



**Evaluation of Housing Needs in Little Compton**

Stakeholder Interviews Summary Report

July 2021

## **Introduction and Method**

The Town of Little Compton's Housing Trust contracted with HousingWorks RI at Roger Williams University to support policies outlined in Little Compton's Comprehensive Plan Housing Chapter seeking to develop an "Understanding of local housing needs" (Policy H1.A); as well as policies seeking to "Encourage an increased diversity of housing stock including more year-round rental opportunities" (Policy H1.b); and to "Support the development of senior housing and opportunities to age in place" (Policy H1.c). The first action associated with these policies is to "Conduct a survey in order to evaluate demand for senior housing and affordable housing" (Action H1.a).

To prepare for such a survey, HousingWorks RI asked the Little Compton Housing Trust to suggest the names of up to 10 local stakeholders who participate in local activities related to housing and development. Eight stakeholders were finally identified and accepted the invitation to participate. The interviews were conducted by Annette Bourne, HousingWorks RI's Director of Research and Policy, over Zoom. Interviews were approximately one hour long and were recorded and automatically transcribed. In devising the summary that follows, both the interviewer's notes and direct transcripts were consulted, especially when citing direct quotes. Interviewees were then given the opportunity to comment on a draft report, and any edits are reflected herein. Any factual misstatements regarding local ordinances, regulations, or organizations are reflective of local knowledge and understanding. The questions sought insights into Little Compton's housing needs and what are viewed as the challenges and opportunities to meeting those needs. The answers are intended to help inform the community survey that will be conducted during the summer.

### **List of Interviewees and Date of Interview**

Tom Arkins, Local Builder/Developer of Willow Avenue rental development, interviewed on May 19, 2021

Christian Belden, Executive Director of Church Community Housing Corporation, interviewed on April 27, 2021

Susan Bodington, Member of Little Compton Housing Trust, interviewed on April 23, 2021

Claudia McNeil, Renter in Little Compton, interviewed on April 26, 2021

Bob Mushen, Little Compton Town Council President, interviewed on April 26, 2021

Marjory O'Toole, Grant Writer/Project Coordinator for Willow Avenue rental development, interviewed on May 13, 2021

Mike Steers, Planning Board Chair and Member of Little Compton Agricultural Trust, interviewed on April 23, 2021

Amanda Nickerson Toste, Broker Partner with Coastal Properties Group, interviewed on April 22, 2021

## Themes That Emerged

Beyond its small population, it was widely acknowledged that Little Compton has become one of the most expensive places in Rhode Island to purchase a home, and that many residents are there due to familial ties that go back many years. Some are grandchildren of summer residents who became year-round residents; others are descended of residents going back generations. Sometimes, those who have familial ties may not be able to stay as costs rise and housing choices are limited. It was clear, too, that people realized the combination of expense and history has contributed to a lack of overall diversity and may give rise to an impression of an air of exclusion.

Within the town, however, there are examples of community care: from organizations that help seniors age in place, by doing grocery shopping or providing rides to doctor's appointments, as well as solving community needs through local philanthropic support. Moreover, recent incidents have sparked a group to organize to help promote inclusion and organized a workshop around "how to be a good bystander."

The town's agricultural identity figured largely for all those interviewed. While it was generally acknowledged as a source of pride and history, the barriers it represents in creating more housing that is affordable to a wider variety of residents was clear to all. The Little Compton Agricultural Trust (LCAT) is strongly supported, and it was invoked several times as a possible resource or model for how to achieve more housing.

There was unanimous agreement that the Housing Trust needs to be able to act immediately when those rare opportunities arise that would produce the kind of housing that is needed and also in keeping with the town's geography and identity. However, the Housing Trust receives a small amount of funding compared to the LCAT. Two ideas were shared regarding the Agricultural Trust: sharing the funding it receives with the Housing Trust and/or carving out parcels, especially those that already contain residential buildings, from its conservation efforts for donation to the Housing Trust.

While it was understood that there are barriers for many kinds of households who would like to live in Little Compton, including younger farmers, teachers, and police, there was not widespread agreement on the extent of the problem. Several noted that there are more affordable rentals than what is acknowledged. There was also general agreement that the state's laws and both state and federal sources of funding do not work for rural places generally, and for Little Compton particularly.

As with many places across the state, there are some misunderstandings of state laws, which led to suggestions for public meetings, a housing forum, and more education generally, including a manual that would help to establish a "common baseline" from which to work. Further work could also include research of the tax assessment list, municipal ordinances, and the structure of the Housing Trust.

**1. What signs, in your opinion, show there is a need or demand for senior housing and long-term affordable housing in Little Compton? Please use any first-hand knowledge of situations of which you are aware.**

While all those interviewed acknowledged the perceived financial barriers to those who would like to live in Little Compton, there was not universal agreement on the extent and nature of the problem. Three interviewees related first-hand knowledge of situations related to housing affordability involving residents who were having a hard time staying in town as renters or as homeowners.

As it relates to the different needs and demands for senior housing versus other households, there was general consensus that there are a number of community organizations that serve the needs of seniors directly. These organizations primarily provide services that make it easier for seniors to shop or travel to appointments, likely allowing them the ability to remain in their homes, but do not directly contribute to housing affordability. The town does provide a property tax break for homeowners that gives some financial relief to these households. It is not within the scope of this report to determine if that break is a determining factor in whether or not a senior household can afford to stay in Little Compton.

In speaking about the senior population specifically, it is important to differentiate between the ability to stay in one's home due to accessibility or medical needs versus affordability. Often one can be tied to the other, but sometimes they are distinct. One interviewee provided details of senior households that are in need of substantial modifications (like accessible bathrooms or stair lifts) to be able to remain in their homes versus those who access the equity in their homes for various reasons and are left with inadequate financial resources.

The history of a proposed elderly housing development that received federal funding in 2006 was mentioned by all those interviewed. The development, Laura Bettencourt Borges House, was proposed under Rhode Island's Low and Moderate Income Housing law using the provisions for a Comprehensive Permit. Church Community Housing Development Corporation [Church], a nonprofit developer of affordable housing headquartered in Newport and with some single-family land-trusted properties in Little Compton, sought to develop 28 units of income-eligible rental housing to persons aged 62 or older. After negotiations with the town and a legal battle by abutters, and under a deadline to use the federal funding or lose it, Church found another location in North Kingstown to develop the apartments and withdrew its application.

This history was cited in representing the difficulty of the question regarding seniors' needs. One interviewee recalled that during a community meeting regarding the development seniors were specifically asked if anyone would live there and no one raised their hand. Another interviewee noted that it is often difficult for a senior household to determine when they will need to leave their home due to needing assistance, and if that time arrives there are no options that allow them to stay in Little Compton.

All those interviewed readily admitted that entry to the town as a homebuyer was highly restricted due to home prices and land values, and noted the inability of younger households to move there. It was

also observed that even those who grew up in the town were unable to stay once they left their family home. One interviewee described the need to be “dazzlingly wealthy” in order to move into Little Compton. The connection to jobs and home prices came up in most interviews, with interviewees noting the inability of those who hold municipal workforce type jobs, like public safety and teachers, to purchase homes. Those who hold agricultural and fishing jobs were also mentioned, although it was considered that those who seek to be there for farming or fishing might not need the same “comforts of life” as those who hold other kinds of jobs. The loss of school population came up a number of times when discussing the inability to retain or gain younger households.

There was less consensus on the need for affordable rental homes. The builder of the only existing six-unit rental development that meets the state’s criteria for “low and moderate income housing” does not have any vacant units, but explained that prospective applicants have not asked to go on a waiting list. It was suggested by a number of interviewees that there are a number of rentals that are rented by word of mouth and through social media postings on community pages that fall in the range of “affordable.” It was unclear as to who lives in these rentals, and it was suggested as a question for the survey that will be done in this scope of work to determine if these are primarily family members or other renters perhaps already known to these owners. It was readily admitted, however, that if one were to lose such a rental, they would be hard to replace.

Several interviewees noted the difficulty in representing the true conditions of affordability within the context of the state’s goal of obtaining 10 percent of a municipality’s housing stock as “low and moderate income housing,” which requires a subsidy and deed restriction keeping affordability in place to income-eligible households for at least 30 years. There were several suggestions of changes to the state’s law that would enable to the town to be closer to achieving this goal, including a definition for “attainable housing” that would allow for higher income limits, “counting” all accessory dwelling units (ADUs), and decreasing the length of time for the deed restriction so that some of the rental stock that seems to currently meet the rental standards may be allowed to “count” with the addition of a shorter-term restriction. Currently, the town has nine units that meet the definition. In addition to the six-unit rental development (mentioned above), there are three single-family land-trusted homes developed by Church, which were cited in a number of interviews as examples of what they would like more of.

**2. What time-limited opportunities, if any, does Little Compton have to increase or improve its stock of senior housing and long-term affordable housing?**

Two properties were mentioned by interviewees that may represent time-limited opportunities for the town. One was a two-family home on Crandall Road that the interviewee thought was under consideration by the Housing Trust, and the other was a single-family home owned by the Congregational Church, though it was unclear whether that was still available.

The general observation was that there are few transactions in any given year, and that with each transaction there are fewer developable parcels or properties for sale. This is borne out by the 2020 sale of 58 homes, and issuance of 17 building permits in 2019. Further, it was noted that without any senior housing developments for residents to move those homes that are currently occupied remain out of circulation.

Beyond actual parcels or homes available as time-limited opportunities, most interviewees noted the need to be ready to act when a specific opportunity arose. One interviewee described this as an “alertness” of the ability to act immediately. Critical to this need, however, interviewees pointed out, is access to sufficient funding for the Housing Trust so that it may act in a timely way when opportunities do arise. It was also noted that there needs to be an ability to either avoid having a Town Meeting or be able to call a Special Financial Town Meeting quickly. Lastly, it was suggested that the examples from the past be examined to know what does and doesn’t work as acceptable developments—favoring examples like Church’s single-family homes or the six-unit rental development.

Currently, the Housing Trust gets limited funding from a portion of the building permits that was enabled when the state increased the amount towns were required to charge. Little Compton chose to designate that “excess” as available to the Housing Trust, and it was noted that there is an existing fund of \$125,000, which is not enough to make outright purchases, but could perhaps make a down payment if the property were able to be held until full financing was found.

Several interviewees mentioned opportunities that have come and gone, specifically a parcel behind Stan’s Gas Station and another of a large parcel behind the elementary school, which ended up being purchased by the Agricultural Trust and subdivided into conservation and a parking lot for the school. Nearly all interviewees mentioned how transactions work for the Agricultural Trust and how they are able to act immediately when there is opportunity for preservation due to the transfer tax surcharge they receive, which is 4 percent of transactions exempting the first \$300,000. Ideas ranged from seeking a similar funding source for the Housing Trust to negotiating an arrangement with the Agricultural Trust, whereby a portion of their funding was given to the Housing Trust or that any parcels they purchased that included any residential buildings could be subdivided off for the Housing Trust. The latter suggestion was particularly encouraged in order to keep Little Compton as a “farmer friendly community”, but for young working farmers not “gentleman farmers.”

One interviewee noted the ability of the Agricultural Trust to have reached a deal with The Nature Conservancy that allowed the owner of conserved land to get a tax credit, and that it would be beneficial if there was a similar ability for donations like that to receive tax credits for land or buildings

for housing. However, it was considered that due to the deed restriction that would be required, it may be seen as an obstacle to giving up an asset, which would not be in the best interest of the landowner.

### 3. What obstacles or challenges does Little Compton face in doing this work?

The overwhelming sentiment regarding the obstacles and challenges that Little Compton faces in creating more homes that are affordable to low- and moderate-income households were about the rural nature of the town, and the accompanying factors of its geographic accessibility. One interviewee likened the town to Cape Cod in that “you drive here, and you have to turn around go back out; there's no way to get to the next place.” At 3,489 in population and 1,561 households, it is the state’s second smallest municipality, behind New Shoreham; and at 2,435 housing units, it is the third smallest behind Foster and New Shoreham. Beyond these factors of size, there is no public infrastructure for water or sewer, though it was noted that there is a community well at Sakonnet Point, but it was noted that even wells occasionally run low or dry. There is also no public transportation, and as of 2018 the RI Department of Labor and Training reported a total of 762 private and government jobs in the town. Beyond these issues of place, two additional obstacles suggested were the lack of funding for the Housing Trust and the length of time it takes for town processes to act on any opportunities.

Overall zoning for the town requires 2-acre lots, though there are smaller lots that exist historically, which are grandfathered in for building. While one interviewee noted these are the most affordable lots and offer opportunity for development, another interviewee noted that required setbacks, percent of lot coverage, and the need to accommodate infrastructure may make building infeasible. Current zoning regulations are generally reflective of the lack of infrastructure and environmental factors, such as the substantial percentage of wetlands and flood zones; they also serve to preserve the town’s rural and agricultural identity, as noted by its financial support to the Agricultural Trust, which it was thought now has approximately 30 percent of the town’s land conserved or leased for agricultural use. One interviewee noted research into the number of available lots and how the overall zoning regulations further contribute to the lack of developable land.

The scarcity of developable land has a twofold effect on Little Compton’s ability to support the creation of low- and moderate-income housing. As acknowledged by several interviewees, federal and state subsidies seek the highest value for their use by way of cost, density, and scale. As it relates to cost, according to RI Living, the state’s Multiple Listing Service, in 2020, Little Compton’s median single-family home price of \$747,500 was second only to New Shoreham. The need for infrastructure for new development serves to increase cost. Typically, these subsidy sources favor multifamily development. One interviewee noted this limits possible locations to the Town Center and perhaps Adamsville. The model of single-family land-trusted homes has not been competitive in receiving federal or state funding for development. One interviewee noted that while the town seeks to include a percentage of low- and moderate-income homes into housing developments, given the rarity of such development, it has not served to add any. The predominant residential development in the town is one single-family home at a time.

A number of interviewees argued that the federal and state funding sources need to create a separate process for rural places in general. Some noted the need to encourage private owners to help with supply, and thought the creation of accessory dwelling units could be particularly helpful, but that criteria for fair housing as well as income and deed restrictions should all be revised to allow for such



participation. One interviewee considered that private owners shy away from “government interference,” and that the rents of non-subsidized units in town were lower than those allowed subsidized income limits. To encourage private builders or developers, it was also suggested that the financial incentives need to cover costs, and to keep up with them in the case of rental development. Another interviewee suggested the use of vouchers as a means of securing use of these privately owned rentals, both for emergency needs and longer-term use, but felt the town showed no interest. (Note: the use of resident vouchers does not increase a municipality’s percentage of low- and moderate-income housing.)

As noted in Question 1, there was a diversity of opinions as it relates to the overall need for low- and moderate-income housing that conforms to the state’s definition. That diversity of opinion was also reflected in the responses to the town’s obstacles and challenges. One interviewee framed it as an open-ended question of “What kind of community do we want to live in?” Another interviewee noted the seeming conflict between the difficulty of creating a modest home on a small lot versus the existence of a local homeownership association that requires four-bedroom homes with two-car garages for homes that largely serve seasonal residents. Several interviewees also mentioned the lack of socio-economic and racial and ethnic diversity in the town. While all interviewees expressed frustration at the inability to bring in younger middle-class households, and the loss of its school population, they seemed to wrestle with the market and geographic realities at play that make it so.

All interviewees acknowledged the importance of how residents come to live in Little Compton as a defining factor of the town. One interviewee asked if it was “two towns”—year-round vs. summer residents; while another posited that there are three kinds of residents—“natives, who go back to the Mayflower”; “summer people”; and “residents, who have three or four generations [of experiencing living in the town from seasonal residence].” The impact from the pandemic was thought to have brought more of the seasonal occupants to the town last year, and that it may represent a trend as more people from New York, in particular, may spend more time working remotely in the future.

Lastly, a number of other remarks noted challenges that are common when speaking about affordable housing almost anywhere, including “NIMBYism” and the history of “abutters” that fought against the HUD 202 development, “lack of community will”, “pretending that the problem doesn’t exist”, what “counts”, or questioned whether Little Compton is being asked to solve the “state’s problem.”

#### **4. What opportunities might address the obstacles you've mentioned?**

In seeking opportunities to address the obstacles mentioned, several interviewees noted the importance of local support, which one interviewee observed may be gained best through “drawing up solutions to hypothetical opportunities.” Another interviewee expressed hope that the pandemic has raised awareness of the importance of housing, given its dominance in the headlines over the last year.

As noted in prior answers, key to addressing some obstacles is having readily available funding to access when opportunities present themselves. Suggestions included local sources, philanthropic and financial institutions, a municipal bond, or a shared revenue stream with the Agricultural Trust. One interviewee noted examples from Jamestown, where the town passed a housing bond, and Portsmouth, where the town is proactively working with Church on legal mechanisms to see how development can proceed. While the scale of a single-site tax credit development may be prohibitive in Little Compton, the intention of proactively partnering with a housing developer to obviate zoning regulations may create some new possibilities.

Beyond a possible financial resource, ideas of collaborating with the Agricultural Trust also included use of some land for residential purposes, whether retaining any residential structure on conserved lands or developing small cluster housing with passive solar and other low-impact features.

The idea of zoning amendments came up for several interviewees. One observed that “if a homeowner can build an 8,000 square foot single family home with a five-bedroom septic and a two-car garage with an in-law apartment above” then other smaller concepts of development should be permitted by zoning, particularly cluster development. The topic of accessory dwelling units also came up.

Though the need for senior housing was debated, it was noted that if seniors were to move to alternative housing, it would free up some inventory that might be more achievable as affordable. The point was made that some of the existing housing stock, including rentals, do not have accessibility features that accommodate elderly or those with disabilities. Housing vouchers came up as opportunities, too.

Lastly, two interviewees suggested that discussions be held with the state to proactively seek different rules and regulations for smaller places that would address scale and length of restrictions. It was considered, too, that there could be a set-aside of funds for smaller places.

## 5. What information from residents of Little Compton would be most helpful for gauging the level of demand or support for this work?

Interviewees suggested a range of information from residents that would gauge the level of demand or support. It was considered that a survey would help to provide more insight into the various anecdotal questions about need and attitudes. The nature of some of the questions should be addressed sensitively and recorded anonymously.

A broader question regarded whether any survey conducted is only for year-round residents, seasonal only, or currently seasonal, but planning to become a year-round resident in the future. Similarly, one interviewee suggested that separate surveys may be needed for agricultural households, as their needs for certain kinds of amenities and land, differ from a more traditional household, like those of teachers or public safety workers.

Demographic information sought included:

- Age
- Income
- Education
- Race/ethnicity
- Size of household

Personal topics included:

- Are you a caregiver?
- Do you use/need a caregiver?
- Clear idea of budgets and housing costs and needs, specifically
- Do you need transportation for groceries and pharmacy?
- Do you need proximity to the Town Center?
- Are you over- or under-housed (people per bedroom)?
- Are you or anyone you know “having problems?”

Some questions targeted particular populations or situations:

- Asking older households what would enable them to stay
- Asking residents if they own a rental, what it costs to rent, and whether it is rented to someone they know
- Asking if they would be open to developing an accessory dwelling unit, and who they would allow to live in it

The last category of information collectively regarded what support could be garnered, both for overall and direct financial support:

- What would be an example of what they would support?
- Do they have a vision of what they would support?

- Would you support housing developed for people who would want to live here?
- Would you donate to a very localized approach?
- Would you support a housing bond?
- Would you support changes to the Agricultural Trust to support a change to its funding formula and/or mission to support housing?
- What kind of incentive would encourage you to participate or would you support for others to participate? (Example given was a 40 percent reduction in property taxes for a five-year restriction.)
- Would you support alternative types of homes, such as tiny homes and mobile homes? Both of these home types were considered to create costs that would be considered affordable.

**6. What, in your opinion, are the most important next steps to be taken toward those ends?**

To begin this work, one interviewee thought to focus on the information that is “actionable.” Two such items would be to act if it is determined that there is widespread interest and support of finding a funding source for the Housing Trust or some form of collaboration with the Agricultural Trust. Another interviewee asked if the Town Council would be willing to adopt a tax incentive for those who would be willing to keep rents to Federal limits, or adoption of ADUs, but with minimal regulations. Another immediate consideration was the provision of housing vouchers.

Two interviewees suggested further research and information gathering via community and stakeholder meetings. One interviewee would like to better understand the kinds of models that allowed for the development of the six units at Willow Avenue. Noting the importance of the “energy” put into its existence as opposed to philanthropic funding, and how it could be replicated. The interviewee questioned whether zoning was more important. Suggestions for further meetings included a community-wide discussion for its seniors who consider Little Compton their primary residence (meaning more than six months of the year) to ask people to tell their stories. The intention would be for it to be a welcoming event, with food, best scheduled between May and Thanksgiving. The other was a broad meeting of “interested parties” to hold a “brainstorming session”, looking specifically at whether the problem is being defined correctly as it relates to “Little Compton’s housing needs or something else.”

To ground the work in current day conditions, one interviewee thought there should be an analysis and map of developable parcels that if subdivided into quarter-acre parcels “would fit into the neighborhood.” Residents should be educated to the quality of long-term affordable homes as an asset to their housing values.

## **7. What considerations might be relevant in deciding which steps to take and in what order?**

In considering the relevance of how to decide what steps to take next, the Town Council was mentioned by several interviewees. The ideas included “buy-in”; “public hearing”; and getting the Town Council committees together. In order to have resident input, timing was considered critical in any sort of public meeting, and to avoid winter months when a number of residents live in warmer climates. One interviewee noted that some existing discussions may have already been recorded at the town level that the Town Clerk would be aware of.

One interviewee noted that it was important to note there is an immediate need for some and that should be first order. But others suggestion further determination of what already exists or is needed, beyond generally defining the problem and using the data, suggestions included finding out confidentially from the tax assessor who is experiencing difficulty in paying their property taxes, and looking at existing rental properties to see if they conform to the affordability defined by state law.

A range of involvement of the Housing Trust also surfaced for a few interviewees, including helping people to get informed, and perhaps hosting a forum; nurturing its relationships with builders, describing that as a “path to the finish line”; and making private appeals to financial institutions (Santander Bank was mentioned) in an effort to enable strategies to help secure opportunities when they arise, similar to a line of credit.

During the interviewees’ review of the draft summary, one interviewee noted that it may be premature to move ahead with the first action defined in the town’s Comprehensive Plan stating that “an agreed baseline [of information regarding the rules, laws, ordinances, policies, etc. that govern the subject] is essential to building solutions to housing needs.” The suggestion included: “an educational presentation be prepared that reviews each area, State law, Zoning ordinances, Subdivision Regulations (10 strategies), Town Council authority, Housing Trust rules, Ag Trust rules, etc. so that everyone has the same baseline of the existing rules. ... A Stakeholder Manual should be developed. A simple cut and paste book/reference document of the relevant sections on each subject/rule.” The goal would be for the “activity” be limited to this initial group of stakeholders.

**8. How might governmental, non-profit agencies, or local philanthropic resources help in this process?**

It was acknowledged that money is critical to the success of the process, and to look to other unique places, such as Nantucket, to see what they are doing.

Specific to private philanthropic efforts, it was suggested to look to local families who have helped with other local needs (for example, parking for soccer field). One interviewee suggested creating a hypothetical scenario to see if it would garner local support noting the benefit of private donors over government sources and the “strings [that] are attached.”

Of institutional philanthropic sources, both the Rhode Island Foundation and Champlin Foundation were mentioned; the former as a possible funding sources for a charette or housing forum, and the latter as a possible way to nurture smaller developments, like Willow Avenue. One interviewee noted the value of having a grant writer to work with the Housing Trust, and their ability to establish a network of interested parties.

Most interviewees noted their established relationship with Church Housing that would continue to figure as a key partner.

As it relates to any governmental role, interviewees ranged from noting the lack of any “teeth” in the state’s goal for municipalities to achieve 10 percent low- and moderate-income housing to having discussions with the state regarding those definitions that do not allow for some existing units to contribute to that goal as well as the kinds of developments that receive priority funding and the inability of rural communities to meet that scale and density.

Lastly, in thinking about any sort of program that the town may establish, one interviewee noted that even something local would need rules and protocols to be established, and cautioned of a prevailing attitude of “we’ve always done it this way” as a barrier.