, fair-  
16 market rate, and above-market-rate units; including the average and median costs of those units;
- 17           (ii) The percent and number of units of extremely low-, very low-, low-, and moderate-  
18 income housing units required to satisfy the ten percent (10%) requirement pursuant to chapter 24  
19 of title 45; including the average and median costs of those units;
- 20           (iii) The percent and number of units for the affordability levels above moderate-income  
21 housing, including a comparison to fair-market rent and fair-market homeownership; including the  
22 average and median costs of those units;
- 23           (iv) The percentage of cost burden by municipality with population equivalent;
- 24           (v) The percentage and number of home financing sources, including all private, federal,  
25 state, or other public support; and
- 26           (vi) The cost growth for each of the previous five (5) years by unit type at each affordability  
27 level, by unit type;
- 28           (15) A reporting of municipal healthy housing stock by unit type and number of bedrooms  
29 and providing an assessment of the state's existing housing stock and enumerating any risks to the  
30 public health from that housing stock, including, but not limited to: the presence of lead, mold, safe  
31 drinking water, disease vectors (insects and vermin), and other conditions that are an identifiable  
32 health detriment. Additionally, the report shall provide the percentage of the prevalence of health  
33 risks by age of the stock for each community by unit type and number of bedrooms; and
- 34           (16) A recommendation shall be included with the report required under this section that

1 shall provide consideration to any and all populations, ethnicities, income levels, and other relevant  
2 demographic criteria determined by the secretary, and with regard to any and all of the criteria  
3 enumerated elsewhere in the report separately or in combination, provide recommendations to  
4 resolve any issues that provide an impediment to the development of housing, including specific  
5 data and evidence in support of the recommendation. All data and methodologies used to present  
6 evidence are subject to review and approval of the chief of revenue analysis, and that approval shall  
7 include an attestation of approval by the chief to be included in the report.

8 SECTION 3. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
9 GOVERNMENT" is hereby amended by adding thereto the following chapter:

10 CHAPTER 162.1

11 HOUSING DEVELOPMENT FUND

12 **42-162.1-1. Short title.**

13 This chapter shall be known and may cited as the "Housing Development Fund Act."

14 **42-162.1-2. Legislative findings and purpose.**

15 The general assembly finds and declares that there exists an acute shortage of affordable,  
16 accessible, safe, and sanitary housing for its citizens of low-and moderate-income, and working  
17 families; that it is imperative that action is taken immediately to assure the availability of affordable,  
18 accessible, safe, and sanitary housing for these persons; that it is necessary that each that due to  
19 limitations faced by the municipalities and the inability to meet the ten percent (10%) requirement  
20 for affordable housing in chapter 53 of title 45 that the state must provide alternative opportunities  
21 for the establishment of low-and moderate-income housing; and that the provisions of this chapter  
22 are necessary to assure the health, safety, and welfare of all citizens of this state, and that each  
23 citizen enjoys the right to affordable, accessible, safe, and sanitary housing. It is further declared to  
24 be the purpose of this chapter to provide for housing opportunities for low-and moderate-income  
25 individuals and families and work-force housing in each city and town of the state and that an equal  
26 consideration shall be given to the retrofitting and rehabilitation of existing dwellings for low-and  
27 moderate-income housing and assimilating low-and moderate-income housing into existing and  
28 future developments and neighborhoods. Lastly, the goals of the federal funds provided to the state  
29 through various programs including, but not limited to, the American Recovery Plan Act, the State  
30 Fiscal Relief Funds and other sources allocated to housing require proper administration to achieve  
31 their stated purposes.

32 **42-162.1-3. Definitions.**

33 As used in this act:

34 (1) "Affordable housing unit" means a unit that may be sold to any individual classified as

1 "low-or moderate-income" earning less than or equal to one hundred and twenty percent (120%) of  
2 area median income as measured at the time of the purchase of an eligible unit.

3 (2) "Applicant" means a developer or occupant applying for a grant of money or land, or  
4 loan or conditional loan under this chapter.

5 (3) "Business" means a corporation as defined in § 44-11-1, or is a partnership, an S  
6 corporation, a nonprofit corporation, sole proprietorship, or a limited liability corporation.

7 (4) "Capital investment" in a development or development project means costs or expenses  
8 by a business or any affiliate of the business incurred after application for: real estate asset  
9 acquisition, site preparation, construction, repair, renovation, improvement, equipping, or  
10 furnishing on real property or of a building, structure, facility, or improvement to real property.

11 (5) "Department" means the department of housing.

12 (6) "Developer" means a person, firm, corporation, partnership, association, political  
13 subdivision, or other entity, whether for profit or not-for-profit, that proposes to divide, divides, or  
14 causes to be divided real property into a subdivision or proposes to build, or builds a building or  
15 buildings or otherwise improves land or existing structures, which division, building, or  
16 improvement of land qualifies for benefits under this chapter.

17 (7) "Fund" means the housing development fund created pursuant to § 42-162.1-4.

18 (8) "Market rate housing unit" means a unit that may be sold to any individual earning any  
19 amount without any income restriction and is sold at fair market value.

20 (9) "Occupant" means a resident as a tenant, owner, or joint venture partner, occupying  
21 space pursuant to a lease or other occupancy agreement within any structure or building developed  
22 on land which is subject to assistance being provided from the fund.

23 (10) "Owner-occupant" is an "occupant" who resides in a building or structure and is the  
24 title holder of the parcel upon which the building or structure is situated.

25 (11) "Project cost" means the costs incurred in connection with a project by an applicant  
26 until the issuance of a permanent certificate of occupancy, or until such other time specified by the  
27 secretary of housing.

28 (12) "Project financing gap" means the part of the total project cost that remains to be  
29 financed after all other sources of capital have been accounted for (such sources will include, but  
30 not be limited to, developer-contributed capital), which shall be defined through rules and  
31 regulations promulgated by the secretary of housing.

32 (13) "Real estate assets" shall be defined to include, but not be limited to: land, buildings,  
33 fixtures, improvements, easements, rights-of-way, and all other rights of ownership, possession  
34 and/or use associated with real property.

1           (14) "Workforce related housing unit" means a unit that may be sold to any individual  
2 earning above the threshold for an affordable housing unit, but below the maximum threshold set  
3 pursuant to 26 U.S.C. § 143 as measured at the time of the purchase of an eligible unit.

4           **42-162.1-4. Establishment of the fund - Uses - Composition.**

5           (a) The housing development fund (the "fund") is hereby established under the jurisdiction  
6 of and shall be administered by the department of housing in order to further the goals set forth in  
7 § 42-162.1-2 and to promote, among other purposes, the development, redevelopment and update  
8 of housing in order to make housing more affordable and more available in Rhode Island.

9           (b) The uses of the fund include, but are not limited to:

10           (1) Financing real estate asset acquisition by the department for the land bank described in  
11 chapter 162.2 of title 42;

12           (2) Filling project financing gaps for residential and multifamily real estate projects eligible  
13 under the criteria created pursuant to § 42-162.1-5 or pursuant to other law;

14           (3) Financing public infrastructure and public facilities to support or enhance residential  
15 development including, but not limited to, transportation, parks, greenways, performance venues,  
16 meeting facilities, community facilities, and public safety precincts.

17           (4) Hiring of per diem, project based, part-time, or seasonal staff as determined to be  
18 necessary by the secretary of housing to assist municipalities in the planning and/or inspection of  
19 potential projects and projects that are provided assistance from the fund.

20           (c) The fund shall consist of:

21           (1) Money appropriated from the American Recovery Program Act funds allocated to the  
22 state,

23           (2) Money appropriated in the state budget to the fund;

24           (3) Money made available to the fund through federal programs or private contributions;

25           (4) Repayments of principal and interest from loans made from the fund;

26           (5) Proceeds from the sale, disposition, lease, or rental of collateral related to financial  
27 assistance provided under this chapter;

28           (6) Application or other fees paid to the fund to process requests for financial assistance;

29           (7) Recovery made by the department or on the sale of an appreciated asset in which the  
30 department has acquired an interest under this chapter; and

31           (8) Any other money made available to the fund.

32           (d) No assets in the fund shall be subject to attachment, execution, lien or other legal  
33 process, judicial or administrative, in law or in equity, except when a particular asset within the  
34 fund is pledged as security for any loan agreement and in such case the particular asset shall be

1 subject to lien, attachment or execution for satisfaction of the loan only and no other assets in the  
2 fund shall be taken, reached or applied.

3 **42-162.1-5. Assistance - Powers of the department - Reports.**

4 (a) An applicant seeking assistance under this chapter shall submit a request to the  
5 department of housing pursuant to an application procedure prescribed by the secretary of housing.

6 (b) Any approval for funding under this chapter may only be granted under the authority  
7 of the secretary of housing.

8 (c) The secretary of housing may set the terms and conditions for assistance under this  
9 chapter by regulation, program design, request for proposals or other predetermined method for  
10 which applicants may apply. Except as provided in subsection (b) of this section, any decision to  
11 grant or deny such assistance lies within the sole discretion of the secretary.

12 (d) The secretary of housing shall publish a report on the fund at the end of each fiscal year.  
13 The report shall contain information on the commitment, disbursement, and use of funds allocated  
14 under the fund. The report shall also, to the extent practicable, track the impact of projects that have  
15 been completed using the fund including, but not limited to, information on housing availability  
16 and economic data. The report is due no later than sixty (60) days after the end of the fiscal year,  
17 and shall be provided to the speaker of the house of representatives, the president of the senate and  
18 the secretary of commerce.

19 **42-162.1-6. Severability.**

20 If any clause, sentence, paragraph, section or part of this chapter shall be judged by any  
21 court or competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate  
22 the remainder thereof, but it shall be confined in its operation of the clause, sentence, paragraph,  
23 section or part directly involved in the controversy in which that judgment shall have been rendered.  
24 Notwithstanding the foregoing, in the event that any term or provision is judged by any court of  
25 competent jurisdiction to be invalid, the general assembly shall promptly act to address such clause,  
26 section, sentence, paragraph, or part directly involved in which the subject judgment shall have  
27 been rendered so as to provide, as near as practicable, the result originally intended by such clause,  
28 section, sentence, paragraph or part without running contrary to such judgment.

29 SECTION 4. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
30 GOVERNMENT" is hereby amended by adding thereto the following chapter:

31 CHAPTER 162.2

32 DEPARTMENT OF HOUSING LAND BANK PROGRAM

33 **42-162.2-1. Establishment of program.**

34 There is hereby established a program do be operated by the department of housing called

1 [the "housing land bank."](#)

2 **42-162.2-2. Establishment of account.**

3 [The department of housing shall establish an account into which title to real estate assets](#)  
4 [shall be deposited and held for use in future residential housing projects in this state.](#)

5 **42-162.2-3. Acquisition of property and deposit into the land bank.**

6 [\(a\) The department of housing may acquire real property or interests in real property by](#)  
7 [gift, devise, transfer, exchange, foreclosure, purchase, or otherwise on terms and conditions and in](#)  
8 [a manner the department considers proper and deposit such property into the land bank.](#)

9 [\(b\) The department of housing may use its own funds or funds in the housing development](#)  
10 [fund created pursuant to chapter 162.1 of title 42 to acquire real property by purchase contracts,](#)  
11 [lease purchase agreements, installment sales contracts, and/or land contracts, and may accept](#)  
12 [transfers from municipalities, other quasi-public entities, nonprofit entities or the state upon such](#)  
13 [terms and conditions as agreed to by the department and the municipality, entity or state.](#)

14 [\(c\) Notwithstanding any other law to the contrary, any municipality may freely transfer to](#)  
15 [the land bank real property and interests in real property of the municipality on such terms and](#)  
16 [conditions and according to such procedures as determined jointly by the municipality and the](#)  
17 [department of housing.](#)

18 [\(d\) The acquisition of real property by the department of housing pursuant to this section,](#)  
19 [from entities other than political subdivisions, shall be limited to real property that is tax delinquent,](#)  
20 [tax foreclosed, subject to municipal receivership, vacant or abandoned, or unimproved land;](#)  
21 [provided, however, that a land bank shall have authority to enter into agreements to purchase other](#)  
22 [real property consistent with an approved development plan in accordance with chapter 165.3 of](#)  
23 [title 42.](#)

24 **42-162.2-4. Public inspection of records.**

25 [\(a\) The department shall maintain and make available for public review and inspection a](#)  
26 [complete inventory of all property received by the department for deposit into the land bank. Such](#)  
27 [inventory shall include: the location of the parcel; the purchase price, if any, for each parcel](#)  
28 [received; the current value assigned to the property for purposes of real property taxation; the](#)  
29 [amount, if any, owed to the locality for real property taxation or as a payment in lieu of taxes; the](#)  
30 [identity of the transferor; and any conditions or restrictions applicable to the property.](#)

31 [\(b\) All parcels received by the department and deposited into the land bank shall be listed](#)  
32 [on the received inventory established pursuant to subsection \(a\) of this section within one week of](#)  
33 [acquisition and shall remain in such inventory for one week prior to disposition. Such inventory](#)  
34 [shall be listed on a website for the department accessible to the public.](#)

1           **42-165.2-5. Departmental authority to reject proposed transfers of property.**

2           The department of housing is hereby allowed to reject any transfer of polluted,  
3 contaminated or problematic parcels which would in the judgment of the department create a harm  
4 to the finances, operations or interests for the land bank, the department or the state.

5           **42-162.2-6. Property in the land bank exempt from legal process.**

6           (a) Any land deposited into the land bank shall not be subject to attachment, execution or  
7 any judicial or administrative process during the period it is held by the department, unless that  
8 parcel or asset is pledged as security for any loan agreement made for funding improvements related  
9 to that parcel in which case such process shall be available against that asset only, and no liens,  
10 finances, penalties, assessments or other charges shall be made against the property, the land bank, the  
11 department or the state for any reason during the period it is held in the land bank.

12           (b) In the event there is a division in the fee hold where only a portion of the rights related  
13 to the property is located in the land bank, the remainder may be made subject to legal process so  
14 long as such process does not act to divest the land bank of any of its attributes of ownership or  
15 ability to develop the property.

16           (c) In the event of a divided ownership where a portion of the fee or property interest is  
17 held by the land bank or any other conflict in ownership which may arise under this section, the  
18 department may petition the superior court for partition in which after the required notice and  
19 service of process is completed upon confirmatory motion the land bank shall be awarded and  
20 receive the whole fee simple interest by way of an interim order or a final judgment. An interim  
21 order or a final judgment constitutes a recordable order which shall be considered binding in the  
22 chain of title and any of the remainder portion claimed by another owner or creditor shall be subject  
23 to penalty under the law or in equity based on the value of the interest transferred to the land bank.  
24 Neither the department nor any land subject to such a partition action shall be restrained nor  
25 enjoined and no equitable order shall issue to prevent the development of the property by the  
26 department or its applicant or assignee.

27           **42-162.2-7. Required review of surplus land by state and municipal entities.**

28           (a) Conduct of required review. All state and municipal public bodies and quasi-public  
29 entities shall conduct a review of real estate assets owned by or under the control of the body or  
30 quasi-public entity and determine which real estate assets are not under current use or planned use  
31 by December 31, 2022.

32           (b) Real estate asset planning. Each state and municipal public body and quasi-public entity  
33 shall create a long-term plan for those real estate assets not in current use. Such a plan shall provide  
34 an estimated date when each real estate asset will be employed for use by the agency, what the



1 proposed use will be, and if known the estimated costs to develop the land for the proposed use.

2 (c) A list of all real estate assets which are not in use shall be submitted to the department  
3 along with a list of those parcels for which there are plans to put said parcel to use within ten (10)  
4 years and evidence of what that use will be.

5 (d) The department will evaluate each parcel submitted to the department, along with the  
6 proposed use for each parcel so denominated by each public body for the appropriateness for  
7 development into residential housing units. A copy of the list shall also be provided to the state  
8 properties committee.

9 (e) Notice to the department. If the department determines that a particular parcel listed on  
10 any list required in subsections (b) and (c) of this section is determined to be appropriate for  
11 residential real estate development the department shall provide notice to the state or municipal  
12 public body or quasi-public agency that is in control of or owns the parcel.

13 (f) Required donation or sale to land bank. Upon a determination by the department that a  
14 particular real estate asset listed pursuant to subsection (d) of this section is suitable for residential  
15 real estate development and the department has determined that it desires to acquire the real estate  
16 asset for the land bank, if said parcel is not listed as being planned for use within the next ten (10)  
17 years the state or municipal public body or quasi-public agency, as applicable, shall be required  
18 upon notice by the department to enter into a negotiation with the department for the transfer of the  
19 parcel to the land bank. If the parcel is listed as not currently in use, but that there is a planned use  
20 within the next ten (10) years, the department shall evaluate the planned use, the other lands held  
21 by the public body as alternative sites for the appropriateness of the planned use that is claimed and  
22 shall have the final determination as to whether to force a purchase of the land notwithstanding the  
23 public body's claimed use unless the public body has taken affirmative steps by making expenses  
24 or setting aside restricted funds of at least ten percent (10%) of the anticipated development cost to  
25 the put the property into the planned use. If that department and the state or municipal public body  
26 or quasi-public agency cannot agree on a transfer value then establishment of a value through  
27 binding arbitration by a panel comprising of three (3) certified real estate appraisers shall be  
28 required. If the value is such that the department desires to continue with the purchase then the state  
29 or municipal public body or quasi-public agency shall be required to consummate the sale.

30 (g) Parcels exempt from the required donation or sale. The following real estate assets shall  
31 be exempt from the required sale procedure in subsection (e) of this section:

32 (1) All real estate assets under the control of the Quonset development corporation within  
33 the Quonset business park;

34 (2) All real estate assets under the control of the Rhode Island airport corporation;

- 1           (3) All real estate assets under the control of the department of transportation held for  
2 proposed roads, highways, railways or other transportation infrastructure;
- 3           (4) All real estate assets under the control of the Rhode Island public transit authority;
- 4           (5) All real estate assets in the immediate vicinity of the state house and state offices in the  
5 capitol district;
- 6           (6) All real estate assets connected with judicial branch activities;
- 7           (7) All real estate assets controlled by the department of corrections;
- 8           (8) All real estate assets controlled by the university of Rhode Island that are located in  
9 South Kingstown or Exeter;
- 10           (9) All real estate assets controlled by Rhode Island college that are located in Providence
- 11           (10) All real estate assets located in Cranston at the John O. Pastore center or in its  
12 immediate vicinity;
- 13           (11) All real estate assets controlled by the office of veterans' services in the vicinity of the  
14 Rhode Island veterans' cemetery and the Rhode Island veterans' home;
- 15           (12) All real estate assets related to Eleanor Slater hospital including, but not limited to,  
16 facilities in Cranston and Burrillville;
- 17           (13) All assets located in a flood zone;
- 18           (14) All assets located in a wetland designated by the department of environmental  
19 management;
- 20           (15) All assets located within the jurisdiction of the coastal resources management council;
- 21           (16) All real estate assets which are subject to any farm, forest or open space restriction  
22 against building through the department of environmental management, any agricultural  
23 conservancy trust, or any not-for-profit entity or trust;
- 24           (17) All parcels designated by the director of the department of emergency management as  
25 necessary for emergency preparation purposes;
- 26           (18) All parcels abutting or adjacent to hospitals and healthcare facilities that are reserved  
27 for future expansion of the healthcare or hospital facility;
- 28           (19) Real estate assets subject to the control or oversight of the I-195 redevelopment  
29 commission;
- 30           (20) Real estate assets owned, controlled or overseen by the Rhode Island historical  
31 preservation & heritage commission;
- 32           (21) Any property being operated as a farm, for recreational purposes, open space, or as a  
33 water supply or for the provision of utilities or serves as a buffer to any watershed, water supply or  
34 utility.

1 (h) Donation or sale prior to disposition. Prior to any disposition of any real estate asset by  
2 any state or municipal public body or quasi-public agency through sale, long-term lease of more  
3 than five (5) years, surplus of property, auction, donation or other method, notice shall be provided  
4 to the department along with the opportunity to timely evaluate the property and decide whether  
5 exercise an option to purchase or decline to purchase the parcel which shall not be less than forty-  
6 five (45) days. Notice of the proposed auction date, sale date or date of the disposition shall be  
7 provided to the commission. Unless a public auction or sale is required pursuant to other law or  
8 judicial order the department shall have the right of first refusal for purchase of the real estate asset  
9 by the land bank at:

10 (1) The advertised price, or if none then:

11 (2) At the price offered by an alternative buyer, or if none then; and

12 (3) At the lowest price acceptable to the selling entity if acceptable to the department. The  
13 department shall inform the selling agency of its decision to exercise its right of first refusal prior  
14 to the auction date, sale date or disposition date contained in the original notice.

15 SECTION 5. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
16 GOVERNMENT" is hereby amended by adding thereto the following chapter:

17 CHAPTER 162.3

18 DEPARTMENT OF HOUSING RESIDENTIAL DEVELOPMENT PROGRAMS

19 **42-162.3-1. Definitions.**

20 (a) As used in this chapter, words and terms, shall have the meaning set forth in § 42-162.1-  
21 3 unless this chapter provides a different meaning or unless the context indicates a different  
22 meaning or intent.

23 (b) Within this chapter, the following words and terms shall have the following meanings  
24 unless the context indicates a different meaning or intent:

25 (1) "Affordable housing" means a housing unit provided to an individual for family whose  
26 income is less than or equal to one hundred and twenty percent (120%) of area median income as  
27 measured at the time of the purchase of an eligible unit.

28 (2) "Department" means the Rhode Island housing department.

29 (3) "Secretary" means the secretary of housing.

30 (4) "Foreclosing governmental unit" means any municipality, water service, sewer provider  
31 with the power to sell a property through chapter 9 of title 44 or with the power to foreclose  
32 foreclose as well as the "department."

33 (5) "Housing structures" means a building or structure containing one or more "housing  
34 units."

1 (6) "Housing units" means a building or a portion of a building which is conveyed or rented  
2 to a single family for their occupancy. The units shall be separate from all other units in a structure  
3 and contain separate rooms for each of the following purposes: at least one bathroom with a shower  
4 and tub unit, one kitchen with a refrigerator, kitchen sink and cooking appliances, a living or  
5 common family space, at least two (2) bedrooms, and a closed space for utilities and mechanicals  
6 servicing the unit.

7 (7) "Land bank" means a land bank established in chapter 16.2 of title 42;

8 (8) "State and municipal public bodies" means, the state, any city, any town and any  
9 executive, legislative, judicial, regulatory, or administrative body of the state, or any political  
10 subdivision thereof; including, but not limited to: any department, division, agency, commission,  
11 board, office, bureau, authority; any school, fire, or water district, or other agency of Rhode Island  
12 state or local government.

13 (9) "Workforce eligible housing" means a housing unit provided to an individual for family  
14 whose income constitutes not more than the greater of:

15 (i) The maximum income allowable under 26 U.S.C. § 143; or

16 (ii) One hundred twenty thousand dollars (\$120,000) measured in 2021 dollars adjusted for  
17 the consumer price index ("CPI") for a family of three (3) or less with a formula based upward  
18 adjustment as determined by the department based on family size up to a maximum of six (6)  
19 members of the household.

20 **42-162.3-2. Creation of programs.**

21 The department of housing is hereby authorized to create and establish programs for  
22 promoting and encouraging the preservation, expansion and sound development of new and  
23 existing residential housing units thereby increasing the housing security of the citizens of this state  
24 in safe and affordable housing which shall also promote the economic development of the state by  
25 ensuring safety for its workforce and families.

26 **42-162.3-3. General powers.**

27 (a) Except to the extent inconsistent with any specific provision of this chapter, the  
28 department shall have and may exercise all general powers set forth in chapters 162 through 162.3  
29 of title 42, inclusive, necessary or convenient to effect its purposes, which shall include the powers  
30 to acquire and to dispose of real property, subject to the provisions of this chapter, without the  
31 necessity of obtaining the approval of the state properties committee or otherwise complying with  
32 the provisions of title 37 and to dispose of projects as provided for in § 42-64-11.

33 (b) The department is further authorized:

34 (1) To ask, demand, recover, collect, receive, hold, and possess all sums of money, debts,

1 dues, goods, wares, merchandise, chattels, effects, bonds, notes, checks, drafts, accounts, deposits,  
2 safe deposit boxes, interests, dividends, stock certificates, certificates of deposit, insurance benefits  
3 and proceeds, documents of title, personal and real property, tangible and intangible property, and  
4 property rights, liquidated or unliquidated, that now are, or hereafter, shall be, or become, due,  
5 owing, or payable in respect to the property, and upon receipt thereof, or of any part thereof, to  
6 make, sign, execute, and deliver such receipts, releases, or other discharges for the same as the  
7 secretary shall deem proper and deliver the amounts required to the housing development fund  
8 created by chapter 162.1 of this title.

9 (2) To lease, purchase, exchange and acquire, and to bargain, contract, and agree for the  
10 lease, purchase, exchange, and acquisition of, and to take, receive, possess, and manage any real or  
11 personal property related in any way to the property, tangible and intangible, or any interest therein.

12 (3) To enter into and upon all and each of the real properties constituting a part of, or related  
13 in any way, to the property, and to let, manage, and improve the real property or any part thereof,  
14 and to repair or otherwise improve or alter, and to insure any buildings or structures thereon.

15 (4) Subject to the provisions of this chapter, to market and sell, either at public or private  
16 sale, or exchange any part or parts of the real or personal properties, including indebtedness or  
17 evidence thereof, constituting a part of or related in any way to the property, including sales on  
18 credit, and for that purpose to execute and receive all promissory notes, bonds, mortgages, deeds  
19 of trust, security agreements, and other instruments that may be necessary or proper, and to bargain,  
20 contract, and agree with respect to the sale or exchange of such properties; and to execute and  
21 deliver good and sufficient deeds, bills of sale, assignments, or other instruments or endorsements  
22 for the conveyance or transfer of the same; and to give receipts for all or any part of the purchase  
23 price or other consideration.

24 (5) To sign, endorse, execute, acknowledge, deliver, receive, and possess such applications,  
25 contracts, agreements, options, covenants, deeds, conveyances, trust deeds, mortgagees deeds,  
26 security agreements, bills of sale, leases, mortgages, assignments, insurance policies, bills of lading,  
27 warehouse receipts, documents of title, bills, bonds, debentures, checks, drafts, bills of exchange,  
28 notes, stock certificates, proxies, warrants, commercial paper, receipts, withdrawal receipts, and  
29 deposit instruments relating to accounts or deposits in, or certificates of deposit of, banks, savings  
30 and loan or other institutions or associations, proofs of loss, evidences of debts, releases, and  
31 satisfactions of mortgages, judgments, liens, security agreements, and other debts and obligations,  
32 and other instruments in writing of whatever kind and nature as be necessary or proper in the  
33 exercise of the rights and powers herein granted.

34 (6) To enter into subordination agreements, inter-creditor agreements, reinstatement

1 agreements, "stand still" and "stand-by" agreements, modification agreements, forbearance  
2 agreements, and other contracts having the effect of subordinating, modifying, renewing,  
3 restructuring or otherwise altering the rights, obligations, or liabilities of the department or its  
4 predecessors, under or with respect to any indebtedness, property, or other assets constituting or  
5 securing any property.

6 (7) To make demands, give notices of default, notices of intention to accelerate, notices of  
7 acceleration, or such other notices as the department deems necessary or appropriate, and to take  
8 other actions and exercise other rights that may be taken under the terms of any loan agreements,  
9 security agreements, guaranties, or other documents or agreements evidencing, or otherwise  
10 relating to, the property, including foreclosure, lease, sale, taking possession of, realization upon,  
11 or any other disposition of any property or any collateral therefor or guarantee thereof.

12 (8) To exercise any powers and any duties previously vested in the commerce corporation  
13 or now vested in the department as a partner, joint venturer, participant, or other joint-interest holder  
14 with respect to any property, or to concur (or not) with persons jointly interested with the  
15 department in any property.

16 (9) With respect to the property:

17 (i) To sue on, or otherwise prosecute, any claim or cause of action, or commence or seek  
18 any legal, equitable, or administrative or other remedy in any legal, administrative, arbitration,  
19 mediation, or other proceeding whatsoever (including, non-judicial repossessions and foreclosures  
20 or similar actions to recover collateral);

21 (ii) To defend, or otherwise participate for, or in the name of, the department in any legal,  
22 administrative, arbitration, mediation, or other proceedings;

23 (iii) To process, determine, or adjudge any claim or cause of action for, or in the name of,  
24 the department;

25 (iv) To compromise, settle, discharge or resolve, or make, execute, or deliver any  
26 endorsements, acquittances, releases, receipts, or other discharges of any claim, cause of action,  
27 determination, judgment, or other proceeding for, or in the name of, the department; and

28 (v) To prepare, execute, and file ad valorem, franchise and other tax returns, protests and  
29 suits against taxing authorities, and to prepare, execute, and file other governmental or quasi-  
30 governmental reports, declarations, applications, requests and documents in connection with any  
31 property, and to pay taxes in connection with the property as the department deems necessary or  
32 appropriate, or as otherwise required by law.

33 (10) Any third party shall be entitled to rely on a writing signed by the secretary or in his  
34 or her name to conclusively establish the identity of a particular property as property for all

1 purposes hereof.

2 (d) To own, hold, improve, operate, manage, and regulate utilities for properties subject to  
3 its control or ownership and to establish rates, fees, and charges, to adopt regulations, and to impose  
4 penalties for any services or utilities it provides, or causes to have available, and to have functions  
5 and exercise powers as necessary and appropriate as the successor to the commerce corporation  
6 under the provisions of §§ 42-64-4, 42-64-7.4, 42-64-7.8, 42-64-7.9 and 42-64-9.1 through 42-64-  
7 9.10, inclusive or under its own authority as granted by law.

8 (e) Subject to the provisions of this chapter, to enter into agreements with any city, town,  
9 district, or public corporation with regard to application and/or administration of zoning or other  
10 land use ordinances, codes, plans, or regulations, and cities, towns, districts, and public  
11 corporations are hereby authorized and empowered, notwithstanding any other law to the contrary,  
12 to enter into such agreements with the department and to do all things necessary to carry out their  
13 obligations under such agreements.

14 (f) The provisions of § 42-64-13(d) shall apply to land, real estate assets and projects owned  
15 by, under the supervision of, the department or lawfully approved by the secretary.

16 (g) To be exempt from taxation and to enter into agreements for payments in lieu of taxes  
17 in the same manner as provided for in § 42-64-20.

18 (h) To establish a stormwater management and conveyance system and regulate  
19 connections, user fees, charges and assessments in connection therewith on real estate assets or as  
20 part of projects overseen, approved or controlled by the department. In particular, the department  
21 shall have full and complete power and authority to:

22 (1) Limit, deny, or cause appropriate direct or indirect connections to be made between any  
23 building or property, or from any location outside the property and discharging into a stormwater  
24 management and conveyance systems built or maintained by the department. The secretary may  
25 prescribe those rules and regulations for stormwater runoff that in his or her opinion, are necessary  
26 and appropriate for the maintenance and operation of the stormwater management and conveyance  
27 systems, and may establish, from time to time, rules and regulations relating to stormwater  
28 management for its properties and projects. Any person or entity having an existing connection to  
29 the stormwater management and conveyance systems or currently discharging into such systems,  
30 will obtain a permit from the department in accordance with its rules and regulations. No person or  
31 entity shall, without first being granted a written permit from the department in accordance with its  
32 rules and regulations, make any future connection or permit any runoff from any structure or  
33 property to any stormwater management and conveyance systems, or any appurtenance thereto,  
34 without first being granted a written permit from the department in accordance with its rules and

1 regulations.

2 (2) Assess any person or entity having a direct or indirect connection (including, without  
3 limitation, via runoff) to the a stormwater management and conveyance systems owned or  
4 controlled by the department the reasonable charges for the use, operation, maintenance, and  
5 improvements to the systems. The department shall also be entitled, in addition to any other  
6 remedies available, to assess fines for violations of the rules and regulations established by the  
7 department with respect to stormwater management.

8 (3) Collect the fees, charges, and assessments from any person or entity so assessed. Each  
9 person or entity so assessed shall pay the fees, charges, or assessments within the time frame  
10 prescribed by the rules and regulations of the department. The department may collect the fees,  
11 charges, and assessments in the same manner in which taxes are collected by municipalities, with  
12 no additional fees, charges, assessments, or penalties (other than those provided for in chapter 9 of  
13 title 44). All unpaid charges shall be a lien upon the real estate of the person or entity. The lien shall  
14 be filed in the records of land evidence for the city or town in which the property is located and the  
15 department shall simultaneously, with the filing of the lien, give notice to the property owner.  
16 Owners of property subject to a lien for unpaid charges are entitled to a hearing within fourteen  
17 (14) days of the recording of the lien.

18 (4) Notwithstanding the provisions of subsection (h)(3) of this section, the department is  
19 authorized to terminate the water supply service or prohibit the use of the department's stormwater  
20 management and conveyance systems of any person or entity for the nonpayment of storm water  
21 management user fees, charges, and assessments. The department shall notify the user of  
22 termination of water supply or use of the stormwater management and conveyance systems at least  
23 forty-eight (48) hours prior to ceasing service. The department may assess any person or entity any  
24 fees, charges, and assessments affiliated with the shut off and restoration of service.

25 (5) Without in any way limiting the foregoing powers and authority, the department is also  
26 hereby empowered to:

27 (i) Establish a fee system and raise funds for administration and operation of the stormwater  
28 management and conveyance systems;

29 (ii) Prepare long-range, stormwater management master plans;

30 (iii) Implement a stormwater management district;

31 (iv) Retrofit existing structures to improve water quality or alleviate downstream flooding  
32 or erosion;

33 (v) Properly maintain existing stormwater management and conveyance systems;

34 (vi) Hire personnel to carry out the functions of the stormwater management and



1 conveyance systems;  
2 (vii) Receive grants, loans, or funding from state and federal water-quality programs;  
3 (viii) Grant credits to property owners who maintain retention and detention basins or other  
4 filtration structures on their property;  
5 (ix) Make grants for implementation of stormwater management plans;  
6 (x) Purchase, acquire, sell, transfer, or lease real or personal property;  
7 (xi) Impose liens;  
8 (xii) Levy fines and sanctions for noncompliance;  
9 (xiii) Provide for an appeals process; and  
10 (xiv) Contract for services in order to carry out the function of the stormwater management  
11 and conveyance systems.  
12 (i) To purchase and obtain water supply and water service from any city, town, water  
13 district, or other water supply authority. In particular, the department is authorized to:  
14 (1) Enter into agreements or contracts with any city, town, county, water district, or other  
15 water supply authority to purchase, acquire, and receive water supply and water service.  
16 (2) Enter into cooperative agreements with cities, towns, counties, water districts, or other  
17 water supply authorities for the interconnection of facilities or for any other lawful corporate  
18 purposes necessary or desirable to effect the purposes of this chapter.  
19 (3) Connect the water supply system on any property or project controlled, approved,  
20 owned or overseen by the department with any city, town, county, water district, or other water  
21 supply authority that receives or has a connection with the city of Providence and/or the Providence  
22 water supply board (or any successor thereof) and purchase, connect to, receive, and enter into  
23 agreements to receive water supply from any city, town, county, water district, or other water  
24 supply authority regardless of the origin of such water supply. The city of Providence and the  
25 Providence water supply board (and any successor thereof) are authorized and directed to supply  
26 water where deemed appropriate by the department either directly or via connections between the  
27 property or project and any city, town, county, water district, or other water supply authority,  
28 notwithstanding any terms to the contrary in any agreement, including, without limitation, any  
29 agreement between any city, town, county, water district, or other water supply authority and the  
30 city of Providence and/or the Providence water supply board (or its or their predecessors), or the  
31 provisions of chapter 16 of title 39. In addition, the provisions of § 18 of chapter 1278 of the public  
32 laws of Rhode Island of 1915 as amended, and any other public law that would conflict with the  
33 terms hereof, are hereby amended to authorize the provision of water supply by the city of  
34 Providence and the Providence water supply board (or any successor thereof) to any property or

1 project of the department and to authorize any additional connections in accordance herewith.  
2 There shall be no requirement that the department demonstrate public necessity before entering into  
3 such agreements, connecting to such water supplies, or receiving such water as described in this  
4 subsection, but the department shall be subject to the other applicable provisions of chapter 15 of  
5 title 46.

6 **42-162.3-4. Development of new housing.**

7 The department shall formulate a program for the development of new housing units where  
8 a portion of the housing is set aside from projects to ensure affordability. The program shall provide  
9 for housing to be developed using assets, including, but not limited to, funds and real estate assets,  
10 held by the land bank, the housing development fund and other sources available to the department.  
11 The program shall solicit applications from businesses, not-for-profit entities and developers for  
12 the construction of the housing units, or the department may undertake the work of development  
13 by use of its staff and contracting with businesses, individuals and entities for the completion of  
14 the work. The department sponsored residential development program shall have general criteria  
15 that applies to the construction of all housing units and housing structures as well as specific criteria  
16 that applies based on different project sizes as further described in this section.

17 **42-162.3-5. Municipal sponsored residential development projects.**

18 (a) The department shall administer a municipal sponsored residential development project  
19 program where the department is permitted to provide funding from the housing development fund  
20 and/or land from the land bank in support of the municipal residential development project which  
21 is primarily built for affordable housing, workforce eligible housing or disability housing purposes  
22 with appropriate dispositions and deed restrictions as provided in this chapter.

23 (b) Municipal sponsored projects. For any project sponsored by a municipality an  
24 application shall be presented to the department for funding or for the provision of land through the  
25 land bank. Any funding shall be made contingent on completion of the project, the issuance of  
26 certificates of occupancy and disposition to owners or lessees. No less than fifty percent (50%) of  
27 the housing units must be made available for affordable housing, and no less than seventy-five  
28 percent (75%) shall be made available for affordable housing and workforce eligible housing in  
29 any project. A lien shall exist on any real estate which is transferred from the department and all  
30 improvements made thereon which shall be forgiven upon completion of the project and disposition  
31 to an eligible owner. For any municipally sponsored project the municipality must provide at least  
32 ten percent (10%) of the funds or one hundred thousand dollars (\$100,000), whichever is less, for  
33 the funding of the project. The municipality's portion of the funding may be satisfied by grants,  
34 contributions, donations or other sources and need not be derived from the municipality's general

1 revenues or general fund.

2 **42-162.3-6. Criteria for development projects under this chapter.**

3 (a) The general criterial applying to the original construction of all new housing  
4 developments sponsored by the department shall include the following:

5 (1) Each housing structure shall have at least one housing unit. In structures with two (2)  
6 or more housing units, the units shall be separately accessible from a common area or from the  
7 outside and able to be locked by the occupants.

8 (2) Each housing structure shall be constructed using similar materials of similar type,  
9 grade, size, quantity and quality and appear to be relatively uniform except as to color of siding or  
10 paint and any land characteristics specific to the parcel, whether divided or subdivided or not.

11 (3) Each housing structure's internal features shall be relatively uniform as to the type,  
12 grade, size, quantity and quality of materials, the number of rooms, and the size of rooms, except  
13 that disability or accessible housing may have larger dimensions and a different design to  
14 accommodate for the needs of the proposed occupants;

15 (4) Construction shall comply with all applicable building codes.

16 (5) Construction shall ensure sufficient utility service including, but not limited to:

17 (i) Water by private wells of acceptable water quality, flow rate and quantity; or public  
18 water supply access;

19 (ii) Sewer or sufficient treatment or septic facilities compliant with department of  
20 environmental management regulations and the law;

21 (iii) Electric;

22 (iv) Either natural gas connection, or oil or propone storage for each housing structure with  
23 separate meters or tanks for each housing unit;

24 (v) Broadband or higher Internet connectivity.

25 (6) Housing structures shall be built to be energy efficient, with such further requirements  
26 as determined by the secretary in consultation with the state building code commission and the  
27 office of energy efficiency;

28 (7) Located, when possible, near existing public transportation.

29 (8) Shall be constructed in a manner where the housing structures are built to look similar  
30 to other existing structures present in the community or municipality where the project is located.

31 (9) Shall contain sufficient parking accommodations for occupants and guests.

32 (b) Specific criteria for housing developments sponsored by the department dependent on  
33 project size are as follows:

34 (1) Developments of ten (10) or more housing structures. In all projects where there are ten

1 (10) or more housing structures the following criteria shall be required:

2 (i) At least one unit for each ten (10) structures shall be designed and constructed to be  
3 fully handicapped accessible in all areas of the housing unit;

4 (ii) Twenty-five percent (25%) of the housing units shall be designated as affordable  
5 housing units;

6 (iii) Seventy-five percent (75%) of the housing units shall be designated as either workforce  
7 eligible housing or affordable housing;

8 (iv) The remaining housing units shall be eligible to be sold at full market rates;

9 (v) The development shall provide for sufficient parking facilities for each housing unit  
10 either at each unit or on common land such that there are two (2) parking spots for each housing  
11 unit plus a handicapped parking space for each handicapped accessible housing unit;

12 (vi) An area of the development shall be reserved for recreational space sufficient in size  
13 and location to be accessible by the whole development and useful to the residents therein;

14 (vii) For the development of real estate parcels equal to or larger than ten (10) acres before  
15 any division or subdivision thereof, twenty-five percent (25%) of the parcel shall be held for open  
16 or forest space; and

17 (viii) Any other additional criteria that the department shall deem appropriate for the  
18 purposes of this chapter and the program.

19 (2) Developments of five (5) to nine (9) housing structures. In all projects where there are  
20 five (5) to nine (9), inclusive, housing structures:

21 (i) At least one housing unit shall be designed and constructed to be fully handicapped  
22 accessible in all areas of the housing unit;

23 (ii) Thirty percent (30%) of the housing units shall be designated as affordable housing  
24 units;

25 (iii) Fifty percent (50%) of the housing units shall be designated as workforce eligible  
26 housing or affordable housing;

27 (iv) The remaining housing units shall be eligible to be sold at full market rates;

28 (v) The development shall provide for sufficient parking facilities for each housing unit  
29 either at each unit or on common land such that there are two (2) parking spots for each housing  
30 unit plus a handicapped parking space for each handicapped accessible housing unit; and

31 (vi) Any other additional criteria that the department shall deem appropriate for the  
32 purposes of this chapter and the program.

33 (3) Developments of one to four (4) housing structures. In all projects where there are one  
34 to four (4), inclusive, housing structures:

- 1           (i) Fifty percent (50%) of the housing units shall be designated as affordable housing units;  
2           (ii) Sixty percent (60%) of the housing units shall be designated as workforce eligible  
3 housing or affordable housing;  
4           (iii) The remaining housing units shall be eligible to be sold at full market rates;  
5           (iv) The development shall provide for sufficient parking facilities for each housing unit  
6 either at each unit or on common land such that there are two (2) parking spots for each housing  
7 unit; and  
8           (v) Any other additional criteria that the department shall deem appropriate for the purposes  
9 of this chapter and the program.

10           **42-162.3-7. Authorization to develop additional criteria for projects.**

11           In developing the program and any regulations, additional criteria or bylaws that the  
12 department may adopt, the secretary shall seek input from the building and trade industry  
13 representatives, pertinent not-for-profit entities, municipalities, other state agencies and the public.

14           **42-162.3-8. Protecting and improving existing multifamily housing.**

15           The department shall administer a program for the protection and improvement of existing  
16 multifamily housing. The department may purchase multifamily residence units, provide low  
17 interest or no-interest loans, forgivable loans, gap funding, or any combination of the above to  
18 owners of multifamily units, builders, not-for-profit corporations and developers to ensure that  
19 multifamily housing units are not closed or lost. No portion of the program shall be used for  
20 payment of rent of occupied units or purchase mortgage relief for owners. In formulating policies  
21 for this program, the department shall work with public housing authorities, the Rhode Island  
22 housing and mortgage finance corporation, not-for-profits and other businesses, entities and  
23 individuals to coordinate resources and ensure both that there is a remedy when no other remedy  
24 exists and that there is as little financial and administrative duplication as possible. The department  
25 shall also operate the program in such a manner that it will act as a clearinghouse or "one-stop  
26 shop" for information for owners, investors, occupants and residents for the protection and  
27 improvement of existing multifamily housing units.

28           **42-162.3-9. Rehabilitation of closed and endangered multifamily housing.**

29           The department shall administer a program for the rehabilitation of multifamily housing  
30 that is no longer rented to tenants and to rehabilitate multifamily units that are endangered of being  
31 lost from the market. The department may purchase multifamily residence units, provide low  
32 interest or no-interest loans, forgivable loans, gap funding, or any combination of the above to  
33 builders, not-for-profit corporations and developers and owners of multifamily units to ensure that  
34 previously operational, but currently closed multifamily housing units are brought back to the

1 market and that endangered multifamily housing units are not closed or lost. Endangered  
2 multifamily units may include, but not be limited to, properties in receivership, properties in  
3 bankruptcy, properties in foreclosure, properties in tax sale, properties with building code  
4 violations, properties with fire code violations, properties with municipal code violations,  
5 properties with zoning violations, properties with lead paint hazards, properties with fire code  
6 violations, properties in high market rent areas where consolidation of multiple units into a single  
7 unit are threatened, units where portions of the unit have been previously and lawfully rented as  
8 separate units, and other properties as determined by the department. In formulating policies for  
9 this program, the department shall work with public housing authorities, the Rhode Island housing  
10 and mortgage finance corporation, not-for-profits and other businesses, entities and individuals to  
11 coordinate resources and ensure both that there is a remedy when no other remedy exists and that  
12 there is as little financial and administrative duplication as possible. The department shall also  
13 operate the program in such as manner that it will act as a clearinghouse or "one-stop shop" for  
14 information for owners, investors, occupants and residents for the protection and improvement of  
15 existing multifamily housing units.

16 **42-162.3-10. Municipal incentives for housing development.**

17 (a) Municipalities are encouraged to approve and sponsor affordable housing and  
18 workforce eligible housing development. For municipalities that approve and sponsor such projects  
19 the following adjustments to their municipal and education aid shall be made:

20 (1) For projects approved by the municipality and the department after the effective date  
21 of this act, but before July 1, 2023, education aid shall be increased to the local education authority  
22 on a per capita basis for each additional student enrolled in public schools in an amount equal to  
23 the district's per pupil cost multiplied by one hundred percent (100%) for each additional child  
24 living in such housing for a period of five (5) years and a bonus of half of the increase shall be  
25 provided to the municipality in which the student's residence in the new housing unit is located for  
26 a period of five (5) years. In the event a student who moves into housing developed under this  
27 section requires special education services the department of education shall pay for ninety percent  
28 (90%) of the student's additional services each year above the per pupil cost for the period the  
29 student remains in the housing unit or remains as a student in the district, whichever is less.

30 (2) For projects approved by the municipality and the department on or after July 1, 2023  
31 and before January 1, 2024 education aid shall be increased to the local education authority on a  
32 per capita basis for each additional student enrolled in public schools in an amount equal to the  
33 district's per pupil cost multiplied by seventy-five percent (75%) for each additional child living in  
34 such housing for a period of five (5) years and a bonus of half of the increase shall be provided to

1 the municipality in which the student's residence in the new housing unit is located for a period of  
2 five (5) years. In the event a student who moves into housing developed under this section requires  
3 special education services the department of education shall pay for seventy-five percent (75%) of  
4 the student's additional services each year above the per pupil cost for the period the student remains  
5 in the housing unit or remains as a student in the district, whichever is less.

6 (3) For projects approved by the municipality and the department on or after January 1,  
7 2024 and before July 1, 2024 education aid shall be increased to the local education authority on a  
8 per capita basis for each additional student enrolled in public schools in an amount equal to the  
9 district's per pupil cost multiplied by fifty percent (50%) for each additional child living in such  
10 housing for a period of five (5) years and a bonus of half of the increase shall be provided to the  
11 municipality in which the student's residence in the new housing unit is located for a period of five  
12 (5) years. In the event a student who moves into housing developed under this section requires  
13 special education services the department of education shall pay for fifty percent (50%) of the  
14 student's additional services each year above the per pupil cost for the period the student remains  
15 in the housing unit or remains as a student in the district, whichever is less.

16 (4) For projects approved by the municipality and the department on or after July 1, 2024  
17 but before July 1, 2026, education aid shall be increased to the local education authority on a per  
18 capita basis for each additional student enrolled in public schools in an amount equal to the district's  
19 per pupil cost multiplied by twenty-five percent (25%) for each additional child living in such  
20 housing for a period of three (3) years and a bonus of half of the increase shall be provided to the  
21 municipality in which the student's residence in the new housing unit is located for a period of five  
22 (5) years. In the event a student who moves into housing developed under this section requires  
23 special education services the department of education shall pay for twenty-five percent (25%) of  
24 the student's additional services each year above the per pupil cost for the period the student remains  
25 in the housing unit or remains as a student in the district, whichever is less.

26 (5) For projects approved on or after July 1, 2026, no bonus municipal aid or education aid  
27 shall be awarded under this section.

28 (6) The education aid calculations made in subsections (a)(1) through (a)(4) of this section  
29 inclusive shall be adjusted based on the municipality's attainment of the goals set out in chapter 53  
30 of title 45. When any municipally approved project increases the number of affordable housing  
31 units the projected total upon completion shall be used to determine the aid in this section. The  
32 calculation of the aid adjustment shall be made irrespective of whether the municipality has been  
33 deemed to have a feasibility condition or exemption from percentage of affordable housing set out  
34 in chapter 53 of title 45. Education aid increases set out in this section shall be adjusted as follows:

1 (i) For projects approved prior to July 1, 2023 no adjustment shall be made;

2 (ii) For projects approved on or after July 1, 2023 municipalities shall have their increase  
3 reduced by the ratio of the difference between ten percent (10%) and the projected amount attained  
4 after completion of all approved projects divided by the ten percent (10%) requirement. In no event  
5 shall the amount be reduced below fifty percent (50%) of the increase that would have been  
6 awarded had no reduction been made pursuant to this subsection.

7 (7) The general assembly shall ensure that the bonus aid provisions contained within this  
8 section are appropriated for each year.

9 **42-162.3-11. Enforcement of minimum affordable housing standards.**

10 (a) Beginning July 1, 2026, in any city or town where the benchmark for affordable housing  
11 set in chapter 53 of title 45 has not been satisfied, irrespective of any determination of infeasibility  
12 or exemption from the ten percent (10%) threshold for affordable housing, affordable housing  
13 planned development units to be constructed pursuant to chapter 53 of title 45 shall not need  
14 approval of the municipality, notwithstanding any municipal law or other statute to the contrary,  
15 but instead shall be required to seek approval solely from the department.

16 (b) With regard to an affordable housing development undertaken by the department or by  
17 an applicant who applies to the department for project approval pursuant to subsection (a) of this  
18 section, the department shall require that the project comply with municipal laws in effect in the  
19 municipality where the project is located, except that a project does not need to comply with any  
20 comprehensive plan, any restrictions on building, any restrictions on the use or planned use  
21 infrastructure or other restrictions inhibiting development and such restrictions shall not be valid  
22 as against projects approved by the department. Further, the following requirements authorized as  
23 standard provisions that may be imposed under a municipal zoning law or other municipal  
24 ordinance shall not apply to any project approved by the department:

25 (1) The dimensions, size, lot coverage, floor area ratios, and layout of lots or development  
26 areas;

27 (2) The density and intensity of use;

28 (3) Any other requirement imposed pursuant to § 45-24-33(a)(4)(x); and

29 (c) For any project proposed, approved or undertaken under this section the provisions of  
30 § 42-162.3-6(b)(3) shall apply and if less than five (5) units are being produced then that at least  
31 fifty percent (50%) of the units must be reserved for affordable housing units and twenty-five (25%)  
32 must be reserved for workforce eligible housing units and if less than five (5) units are being  
33 produced all of the units must be reserved for affordable housing units.

34 (d) Any appeal of an approval or denial by the department of any project under this section



1 shall be made to the superior court within thirty (30) days of the approval or denial being mailed to  
2 the applicant in writing and be given priority on the trial calendar. Upon review, the superior court  
3 shall determine whether the secretary or the department abused its discretion and if not the appeal  
4 shall be denied. The question on appeal shall be treated as a matter of law that may be resolved on  
5 summary judgment. In the event the applicant is allowed to proceed, the the applicant as a  
6 prevailing party is entitled to costs, attorneys' fees and costs of litigation from any party that caused  
7 the appeal to be brought to the superior court, along with an award of all interest charges incurred  
8 due to a delay in the project.

9 (e) Neither a municipality nor an abutter shall have any rights to appeal a decision of the  
10 department. The sole remedy of an abutter shall be an action at law for any direct damages made  
11 to their property or for personal injuries.

12 (f) Beginning on the effective date of this act:

13 (1) Whenever any municipality lacks the resources, personnel or ability to approve a  
14 project, provide a certificate, make an inspection any aspect of a project or any other matter related  
15 to a project that has been approved by the department the municipality shall notify the department  
16 in writing within three (3) business days. Upon notification, the department may provide personnel  
17 to undertake the inspection or work on the approval of any project it has approved and such  
18 inspection or approval work shall be deemed to be an approval by the municipality; and

19 (2) Any failure by a municipality to act on a request by an applicant of a project approved  
20 by the department or by the department for an approval, certificate, inspection or other matter  
21 within thirty (30) days shall be deemed to constitute an inability to undertake the necessary work.  
22 After the expiration of thirty (30) days, the department shall make a written determination of such  
23 and provide a copy of the determination to the municipality. After providing the notice to the  
24 municipality, the department may provide the staffing to make the necessary determination that is  
25 impeding the progress of the department within thirty (30) days and such an approval shall be  
26 deemed to be an approval by the municipality.

27 **42-162.3-12. Coordination with Rhode Island infrastructure bank.**

28 The department shall act in coordination with the Rhode Island infrastructure bank to  
29 ensure the availability of resources to ensure the success of applicants and of the expansion of  
30 housing units through development. The department is authorized to act as a clearing house for  
31 information, to act as a point of contact for applicants and others to achieve help from the Rhode  
32 Island infrastructure bank on eligible projects where funding, assistance and expertise may be  
33 available from the Rhode Island infrastructure bank.

34 **42-162.3-13. Coordination with other state agencies and quasi-publics.**

1           The department shall act in coordination with all other state agencies, quasi-publics, and  
2 municipalities, who in turn are hereby required to assist and consult with the department to ensure  
3 the availability of resources and information to ensure the success of applicants and of the  
4 expansion of housing units through development. The department is authorized to act as a clearing  
5 house for information, to act as a point of contact for applicants and others to achieve help from  
6 other state and local public bodies and quasi-publics where funding, assistance and expertise may  
7 be available from said state and local public bodies and quasi-publics.

8           **42-162.3-14. Restrictions on dispositions of projects and housing units by the**  
9 **department and/or the land bank.**

10           (a) Upon approval of any project the department shall have a lien against the property on  
11 which the project is located which shall be discharged upon the completion of the project and proper  
12 sale in accordance with this section. In the event that the project is not completed and the  
13 department determines that the project cannot be completed by the party in charge of the  
14 development the department shall have the right to foreclose on the lien through a non-judicial  
15 foreclosure, take a deed-in-lieu of foreclosure or otherwise resort to the remedies existing in law  
16 and equity of a first-position secured creditor.

17           (b) Upon completion of a project, residential housing units may only be sold to:

18           (1) Individuals who are first-time homebuyers for owner-occupied housing.

19           (i) Any housing approved by the department, whether built or operated by any public  
20 agency or any nonprofit organization or by any limited equity housing cooperative or any private  
21 developer, that is developed under any program administered by the department shall contain a  
22 deed restriction that requires that the housing unit remain owner-occupied and not rented and that  
23 any resale requires that the new purchaser must be a first-time homebuyer in the same category the  
24 seller was when the seller purchased the structure (i.e. affordable housing, workforce eligible  
25 housing, or market price housing). The deed restriction shall be enforceable by the department for  
26 ninety-nine (99) years from the original grant or such other period that is either agreed to by the  
27 applicant who originally develops the project and department but that is not less than thirty (30)  
28 years from initial occupancy. Any violation of the deed restriction results in a reversion of the unit  
29 to the department for sale to another person qualifying under this section.

30           (ii) In the event of the death of an owner of a housing unit produced under a program  
31 administered by the department and still subject to the deed restriction described in this section  
32 then a family member or next of kin shall be entitled to inherit the housing unit so long as they  
33 occupy the housing unit within nine (9) months of the date of death of the decedent irrespective of  
34 their income level and thereafter the housing unit remains owner-occupied by the heir, family

1 member or next of kin. In the event the heir, family member or next of kin does not occupy the  
2 housing unit within nine (9) months the department shall make an allowance to purchase the  
3 housing unit at fair market value and pay the money to the estate of the decedent. Upon purchase  
4 by the department the housing unit shall be resold by the department as if it were the first sale after  
5 development and the unit shall remain in the same category for sale (i.e. affordable housing,  
6 workforce related housing, market rate housing) as the housing unit was designated by the  
7 developer with a new deed restriction period in the subsequent sale.

8 (2) Not-for-profit entities or agencies whose mission is to provide affordable, low cost, or  
9 workforce eligible housing for rent. Upon the sale, a deed restriction shall be in place enforceable  
10 by the department that requires units to be rented solely to individuals and/or families for primary  
11 housing in eligible categories (i.e. affordable housing, low cost, or workforce eligible housing).  
12 Such a restriction shall be perpetual or for the life of the entity granted the property. After the entity  
13 is provided notice of the violation by the department and being provided a reasonable opportunity  
14 to cure, any violation of the deed restriction results in a reversion of the parcel with all  
15 improvements upon which the housing structure or housing unit in violation is located.

16 **42-162.3-15. Reporting.**

17 (a) The department shall submit to the governor, the president of the senate, the speaker of  
18 the house, within six (6) months after the close of its fiscal year, a complete and detailed report  
19 setting forth:

20 (1) Its operations and accomplishments;

21 (2) Its receipts and expenditures during the fiscal year in accordance with the categories  
22 and classifications established by the department for its operating and capital outlay purposes  
23 including a listing of all private consultants engaged by the department on a contract basis and a  
24 statement of the total amount paid to each private consultant;

25 (3) Its assets and liabilities at the end of its fiscal year including a schedule of its leases and  
26 mortgages and the status of the reserve, special or other funds;

27 (4) Its strategic plan and operating plan for the current fiscal year and proposed for the next  
28 fiscal year;

29 (5) A general statement of needs and opportunities relevant to its purposes; and

30 (6) A listing of all fees paid to attorneys paid during the fiscal year. The reports required  
31 by subsections (a)(1) and (a)(3) of this section shall be prepared by independent certified public  
32 accountants in accordance with generally accepted principles of accounting.

33 **42-162.3-16. Inconsistent provisions.**

34 Insofar as the provisions of this chapter are inconsistent with the provisions of any other

1 [law or ordinance, general, special or local, the provisions of this chapter shall be controlling.](#)

2 **42-162.3-17. Construction.**

3 [This chapter, being necessary for the welfare of the state and its inhabitants, shall be](#)  
4 [liberally construed so as to effectuate its purposes.](#)

5 **42-162.3-18. Severability.**

6 [If any clause, sentence, paragraph, section, or part of this chapter shall be adjudged by any](#)  
7 [court of competent jurisdiction to be invalid, that judgment shall not affect, impair, or invalidate](#)  
8 [the remainder of the chapter but shall be confined in its operation to the clause, sentence, paragraph,](#)  
9 [section, or part directly involved in the controversy in which that judgment shall have been](#)  
10 [rendered.](#)

11 SECTION 6. Section 37-6-6 of the General Laws in Chapter 37-6 entitled "Acquisition of  
12 Land" is hereby amended to read as follows:

13 **37-6-6. Notice to Rhode Island economic development corporation of proposed**  
14 **acquisition or disposal.**

15 Before acquiring and before disposing of any land or other real property or any interest,  
16 estate, or right therein, by conveyance, grant, lease, or license, except by license terminable by will,  
17 the acquiring authority shall give written notice of its contemplated or proposed action to the Rhode  
18 Island ~~economic development corporation~~ [commerce corporation and the housing department and](#)  
19 [its land bank and development programs](#) and afford the corporation [or the department](#) a reasonable  
20 opportunity to study and make its recommendations thereon.

21 SECTION 7. Section 42-64-11 of the General Laws in chapter 42-64 entitled "Rhode Island  
22 Commerce Corporation" is hereby amended to read as follows:

23 **42-64-11. Disposition of projects.**

24 (a) Notwithstanding the provisions of any other law, the Rhode Island commerce  
25 corporation may sell or lease to any person, firm, partnership, or corporation, or to any local  
26 redevelopment agency, or to any state or federal agency or instrumentality, or to any municipality  
27 or political subdivision of the state empowered to enter into the sale or lease, any project without  
28 public bidding or public sale, for consideration and upon terms as may be agreed upon between the  
29 corporation and the purchaser or lessee; provided that in the case of a lease, the term shall not  
30 exceed ninety-nine (99) years. The sale or lease or agreement may be consummated as entered into  
31 prior to, at the date of, or subsequent to the acquisition of completion of the project. Where a  
32 contract of sale or lease is entered into prior to the completion of construction of the project to be  
33 conveyed or leased, the corporation may complete the project prior or subsequent to the  
34 consummation of the sale or lease.

1 (b) In connection with the corporation's disposition by sale, lease, or otherwise of any of  
2 its projects, the corporation is authorized to require that the party acquiring the project, or any  
3 interest therein or any right to use or occupy the project, may not sell, assign, convey, lease,  
4 sublease, or otherwise dispose of, in whole or in part, its interest in the project or its right to use  
5 and occupy the project without the approval, in writing, of the corporation. The corporation may  
6 not unreasonably withhold that approval; and shall state the reason or reasons upon which that  
7 withholding of approval is based. In determining whether to grant or withhold that approval, the  
8 corporation shall consider whether the proposed disposition will further the purposes of this chapter  
9 and may consider any and all other relevant factors as well.

10 (c) The provisions of subsection (b) shall not be deemed to limit in any manner the  
11 corporation's authority in connection with the disposition by sale, lease, or otherwise of any of its  
12 projects or to impose those terms and conditions permitted by law with respect to those dispositions  
13 as it shall determine to be desirable.

14 (d) The corporation shall dispose, by sale, lease, transfer or other agreement, of projects on  
15 or related to former Navy lands in the town of North Kingstown through the Quonset Development  
16 Corporation as provided for in chapter 64.10 of this title and may dispose, by sale, lease, transfer  
17 or other agreement, of other projects related to land and real estate development, regardless of  
18 location in Rhode Island, through the Quonset Development Corporation as may be mutually  
19 agreeable to the corporation and the Quonset Development Corporation.

20 (e) The corporation may dispose, by sale, lease, transfer or other agreement, of other  
21 projects related to land and real estate development, regardless of location in Rhode Island, to the  
22 housing department as may be mutually agreeable to the corporation and the secretary of housing.

23 SECTION 8. Section 45-24-28 of the General Laws in Chapter 45-24 entitled "Zoning  
24 Ordinances" is hereby amended to read as follows:

25 **45-24-28. Continuation of ordinances -- Supercession -- Relation to other statutes.**

26 (a) Any zoning ordinance or amendment of the ordinance enacted after January 1, 1992,  
27 shall conform to the provisions of this chapter. All lawfully adopted zoning ordinances shall be  
28 brought into conformance with this chapter by December 31, 1994. Each city and town shall review  
29 its zoning ordinance and make amendments or revisions that are necessary to bring it into  
30 conformance with this chapter.

31 (b) All zoning ordinances adopted under authority of §§ 45-24-1 through 45-24-26 or any  
32 special zoning enabling act that is in effect on June 17, 1991, shall remain in full force and effect  
33 until December 31, 1994, unless earlier amended so as to conform to the provisions of this chapter,  
34 except that § 45-24-37 and § 45-24-44 shall become effective on January 1, 1992.

1 (c) Former §§ 45-24-1 through 45-24-26 and all special zoning enabling acts, including,  
2 but not limited to, chapter 2299 of the public laws of 1922, as amended (town of Westerly); chapter  
3 1277 of the public laws of 1926, as amended (town of Narragansett); chapter 2065 of the public  
4 laws of 1933, as amended (town of West Warwick); chapter 2233 of the public laws of 1935, as  
5 amended (town of Johnston); chapter 2079 of the public laws of 1948, as amended (town of North  
6 Kingstown); chapter 3125 of the public laws of 1953, as amended (town of New Shoreham);  
7 chapter 101 of the public laws of 1973, as amended (town of South Kingstown); are repealed  
8 effective December 31, 1994. All provisions of zoning ordinances adopted under authority of the  
9 provisions of former §§ 45-24-1 through 45-24-26 or of any special act are repealed and are null  
10 and void as of December 31, 1994, unless amended so as to conform to the provisions of this  
11 chapter.

12 (d) Chapter 24.1 of this title, entitled "Historical Area Zoning", and chapter 3 of title 1,  
13 entitled "Airport Zoning", are not superseded by this chapter; provided, that any appeal to the  
14 superior court pursuant to chapter 24.1 of this title, entitled "Historical Area Zoning", or pursuant  
15 to chapter 3 of title 1, entitled "Airport Zoning", is taken in the manner provided in § 45-24-69.

16 (e) Nothing in this chapter shall be construed to limit the authority of agencies of state  
17 government to perform any regulatory responsibilities.

18 [\(f\) Nothing in this chapter shall be construed to supersede or interfere with development](#)  
19 [undertaken by the housing department or its programs in accordance with chapters 162 through](#)  
20 [162.3 of title 42.](#)

21 SECTION 9. Chapter 42-11 of the General Laws entitled "Department of Administration"  
22 is hereby amended by adding thereto the following section:

23 **42-11-10.2. Transfer of powers and coordination upon creation of the housing**  
24 **department.**

25 [\(a\) Those powers, duties and responsibilities listed in § 42-11-10 related to the preparing,](#)  
26 [adoption, and amendment of strategic plans for the physical, economic, and social development of](#)  
27 [the state related to all powers related to residential housing including, but not limited to, the](#)  
28 [planning, policy and implementation such plans are hereby transferred to the department of housing](#)  
29 [and the department of housing shall be exempt from § 42-11-10 pursuant to § 42-11-10\(b\)\(2\).](#)

30 [\(b\) The secretary of housing, or designee shall serve on the state planning council under §](#)  
31 [42-11-10\(e\) in the place of the housing resources commission under § 42-11-10\(e\)\(5\).](#)

32 [\(c\) The primary obligation of developing a statewide housing plan shall lie with the](#)  
33 [department of housing.](#)

34 [\(d\) The secretary of housing to the extent feasible and practicable shall coordinate activities](#)

1 [in the planning and development of policy for residential housing with the department of](#)  
2 [administration, the state planning council and the division of statewide planning.](#)

3 SECTION 10. This act shall take effect on January 1, 2023.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- APPROPRIATIONS --  
AMERICAN RECOVERY PROGRAM ACT HOUSING FUND AND CREATING RELIABLE  
EFFICIENT AFFORDABLE TENANCIES EXPEDITIOUSLY -- "CREATE" HOMES ACT

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- 1           This act would create a new department of housing, a housing development fund, and a
- 2 housing land bank program to help create reliable, efficient, affordable tenancies.
- 3           This act would take effect on January 1, 2023.

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