

Chapter 160

COMMUNITY HOUSING OPPORTUNITY FUND

§ 160-1. Purpose.

[INSERT]

Nothing herein is intended to or should be construed to exempt any project from complying with any other requirement of any other Chapter of the Town Code including but not limited to the requirements contained in Chapters 250 and 255 of the Town Code.

§ 160-1 2. Definitions.

As used in this section, the following words and terms shall have the following meanings:

BOARD — The advisory board created pursuant to ~~this local law~~ §64-k (6) of the New York State Town Law (also referred to as the Peconic Bay Region Community Housing Act (the “Act”)).

COMMUNITY HOUSING — ~~Housing for households with incomes at or below 100% the median income for the Town.~~ A primary residential property for an eligible individual that does not exceed one hundred fifty percent (150%) of the purchase price limits established by the State of New York Mortgage Fund.

ELIGIBLE INDIVIDUAL – A member of a household where the income of that household does not exceed one hundred percent (100%) of the income limits as established by the State of New York Mortgage Agency Low Interest Rate Loan Program in non-target categories for Suffolk County in effect on the contract date for the sale of such property.

FIRST-TIME HOMEBUYER - An eligible individual who has not owned a primary residential property and not married to a person who has owned a residential property during the three (3) year period prior to that individual’s purchase of the primary residential property and who does not own a vacation or investment home.

FUND — The community housing opportunity fund authorized pursuant to ~~this local law~~ §64-k(2) of the Act.

PRIMARY RESIDENTIAL PROPERTY – Any one or two family house, townhouse, condominium, or apartment.

RESIDENT OF THE TOWN - a person who is currently a resident of the Town or a non-resident who has been a resident of the Town within the past five (5) years, measured as of the time of screening of an applicant for an opportunity created under this Chapter.

TOWN — The Town of East Hampton.

§ 160-23. Fund established.

A. Town Community Housing Opportunity Fund. The Town Board hereby establishes a Town Community Housing Opportunity Fund (the “Fund”) in order to carry out the purposes of this Chapter. Deposits into the Fund may include revenues of the Town from whatever source, including but not limited to:

- (1) All revenues from a bond approved by the voters pursuant to the Local Finance Law for the purpose of increasing community housing opportunities;
- (2) All revenues from the supplemental real estate transfer tax authorized by Chapter “Transfer Tax” of the Town Code;
- ~~(2)~~ (3) General Fund balances or surpluses;
- ~~(3)~~ (4) Any proceeds received by the local government from the sale or rental of community housing produced from revenues of the Fund;
- ~~(4)~~ (5) The repayment of any loans issued from proceeds of the Fund;
- ~~(5)~~ (6) Any gifts of interests in land or funds; ~~and~~
- ~~(6)~~ (7) Any state or federal grants received by the Town for providing community housing;
- ~~(7)~~ (8) Funds received pursuant to the Long Island Workforce Housing Act, provided same shall be deposited in a single trust fund under the control of the Town of East Hampton to be kept in trust and separate and apart from all other monies of the Town, for the specific purpose of constructing affordable workforce housing, acquiring land for the purpose of providing affordable workforce housing or rehabilitating structures for the purpose of providing affordable workforce housing. Pending expenditures from such trust fund, monies therein may be invested in the manner provided by law. Any interest earned or capital gain realized on the monies so deposited shall accrue to and become part of such trust fund. [Added 1-9-2009 by L.L. No. 2-2009]

B. Interest accruals. Interest accrued by monies deposited into the Fund shall be credited to the Fund. In no event shall monies deposited into the Fund be transferred to any other account.

C. Financing of projects allowed under this Chapter. Nothing contained in this section shall be construed to prevent the financing in whole or in part, pursuant to the Local Finance Law, of any project or purpose authorized pursuant to this Chapter. Monies from the Fund may be utilized to

repay indebtedness or obligations incurred pursuant to the Local Finance Law consistent with effectuating the purposes of this Chapter.

§ 160-3 4. Purposes of the Fund.

A. Uses. The proceeds of the Fund established pursuant to § 160-2-3 of this Chapter shall be utilized for the following purposes:

(1) The provision of ~~no interest or low interest loans~~ financial assistance to first-time home buyers who are eligible residents of the Town for the purchase of a first home. Such financial assistance may be in the form of a grant or a loan.

(a) The Town may provide financial assistance for the purchase of a first home to a first-time homebuyer who is a resident of the Town or who is employed in the Town.

(b) Such financial assistance shall not exceed fifty percent (50%) of the purchase price of the home.

(c) If such financial assistance is in the form of a loan, such loan shall be repayable to the Town pursuant to the terms agreed to between the recipient and the Town, provided that any loan shall be fully repaid by the recipient upon the resale of the home.

(d) For the purposes of calculating Town tax liability for such property, only, the dollar amount of any financial assistance for the purchase of a first home made by the Town pursuant to this section shall be subtracted from the full equalized assessed value of such property.

(e) All revenues received by the Town from the repayment of a loan shall be deposited into the Fund.

(f) The Town may provide financial assistance for community housing in conjunction with a public/private partnership for employer assisted housing.

(2) The actual production of community housing for sale to individuals who are eligible residents of the Town;

(3) The actual production of community housing for sale to individuals who are eligible residents of the Town in conjunction with a public/private partnership, where the private partner agrees to comply with the profit guidelines of the New York State Affordable Housing Corporation and the provisions of this section;

(4) The actual production and maintenance of community housing for rental housing for rent to individuals who are eligible residents of the Town either by the Town, the Town Housing Authority, or in conjunction with a public/private partnership, where the private partner agrees to comply with the profit guidelines of the New York State Affordable Housing Corporation and the provisions of this section;

(5) The rehabilitation of existing buildings and structures in the Town for the purpose of conversion to community housing for sale or rental to individuals who are eligible residents of the Town;

(6) The provision of housing counseling services by not-for-profit corporations who are authorized by the U.S. Department of Housing and Urban Development to provide such services; and

(7) The acquisition of interests in real property in existing housing units, which will result in the production of community housing for sale or rental to individuals who are eligible residents of the Town.

B. Eligible expenses to which the Fund's monies can be devoted. For the purposes of this Chapter, eligible expenses relating to the production of community housing and the rehabilitation of existing buildings and structures under the Fund shall include but not be limited to land acquisition, planning, engineering, construction costs, and other hard and soft costs directly related to the construction, rehabilitation, purchase or rental of housing pursuant to this section. All revenues received by the Town from the sale or rental of community homes, or the repayment of loans shall be deposited into the Fund.

§ 160-4 5. Advisory Board established. [Amended 1-9-2009 by L.L. No. 2-2009]

A. The Town Board of the Town of East Hampton hereby establishes ~~an~~ a Community Housing Advisory Board (the "Advisory Board") to review and make recommendations regarding the Town Community Housing Opportunity Fund. ~~Such~~ The Advisory Board shall consist of not less than seven (7) but no more than fifteen (15) legal residents of the Town who shall serve without compensation. No member of the Town Board shall serve on the Advisory Board. Where a village has elected to participate in the Fund, as provided in § 160-~~6~~ 7 of this Chapter, the Advisory Board shall include at least one resident of a participating village. The Advisory Board shall act in an advisory capacity to the Town Board and shall include a representative of: (1) the construction industry, (2) the real estate industry, (c) the banking industry, and three (3) representatives of local housing advocacy or human services organizations.

§ 160-5 6. Adoption of housing plan.

A. Community Housing Implementation Plan. The Town Board shall adopt a Town Community Housing Implementation Plan ("Community Housing Plan") for the provision of community housing opportunities by the Fund. ~~Said plan~~ The Community Housing Plan must adhere to the following principles:

(1) Public investment. To account for and minimize social, economic, and environmental costs of new development, including infrastructure costs, such as transportation, sewers, and wastewater treatment, water, schools, recreation, and loss of open space and agricultural land;

(2) Development. To encourage development in areas where transportation, sewers, and wastewater treatment infrastructure is available or practical;

(3) Conservation. To protect, preserve, and enhance the Town's resources, including agricultural land, forests, surface waters, groundwater, recreation and open space, scenic areas, and significant historic and archeological sites;

(4) Coordination. To promote coordination of state and local government decisions and cooperation among communities to work toward the most efficient, planned and cost-effective delivery of government services by, among other means, facilitating cooperative agreements among adjacent communities, and to coordinate planning to ensure compatibility of community development with development of neighboring communities;

(5) Community design. To strengthen communities through development and redevelopment strategies that include integration of all income and age groups, mixed land uses, and compact development, traditional neighborhood development, planned unit development, open space districts, downtown revitalization, brown field redevelopment, enhanced beauty in public spaces, and diverse and community housing in close proximity to places of employment, recreation, and commercial development;

(6) Transportation. To provide transportation choices, including increasing public transit and alternative modes of transportation, in order to reduce automobile dependency, traffic congestion, and automobile pollution;

(7) Consistency. To insure predictability in building and land use codes;

(8) Community collaboration. To provide for and encourage a collaborative community-based effort, that includes long-term land use and permit predictability and coordination, efficient decision making and planning implementation.

B. Preparation of maps. ~~Such plan~~ The Community Housing Plan may include the establishment of a map or maps that delineate the housing implementation recommendations proposed by the Town.

C. Public hearing required; plan updates. ~~The plan~~ Community Housing Plan shall not be adopted until after a public hearing has been held by the Town Board. ~~Said plan~~ The Community Housing Plan shall be updated at least once every five years. ~~Said plan~~ The Community Housing Plan shall be adopted before monies may be expended from the Fund.

D. Community Housing Plan to be part of Comprehensive Plan. ~~The Town housing implementation plan~~ Community Housing Plan shall be an element of the Town Comprehensive Plan.

E. Income and other eligibility requirements. ~~The housing implementation plan~~ The Community Housing Plan shall ~~also~~ provide for income and other eligibility requirements for community housing, including any eligibility preference that may be given based upon residency or other criteria. ~~Said plan~~ The Community Housing Plan shall also provide for the legal mechanism that shall be employed to maintain the housing stock created pursuant to this section at community

housing levels. The resale of community housing to the public for occupancy created pursuant to this section to other than income eligible households shall be prohibited.

F. Affordability required under The Community Housing Plan. The Community Housing Plan shall ensure that all community housing created pursuant to this Chapter remains affordable. Subsequent purchasers of such community housing shall have at the time of purchase, pursuant to the definition of “eligible individual”, an income that does not exceed one hundred percent (100%) of the income limits as established by the State of New York Mortgage Agency Low Interest Rate Loan Program in non-target categories for Suffolk County in effect on the contract date for the sale of such property.

G. Equitable distribution of affordable housing throughout the Town. The Community Housing Plan shall provide for the equitable distribution of community housing opportunities among all the communities or hamlets of the Town. The Community Housing Plan shall ensure that no community or hamlet within the Town has an undue concentration of community housing opportunities that would substantially alter the character of that community or the Town as a whole. In determining equitable distribution of community housing opportunities, existing community housing opportunities in each hamlet of the Town shall be considered.

§ 160-6 7. Village participation in the Fund.

A. Optional participation by villages. The participation of a village in the community housing opportunity program established by this Chapter shall be at the option of ~~the~~ each such village. In order to participate, a village shall pass a resolution opting into the program and shall submit said resolution to the Town Board.

B. Intergovernmental agreements in case of village participation. Where a village opts to participate pursuant to this section, an intergovernmental agreement shall be executed pursuant to Article 5-G of the General Municipal Law, in order to establish the rights and responsibilities of each government regarding community housing opportunities.

C. Supplemental real estate tax applicable within incorporated villages. Regardless of whether a village participates in the program authorized by this Chapter, properties in the village shall be subject to the supplemental real estate transfer tax authorized by subdivision 2 of Section 1499-BB of the Tax Law.