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Town
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Local Law No. 65 of the year 2005

A local law AMENDING CHAPTER 216 OF THE TOWN CODE OF THE TOWN OF
(Insert Title)
SOUTHAMPTON.

Be it enacted by the TOWN BOARD of the
(Name of Legislative Body)

~~XX County~~ ~~XX~~
~~XX City~~ of SOUTHAMPTON as follows:
Town
~~XX Village~~ ~~XX~~

SEE ATTACHED

(If additional space is needed, attach pages the same size as this sheet, and number each.)

LOCAL LAW NO. 65 OF 2005

A LOCAL LAW amending Chapter 216, of the Town Code of the Town of Southampton in order to establish a Community Housing Opportunity Fund and to provide for control and administration of housing created through the fund and/or pursuant to Chapter 330 for income eligible households and age restricted housing.

BE IT ENACTED by the Town Board of the Town of Southampton.

SECTION 1. Legislative Intent

The Town of Southampton has undertaken a number of planning studies, beginning with the 1970 Master Plan, to address the issue of housing and housing affordability for income-eligible households.

Addressing the lack of affordable housing in Southampton Town's communities has been identified as a priority, as highlighted in the Supervisor's State of the Town address in 2002, 2003, 2004, and 2005. Presently, over 95% of Southampton's year-round households earn less than \$100,000 annually and, therefore, find difficulty securing housing in a Town which currently has a median home market value in excess of \$600,000.

In 2002, the Town of Southampton adopted a Local Law to establish an Office of Housing and the position of Housing Director. In 2003, the Town Board hired a Housing Director, created a Housing Authority and appointed its Board. In 2004, the Housing Director unveiled a Preliminary Housing Needs Analysis for the Town of Southampton.

This Local Law makes procedural amendments to Chapter 216 of the Town Code to update definitions, address the administration and control of housing opportunities, community benefit units and other resources created pursuant to Chapter 330 (Zoning) and establishes a Community Housing Opportunity Fund to facilitate affordable community housing. Chapter 216 of the Town Code is currently entitled "Low-Income, Moderate-Income, And Senior Citizen Housing." This local law proposes a new chapter title - "Housing for Income-Eligible Households and Community Housing Opportunity Fund".

The proposed Community Housing Opportunity Fund (CHOF) is in the interest of public health, safety and welfare to balance housing choices in our communities and to ensure housing within the means of residents, seniors, employees, young professionals, and other income-eligible households who live and work in the Town.

By resolution dated November 23, 2004, the Town Board directed the Town Comptroller to establish a \$250,000 Community Housing Opportunity Fund (a Budget Reserve Fund or Revolving Fund). Said resolution memorialized the intention of the Town Board to provide a \$200,000 start-up grant to the Southampton Town Housing Authority and \$50,000 to facilitate the establishment of a Community Housing Land Trust (CLT). The Town's 2005-2010 Capital Program, at the Supervisor's initiative, also provides a \$400,000 Workforce Housing Challenge Grant Fund and an additional \$1.25 Million in the Affordable Housing Capital Reserve Fund,

through direct appropriation of budget surplus. The Town has completed land purchases through the Affordable Housing Capital Reserve Fund in Bridgehampton and Tuckahoe and has facilitated the Southampton Town Housing Authority's acquisition of an existing 37-unit age-restricted apartment complex in Hampton Bays in order to sustain its affordability.

This local law establishes policies governing the fund which are intended to provide the Town with a mechanism to fund and create housing opportunities programs for families and individuals who are residents of the Town of Southampton and/or employed in the Town of Southampton. To ensure sustainability, it is proposed that any housing facilitated by the Town be subject to equity recapture provisions and long-term affordability restrictions.

This local law also updates the definitions for community benefit units which would be reserved for low-income, moderate-income, and middle-income households and allows the Town Board to update the eligibility criteria and the formulas to establish maximum initial sales or rental price to meet the demands of the marketplace. The 1999 Comprehensive Plan Update ("Update") recommended that the Town simplify the definition of low income family and moderate income family to be respectively 50 percent and 80 percent of the regional median family income as determined by the United States Department of Housing and Urban Development (HUD). The Update also recommended that the definition of a "Unit for a Moderate Income Family" be brought in line with most State and federal programs by requiring that a gross rent (i.e., including utilities or in the case of homeownership - mortgage and property taxes payments) - not surpass 30 percent of the gross annual income of the occupying family. For affordable home ownership programs, the Update recommended that a sale price not exceed 250 percent of an applicant's annual income and that the price of the land has been included in the sales price of a new home, thereby adhering to affordability standards of HUD.

In February 1999, the Town Board adopted code amendments to the Definitions Section of the Zoning Code (§330-5) to increase the multiplier in connection with determining the sales price for single-family residences reserved for moderate-income households from 200 percent to 250 percent of the annual household income based upon family size. In May 2002, the Town Board adopted a code amendment providing for the definition of a Middle Income Family as a household-whose aggregate annual income is between 80% and 110% of the median family income promulgated by HUD for the Nassau-Suffolk region. This Local Law seeks to eliminate the need for these constant Town Code amendments to these definitions so that the Town might respond to the marketplace by establishing income limits for each category by resolution, promulgated annually at such times as the Town Board deems necessary.

SECTION 2. Amend Chapter 216 of the Town Code of the Town of Southampton as follows:

CHAPTER 216
HOUSING FOR INCOME-ELIGIBLE HOUSEHOLDS
AND COMMUNITY HOUSING OPPORTUNITY FUND

- § 216-1. Purpose, Findings.
- § 216-2. Definitions.

- § 216-3. Interagency Coordination, Priority Review.
- § 216-4. Administration and Control of Housing Opportunities Created Pursuant to Chapter 330 (Zoning)
- § 216-5. Policy and Procedures.
- § 216-6. Community Housing Opportunity Fund Established.
- § 216-7. Purposes of Community Housing Opportunity Fund.
- § 216-8. (Reserved.)
- § 216-9. (Reserved.)

[HISTORY: Adopted by the Town Board of the Town of Southampton 3-27-1984 by L.L. No. 3-1984. Amendments noted where applicable.]

GENERAL REFERENCES

- Building construction - See Ch. 123.
- Tax exemptions for affordable housing - See Ch. 298, Art III.
- Tax exemptions for senior citizens - See. Ch. 298, Art. V.
- Zoning - See Ch. 330.

§ 216-1. Purpose, Findings.

The purpose of this chapter is to establish a Town of Southampton Community Housing Opportunity Fund (“Community Housing Opportunity Fund” or CHOF) and to provide for administration and control of community housing opportunities, community benefit units and other resources created through the fund and/or pursuant to various provisions of Chapter 330 (Zoning) of the Town of Southampton.

The Town of Southampton Community Housing Opportunity Fund is intended to provide the Town with a mechanism for funding and creating housing opportunities for families and individuals who are residents of the Town of Southampton and/or employed in the Town of Southampton who cannot procure affordable housing within the Town.

Affordable housing is critical. Regional employers grapple with the task of hiring and retaining employees because of the limited availability of affordable housing. Recruiting and retaining essential personnel (e.g. public safety, health care, municipal employees, volunteer EMS, and fire protection) has become increasingly challenging because of the lack of affordable housing. Volunteer emergency services also are impacted by the lack of affordable housing, prompting the possibility of paid services. While the Town has benefited from increased tourism and second homeownership, the Town Board now finds there is a need to ensure housing opportunities for income-eligible households in order to sustain the local economy and community services. Presently, income-eligible households priced out of market-rate housing include health care professionals, teachers, municipal staff, shop clerks, mechanics, and many others. Additionally, the Town has found that there is a need to sustain the ranks of its volunteers who provide critical public safety services for fire protection and emergency medical services. The Town Board has also found that it has a substantial demographic cohort of persons aged over 55 years and given present economic factors the Town Board has deemed it necessary to provide for affordable senior housing within the Town.

The purpose of this Local Law is to streamline and clarify the procedures for creating, obtaining and transferring affordable housing and to provide financial support for the Town of Southampton Housing Authority, the Southampton Town Community Housing Land Trust and the Town of Southampton Housing Office via the Community Housing Opportunity Fund.

§ 216-2. Definitions.

As used in this chapter, the following terms shall have the meanings indicated.

ACCESSORY APARTMENT - As defined in §330-5 of the Town Code.

AFFORDABILITY RESTRICTIVE COVENANT- A recorded restriction imposed on real property reserved for income-eligible households that limits any windfall profits upon resale of the real property and ensures long-term affordability.

AFFORDABLE HOUSING - For purposes of this chapter, affordable housing is community benefit housing located in the Town of Southampton that is subject to an Affordability Restrictive Covenant, as defined herein, to ensure occupancy by households meeting income limitations. See **LOW-INCOME HOUSEHOLD**, **MODERATE-INCOME HOUSEHOLD**, **MEDIAN-INCOME HOUSEHOLD**, **MIDDLE-INCOME HOUSEHOLD**.

AGE-RESTRICTED UNIT- A housing unit in which there are restrictions on occupancy as set forth in §330-14A, B, C & D or as the Town Board may determine by resolution ordinance or local law. Procedures governing the provisions for Qualified Disabled Individuals are set forth in §216-5E of this Chapter.

APARTMENT - As defined in §330-5 of the Town Code.

APARTMENT HOUSE - As defined in §330-5 of the Town Code

APPRECIATION BENEFIT-The difference between the original market value of the unit based upon the Town's appraisal and the market value at the time of resale and upon the Town's appraisal less the cost of any permanent improvements.

BUYER BENEFIT--A lien on a housing unit calculated by the difference between the original purchase price of the housing unit paid by the Buyer and the Town's appraisal of the fair market value of the housing unit at the time of sale.

CERTIFICATE OF CONFORMITY - The document issued by the Town to confirm that resale prices are in conformity with the applicable provisions of the Town Code of the Town of Southampton.

CERTIFICATE OF ELIGIBILITY- The document issued by the Town to confirm eligibility status for an applicant seeking a unit reserved for an income eligible household.

CONSUMER PRICE INDEX - The Consumer Price Index as published by the United States

Department of Labor, Bureau of Labor Statistics for the New York Metropolitan Area.

COMMUNITY BENEFIT UNIT - Housing unit(s) which is (are) intended to provide a long-term benefit to the community as an affordable housing unit(s) for income-eligible households.

COMMUNITY HOUSING - Owner-occupied housing for households whose incomes are not sufficient, pursuant to banking industry standards, to induce private lenders to finance the costs of acquisition of a home with a value at or less than median housing value in the particular hamlet area or census tract, without benefit of subsidies or special financing programs from the Town.

COMMUNITY HOUSING ADVISORY COMMISSION - The Town of Southampton Housing Commission established pursuant to Chapter 30 of the Town Code.

COMMUNITY HOUSING OPPORTUNITIES - Generally, Community Housing Opportunities are defined as below-market rate housing.

COMMUNITY HOUSING OPPORTUNITY FUND (CHOF) - The revolving fund established by the Town Board, pursuant to this chapter and Chapter 8 (Budget), to facilitate Community Housing Opportunities.

COMMUNITY HOUSING TRUST - The Southampton Town Community Housing Land Trust, a private non-profit corporation.

COMMUNITY LAND TRUST (CLT) - A non-profit corporation created to acquire and hold land for the benefit of a community and provide affordable access to land and housing for community residents. In particular, the CLT attempts to meet the needs of residents least served by the prevailing market. The Community Land Trust helps the community keep housing affordable for future residents and capture the value of public investment for long-term community benefit.

COMMUNITY HOUSING UNIT INVENTORY - The list maintained by the Housing Office of units reserved for income-eligible households. Said inventory of community housing units shall be listed on a community planning area basis or by hamlet, with respective school districts and pertinent property information identified.

CURRENT APPRAISED VALUE - The value of a housing unit which is a calculation of the average of the Town's appraisal of such unit and the owner's private appraisal of such unit.

DIRECTOR OF HOUSING - The Director of the Office of Housing for the Town of Southampton, with power and duties outlined in Chapter 30 of the Town Code. May also be referred to as Housing Director.

DWELLING UNIT - As defined in §330-5 of the Town Code.

EFFICIENCY UNIT - As defined in §330-5 of the Town Code.

ELIGIBILITY LISTS - The lists maintained by the Housing Director of applicants (households) seeking a unit reserved for either a low-income, moderate-income, or middle-income households.

HOUSING AUTHORITY - The Southampton Town Housing Authority, a municipal corporation.

HOUSING OFFICE - The Office of Housing for the Town of Southampton.

HOUSING REGISTRY - The listing maintained by the Office of Housing of applicants seeking Certificates of Eligibility for Community Housing Opportunities.

INCOME-ELIGIBLE HOUSEHOLDS- Those individuals/families whose incomes are classified as “low income,” “moderate income” or “middle income” as defined by Town Board resolution adopted annually or at such other additional times as the Town Board deems appropriate.

INTENT TO SELL NOTICE - A written notice sent certified mail to the Town or its Agent by the owner of a particular housing unit setting forth his/her desire to locate a buyer for such unit.

LOTTERY - As used in this chapter, a housing lottery is a random selection process in connection with community housing opportunities.

LOW-INCOME HOUSEHOLD -A household, according to the U.S. Department of Housing and Urban Development (HUD), whose gross annual income is less than 50% of the median gross household income for households of the same size within the housing region in which the housing is located, or as determined from time to time by Town Board Resolution.

MEDIAN-INCOME HOUSEHOLD - According to the U.S. Department of Housing and Urban Development (HUD) a household whose gross annual income is 100 percent of the median gross household income for households of the same size within the housing region in which the housing is located.

MIDDLE-INCOME HOUSEHOLD - According to the U.S. Department of Housing and Urban Development (HUD), a household whose gross annual income is greater than 80 percent, but does not exceed 120 percent of the median gross household income for households of the same size within the housing region in which the housing is located or as determined from time to time by Town Board resolution.

MODERATE-INCOME HOUSEHOLD - According to the U.S. Department of Housing and Urban Development (HUD), a household whose gross annual income is greater than 50 percent, but does not exceed 80 percent of the median gross household income for households of the same size within the housing region in which the housing is located or as determined from time to time by Town Board resolution.

MULTIPLE DWELLING - As defined in §330-5 of the Town Code for Dwelling, Multiple.

MULTI-FAMILY PLANNED RESIDENTIAL DEVELOPMENT - (MFPRD) - As defined in §330-5 and subject to the provisions of Article IV of Chapter 330 (Zoning) of the Town Code.

MULTI-FAMILY RESIDENTIAL DEVELOPMENT (MFRD) - As defined in §330-5. and subject to the provisions of §330-138 of the Town Code.

ONE-FAMILY DWELLING - As defined in §330-5 of the Town Code.

PERMANENT FIXED IMPROVEMENT - Additions that provide added value to the property above and beyond repairs to maintain a property in good condition. For purposes of this Chapter, an improvement to a unit reserved for income-eligible households which cannot be removed without substantial damage to the subject premises or total loss of value of said improvements. No adjustment will be deemed a permanent fixed improvement unless the actual cost of the improvement to the owner exceeds 1% of the purchase price for the unit paid by the owner. No adjustment will be made unless valid written documentation of the cost of said improvement is presented to the Director.

PLANNED DEVELOPMENT DISTRICT (PDD) - As defined in Article XXVI §330-240 of the Town Code.

QUALIFIED ACTIVE MEMBER OF FIRE /EMS VOLUNTEER COMMUNITY SERVICE - An enrolled volunteer who is certified to be so enrolled for not less than one year by an incorporated volunteer fire company, fire department or volunteer ambulance service.

QUALIFIED DISABLED INDIVIDUAL - An individual who is not age-eligible for senior citizen housing or an age-restricted housing unit but at the time of availability of a Community Benefit Unit has a physical impairment that substantially impairs one or more of his / her major life activities. Such individual shall be eligible for occupancy within an age-restricted unit under other provisions of applicable law governing age-restricted housing, provided that a Letter of Permission is authorized by the Town, pursuant to §216-5E. The Town may require proof of disability.

SENIOR CITIZEN- As defined in §330-5 of the Town Code.

SENIOR CITIZEN HOUSING - As defined in §330-5 of the Town Code.

SENIOR CITIZEN HOUSING UNIT - As defined in §330-5 of the Town Code.

SENIOR CITIZEN PLANNED RESIDENTIAL DEVELOPMENT - (SCPRD) - As defined in §330-5 and subject to the provisions of this Chapter and Article III of Chapter 330 (Zoning) of the Town Code.

TOWN - The Town of Southampton.

TWO-FAMILY DWELLING - As defined in §330-5 of the Town Code.

UNIT RESERVED FOR LOW-INCOME HOUSEHOLD - A dwelling unit or unimproved lot, the cost of which makes it available to a low-income household. Rental price and maximum sales price to be determined by the Housing Director based upon a formula adopted by Town Board resolution at such times as the Town Board deems appropriate.

UNIT RESERVED FOR MIDDLE-INCOME HOUSEHOLD - A dwelling unit or unimproved lot, the cost of which makes it available to a middle-income household. Rental price and maximum sales price to be determined by the Housing Director based upon a formula adopted by Town Board resolution at such times as the Town Board deems appropriate.

UNIT RESERVED FOR MODERATE-INCOME HOUSEHOLD- A dwelling unit or unimproved lot, the cost of which makes it available to a moderate-income household. Rental price and maximum sales price to be determined by the Housing Director based upon a formula adopted by Town Board resolution at such times as the Town Board deems appropriate.

§ 216-3. Interagency Cooperation. Priority Review [Amended 10-24-1989 by L.L. No. 22-1989]

A. Interagency Cooperation for Community Housing Opportunities created pursuant to Chapter 330 (Zoning) of the Town Code.

1. When the Town Board approves any of the following types of floating zone designations or amendments to the Town Zoning Map, notification will be given to the Office of Housing and the Department of Land Management, together with any covenants or agreements filed in connection with said development.
 - a. Senior Citizen Planned Residential Development (SCPRD) or an amendment to a Senior Citizen Zone (SC-44) under the provisions of Article III of Chapter 330 (Zoning).
 - b. Multi-Family Planned Residential Development (MFPRD) or an amendment to a Multi-Family Zone (MF-44) under the provisions of Article IV of Chapter 330 (Zoning).
 - c. Planned Development District (PDD) or an amendment to a PDD under the provisions of Article XXVI of Chapter 330 (Zoning) only if such PDD involves community benefit units reserved for income eligible households.
 - d. Affordable Housing Overlay District (AHOD) or an amendment to an AHOD under the provisions of Article VA of Chapter 330 (Zoning).
 - e. Increased residential density housing development for a bona fide nonprofit corporation to establish affordable housing inventory.
2. Whenever the Town Board approves any of the following types of Transfers of Development Rights applications, notification will be given to the Office of Housing and the Department of Land Management, together with any covenants or agreements filed in connection with said project relating to the development.
 - a. Transfer of permitted residential development rights (TDRs) pursuant to

§330-7 and Chapter 244.

- b. Residential Receiving Area Districts (RRADs), pursuant to Article XXV of Chapter 330 (Zoning).
3. When the Planning Board approves any of the following types of applications, notification will be given to the Office of Housing and the Department of Land Management, together with any covenants or agreements filed in connection with said development.
 - a. Density Incentive pursuant to §330-9.
 - b. Accessory Apartments pursuant to Article IIA of Chapter 330 (Zoning).
 - c. Site Plan for Senior Citizen Planned Residential Development (SCPRD) or an amendment to a Senior Citizen Zone (SC-44) under the provisions of Article III of Chapter 330 (Zoning).
 - d. Site Plan for Multi-Family Planned Residential Development (MFPRD) or an amendment to a Multi-Family Zone (MF-44) under the provisions of Article IV of Chapter 330 (Zoning).
 - e. Site Plan for Planned Development District (PDD) or an amendment to a PDD under the provisions of Article XXVI of Chapter 330 (Zoning) only if such PDD involves community benefit units reserved for either income eligible households.
 - f. Site Plan for Affordable Housing Overlay District (AHOD) or an amendment to an AHOD under the provisions of Article VA of Chapter 330 (Zoning).
 - g. Site Plan for Increased residential density housing development for a bona fide nonprofit corporation to establish low and lower middle income housing inventory pursuant to §330-8.
 - h. Site Plan / Special Exception Use Permit for Multi Family Residential Development (MFRD) pursuant to §330-138.
 - i. Site Plan / Special Exception Use Permit for Three-Family House or Four-Family House, pursuant to 330-162.19.
 - j. (Reserved.)
 4. Whenever the Building Department approves any of the following types of applications, notification will be given to the Office of Housing, together with any covenant or agreement affecting the dwelling unit or units.
 - a. Permits for all of the items listed in §216-3 above.
 - b. Certificates of Occupancy for all of the items listed in §216-3 above.
 - c. Density Incentive and Carriage Houses pursuant to §330-9.

B. Priority Review for Housing Opportunities created pursuant to Chapter 330 (Zoning) of the Town Code.

1. Whenever the Town Board refers an application for any of the following types of floating zone designations or amendments to the Town Zoning Map to the Planning Board for review and report, the Planning Board will assign a first priority status to the application to be reviewed by the Planning Board in the performance of its duties. Such applications will retain first priority status for as

long as there is compliance with all sections of this Code through the approval process, including resubmissions and revisions and if, in the opinion of the Planning Board, the applicant continues to apply a good faith diligent effort to prepare, submit and process the application. Should the application no longer comply with the sections cited herein or, in the opinion of the Planning Board, the applicant is not applying in a good faith effort with respect to this Code, a normal priority shall be reassigned to the applications by a written resolution of the Planning Board.

- a. Senior Citizen Planned Residential Development (SCPRD) or an amendment to a Senior Citizen Zone (SC-44) under the provisions of Article III of Chapter 330 (Zoning).
 - b. Multi-Family Planned Residential Development (MFPRD) or an amendment to a Multi-Family Zone (MF-44) under the provisions of Article IV of Chapter 330 (Zoning).
 - c. Planned Development District (PDD) or an amendment to a PDD under the provisions of Article XXVI of Chapter 330 (Zoning) only if such PDD involves more than 25% of the total units to be reserved for income eligible households.
 - d. Affordable Housing Overlay District (AHOD) or an amendment to an AHOD under the provisions of Article VA of Chapter 330 (Zoning).
 - e. Increased residential density housing development for a bona fide nonprofit corporation to establish affordable housing inventory pursuant to §330-8.
2. Whenever the Planning Board receives an application for any of the following types of applications, the Planning Board will assign a first priority status to the application to be reviewed by the Planning Board in the performance of its duties. Such applications will retain first priority status for as long as there is compliance with all sections of this Code through the approval process, including resubmissions and revisions and if, in the opinion of the Planning Board, the applicant continues to apply a good faith diligent effort to prepare, submit and process the application. Should the application no longer comply with the sections cited herein or, in the opinion of the Planning Board, the applicant is not applying in a good faith effort with respect to this Code, a normal priority shall be reassigned to the applications by a written resolution of the Planning Board.
- a. Density Incentive pursuant to §330-9.
 - b. Accessory Apartments pursuant to Article IIA of Chapter 330 (Zoning).
 - c. Site Plan / Special Exception Use Permit for Three-Family House or Four-Family House, pursuant to 330-162.19, proposed with units reserved for income-eligible households.
 - d. Site Plan / Special Exception Use Permit for Multi Family Residential Development (MFRD) pursuant to §330-138, only if such MFRD involves more than 25% of the total units to be reserved for income eligible households.

§ 216-4. Administration and Control of Housing Opportunities created pursuant to Chapter 330

(Zoning) of the Town Code. [Amended 10-24-1989 by L.L. No. 22-1989]

- A. The Housing Director or his agent will be responsible for the administration and control of Community Housing Opportunities, as defined in §216-2, and Community Benefit Units created pursuant to Chapter 330 (Zoning) of the Town Code.
- B. The Town will promulgate all rules and regulations, including model agreements and forms, necessary to implement this chapter and the provisions of Chapter 330 (Zoning) pertaining to affordable housing or community benefit units.
- C. The Town will cause to be prepared and will maintain a Housing Registry, as defined in §216-2, of applicants interested in Community Housing Opportunities and Eligibility Lists for the various units reserved for income eligible households under Chapter 330, Zoning, of this Code.
- D. The Town will cause to be prepared and will maintain a Community Housing Unit Inventory, as defined in §216-2, of all units reserved for income eligible households.
- E. Priority Households.
 - 1. To the extent permitted by law and federal, state, and county programs, priority for non-age-restricted affordable housing opportunities is as follows:
 - a. Income-eligible households residing year-round in the Town of Southampton in which at least one adult member is a Qualified Active Member of Fire / EMS volunteer community services in the Town, as defined in §216-2. Higher priority will be given to households residing in the school district in which a particular housing unit is located.
 - b. Income-eligible households residing year round in the Town in which one adult family member is an honorably discharged veteran of the United States Armed Forces.
 - c. Income-eligible households residing year round in the Town of Southampton. Higher priority will be given to such households residing in the school district in which a particular housing unit is located.
 - d. Income-eligible households residing year round outside of the Town of Southampton but in which an adult member works at a location physically within the Town. A higher priority will be given to those households in which at least one adult family member is currently employed by the Town of Southampton.
 - e. Income-eligible households in which an adult member which previously resided year-round in the Town of Southampton.

- f. All others.
2. To the extent permitted by law and federal, state, and county programs, the priority population for age-restricted housing opportunities is as follows:
 - a. Income-eligible households residing year-round in the Town of Southampton in which at least one adult member is a Qualified Active Member of Fire / EMS Volunteer Community Services in the Town, as defined in §216-2. A higher priority will be given to those households residing in the subject school district in which a particular housing unit is located.
 - b. Income-eligible households residing year-round in the Town in which one adult family member is an honorably discharged veteran of the United States Armed Forces.
 - c. Income-eligible households residing year round in the Town of Southampton. A higher priority shall be given to households currently residing in the school district in which the particular housing unit is located.
 - d. Income-eligible households residing outside of the Town in which an adult child or adult grandchild who is a caregiver to the income-eligible /age-eligible individual resides in the Town of Southampton. Higher priority will be given if the child or grandchild is a Qualified Active Member of Fire / EMS Volunteer Community Services in the Town, as defined in §216-2.
 - e. Income-eligible households who reside outside of the Town of Southampton but in which at least one adult member works at a location physically within the Town. A higher priority will be given to those households in which at least one adult member is currently employed by the Town of Southampton.
 - f. Income-eligible households an adult member of which previously resided year round in the Town of Southampton.
 - g. All others.
 3. The Town may develop a system for purposes of ensuring a weighted housing lottery for Community Housing Opportunities.
- F. The Town Board may establish a limitation on the percentage of units reserved for income eligible households for the higher priority populations in order to ensure a greater dispersion among eligible applicants on the Housing Registry.

- G. The Town Board may, upon recommendation by the Housing Director and the Community Housing Commission for a particular housing lottery for certain development projects, establish an additional eligibility preference for first time home buyers for units reserved income-eligible households.
- H. The Town Board may for any particular housing lottery establish an additional eligibility preference for year round income eligible senior citizen residents year round of the Town who have provided a life estate to their children or grandchildren for their existing home or have agreed to sell an interest in their existing home to the Community Housing Opportunity Fund.
- I. In instances where the conditions of any grant or federal, state or county regulations require eligibility priorities and restrictions different from the restrictions set forth in this chapter, the Town may accept same.
- J. In instances where the Housing Director recommends deviation from the aforementioned eligibility preference, the Town Board, by resolution, may authorize alternative priority income-eligible households.

§ 216-5. Policies and Procedures. [Amended 2-23-1999 by L.L. No. 1-1999]

- A. Lottery Required for certain Community Housing Opportunities.
 - 1. The following types of housing developments require a Housing Lottery to ensure a random selection process for the Community Benefit Units reserved for income eligible households.
 - a. Senior Citizen Planned Residential Development (SCPRD) under the provisions of Article III of Chapter 330 (Zoning).
 - b. Multi-Family Planned Residential Development (MFPRD) under the provisions of Article IV of Chapter 330 (Zoning).
 - c. Planned Development District (PDD) under the provisions of Article XXVI of Chapter 330 (Zoning) only if such PDD involves community benefit units reserved for an income-eligible household.
 - d. Affordable Housing Overlay District (AHOD) under the provisions of Article VA of Chapter 330 (Zoning).
 - e. Density Incentive pursuant to §330-9.
 - f. Site Plan / Special Exception Use Permit for Multi Family Residential Development (MFRD) pursuant to §330-138.
 - g. Dwelling units for sale within the context of a two-family house, three-family house, or four-family house on a single and separate parcel in permitted zoning districts.
 - 2. The Town will develop procedures for Housing Lotteries for the aforementioned Community Benefit Units or Community Housing Opportunities listed in §216-5A1 or facilitated by the Community Housing Opportunity Fund. To the extent

practicable, such procedures will be consistent with those promulgated by the New York State Affordable Housing Corporation, its successors and assigns.

3.
 - a. Certificates of Occupancy (C.O.s) for the housing developments listed in §216-5A1 above will not be issued by the Building Inspector until the Housing Lottery is conducted for the units reserved for income-eligible households.
 - b. Notwithstanding the foregoing, however, prior to the lottery, the Planning Board may authorize the Building Inspector to issue C.O.s for up to 20% of the market-rate units within a particular development upon request by a owner / manager to the Building Inspector and provided that the Building Inspector makes a referral to the Planning Board which consents and files its decision in writing to the Building Inspector and the Housing Director.
 - c. (Reserved.)
 4. Subsections A(1), (2) and (3) above shall not apply to the following:
 - a. accessory apartments in residential districts;
 - b. efficiency units in residential districts;
 - b. apartments in business districts;
 - c. dwelling units for rent within the context of a two family house, three-family house, or four-family house on a single and separate parcel in the permitted zoning districts;
 - d. carriage houses;
 - e. (Reserved.)
 5. Community Benefit Units reserved for income-eligible households which are not subject to the aforementioned housing lottery requirements will be made available to persons on the Eligibility Lists maintained by the Office of Housing as follows:
 - a. the occupant is the owner or relative of the owner;
 - b. the occupant is a qualified active member of a volunteer fire department, ambulance corps;
 - c. the occupant is employed by the Town of Southampton
 - d. the occupant is employed at a location physically within the Town of Southampton;
 - e. Where a unit is reserved for low-income, moderate-income, or middle-income households or senior citizen housing and restricted pursuant to a grant or subsidy from the federal government, State of New York or other municipal agency to provide low-income, moderate-income, or middle-income housing opportunities consistent with the intent of this chapter, the Housing Director may accept such eligibility priorities and restrictions in lieu of the restrictions set forth in this chapter.
- B. Establishment of Initial Sales Price or Rental Price for Community Benefit Units Reserved for Income-Eligible Households.

1. Upon receipt of an application for the issuance of a Certificate of Occupancy for a community benefit unit reserved for an income-eligible household, or earlier if requested by the owner, but not prior to the issuance of a Building Permit, the Building Inspector will send a copy of the application to the Housing Director, who will inform the owner in writing within thirty (30) days of receipt by the Housing Director of the maximum monthly rent or initial maximum sales price for the dwelling unit and the maximum household income for eligibility, for low-income, moderate-income or middle-income households, based upon a formula set forth in the Town Code or adopted by Town Board resolution.
2. The Housing Director will ensure that the determination of gross monthly rent includes estimated tenant paid utilities. The Housing Director will determine the initial sales price, including the price of the land upon which the dwelling unit exists if owned in single and separate fee-title and mortgage interest rate, property taxes, hazard insurance, condominium common charges and any homeowners' association fees.
3. To the extent practicable, units reserved for income-eligible households will meet or exceed the following Minimum Dwelling Unit Size to accommodate Household or Family Size:

Household or Family Size	Minimum Dwelling Unit Size
1	Efficiency Unit
2	1-bedroom
3	2-bedroom
5	3-bedroom
6	3-bedroom
9	4 bedroom

Note: The table above shall be used solely to determine maximum monthly rent or initial maximum monthly rent or initial maximum sales price and shall not be construed as a limitation on occupancy.

C. Eligibility Certificates, Certificates of Conformity, Ongoing Monitoring.

1. Eligibility Certificates.

- a. The Town and its agents will have the responsibility to certify the eligibility of all applicants for units reserved for income-eligible households.
- b. The eligibility of a purchaser, beneficiary, distributee or legatee is to be certified prior to closing of title. No closing of a community benefit unit may take place unless an Eligibility Certificate shall be presented at or prior to

closing of title.

2. Certificates of Conformity.

- a. No closing of a community benefit unit may take place unless a Certificate of Conformity shall be presented at or prior to closing of title.

3. In the event of misrepresentation or fraud in obtaining a Certificate of Eligibility or Certificate of Conformity or violations of this Chapter 216 and the procedures adopted by the Town Board pursuant thereto the Town and its agents may, without limitation, pursue all criminal, administrative and civil remedies, including, but not limited to, eviction, forfeiture and revocation of the Certificate of Occupancy.

4. Ongoing Monitoring Requirements, Owner Certification.

- a. Rental Units Reserved for Income-Eligible Households.

In the case of rental units reserved for income-eligible households, the Town or its agent shall annually re-examine or cause to be re-examined the eligibility of each rental occupant household and conformity to Affordability Restrictive Covenants, Chapter 330 (Zoning), and this Chapter by occupants of Community Benefit Units.

- (1.) On or before March 31 of each year, the Town or its agent shall notify the owner or manager of rental units reserved for income-eligible households in writing as to the rent, sales and income eligibility requirements for such units based upon figures derived from the preceding year, in accordance with this Chapter, unless otherwise provided for under applicable statute, local law, ordinance, or regulation for a particular development.
- (2.) Owner Certification. The owner or manager of rental units reserved for income-eligible households shall certify in writing to the Town or its agent on or before May 31 of each year that all rental units comply with the provisions of this Chapter and Chapter 330-(Zoning).
 - (a) Owner Certification shall be in affidavit form and approved as to form by the Town Attorney.
 - (b) Tenant Certification. From time to time, the Town or its agent shall have the authority to recertify tenants as to their income-eligibility and conformity with the provisions of this Chapter and the Affordability Restrictive Covenant.
 - (c) The Town or its agent shall file a list of owners or managers of record for said rental units who have failed to respond to said Owner

Certification with the Town Attorney, with corresponding mailing addresses and street address of real property encumbered with Affordability Restrictive Covenant for further inquiry. The Town Attorney shall have the authority to enforce the provisions of this Chapter.

b. Ownership Units Reserved for Income-Eligible Households.

In the case of ownership units reserved for income-eligible households, the Town or its agent shall confirm occupancy and other provisions of the Affordability Restrictive Covenant and the provisions of this Chapter as follows:

- (1.) On or before March 31 of each year, the Town or its agent shall submit a written request, approved to form by the Town Attorney, to the owner occupants of units reserved for income-eligible households concerning compliance with applicable provisions of Chapter 216, Chapter 330, and restrictive covenants governing occupancy restrictions.
- (2.) On or before May 31 of each year, the owner occupant shall be required to return the written documentation to the Town or its agent indicating compliance with the provisions of this Chapter and the Restrictive Covenants
- (3.) The Town or its agent shall file a list of owners or managers of record for said ownership units who have failed to respond to said Owner Certification with the Town Attorney, with corresponding mailing addresses and street addresses of real property encumbered with Affordability Restrictive Covenant for further inquiry. The Town Attorney shall have the authority enforce the provisions of this Chapter.
- (4.) The Town or its agent shall confirm compliance with occupancy restrictions upon resale or transfer of the Community Benefit Unit.

D. Additional standards for Unimproved Lots.

1. Where a developer executes an agreement with the Town to provide unimproved lots for income-eligible households, no contract of sale for said unimproved lots shall be executed nor shall any conveyance be completed until the eligibility of the proposed contract vendee has been certified by the Housing Director. A copy

of the contract of sale, the deed and all instruments relating to the conveyance of title shall be filed with the Housing Director. A Certificate of Conformity issued by the Housing Director is required for all sales and transfers to confirm that sale prices and transfers, as the case may be, are in conformity with the provisions of Chapter 216 of the Town Code of the Town of Southampton.

2. An unimproved lot reserved for income-eligible households may be offered for resale only to individuals who meet the applicable eligibility requirements or to a developer who will build a dwelling unit for resale in accordance with the provisions of this Chapter.
3. Where an owner has improved the lot with a dwelling unit, the resale and rental prices shall be governed by the provisions of § 216-J. of this chapter.
4. Where the owner of an unimproved lot reserved for income-eligible households receives a grant or subsidy from the federal government, State of New York or other municipal agency to provide housing for income-eligible households consistent with the intent of this chapter, the Town may accept such restrictions that may be imposed by said agency in lieu of the restrictions set forth in this chapter.

E. Restrictions on Age, Senior Citizen Housing.

1. The Housing Director shall enforce and administer any agreements and covenants entered into between the Town of Southampton and the owner of an age-restricted unit or senior citizen housing project developed pursuant to Article III (Senior Citizen Planned Residential Development SCPRD or its predecessor SC-44) or Article XXVI (Planned Development District) of the Chapter 330 (Zoning) of this Code and shall ensure that the applicable occupancy restrictions are complied with. Ongoing monitoring requirements are specified in §216-5F above.
2. In no case, shall age-restricted units be occupied by persons not meeting age eligibility restrictions, unless such individual is a spouse or caregiver over the age of 19 years, or is a qualified disabled individual as defined in §216-2. The Housing Director may require proof of disability, for persons not meeting age eligibility provisions. The Housing Director shall issue Letters of Permission to such persons not meeting age eligibility restrictions, but in his or her discretion, qualify for occupancy due to other provisions of applicable law governing senior citizen housing. In no case, however, shall the Housing Director permit more than ten percent (10%) of a particular senior citizen housing development to be occupied by persons not meeting age eligibility restrictions, and in lieu thereof, qualified under other provisions of applicable law concerning persons with disabilities and addressing needs for assessable housing opportunities. Letters of Permission issued pursuant to this section shall be maintained and tracked by the Housing Director.

F. Restrictions on Rentals.

1. Unless other prohibited as a condition of approval for the particular development under Chapter 330 (Zoning) or within covenants and restrictions associated with the subject property, units reserved for income-eligible households may be rented under the following conditions:

(a.)The apartment or dwelling unit shall remain the primary residence of the low-income, moderate-income, or middle-income household as the case may be for the term of the lease and the occupants shall maintain the subject premises in conformity with Chapter 330 (Zoning) and Chapter 261 (Property Maintenance).

(b.)The apartment or dwelling unit shall not be used or leased as a seasonal rental as the term is defined in Chapter 330, (Zoning).

(c.)Where the unit reserved for income-eligible households is to be rented, the lease for said unit shall not exceed two years. As long as an occupant household remains eligible and has complied with the terms of the lease, the occupant shall be offered a two-year renewal of the lease. If an occupant's annual income shall exceed the eligible income level by more than 20%, and there is an eligible applicant for the unit, the occupant household may complete the current lease term and shall be offered, if available, another unit for which the occupant household is income-eligible or a unit which is not a unit reserved for income eligible households in the development. If no such dwelling unit is available, the occupant household may be allowed to sign one additional one-year lease for the unit reserved for income-eligible households as the case may be, but no further renewal shall be permitted.

(d.)In the circumstances referenced in subsection (c) above, if such should occur in the same housing complex and another unit is available for which the occupant household is income-eligible (e.g. upgrade from unit reserved for moderate-income to unit reserved for middle income household), the Housing Director shall have the authority to request the Building Inspector to substitute Certificates of Occupancy for the respective units rather than having an occupant household relocate within the same complex, provided that the units are comparable.

2. Owner-Occupancy Restrictions. If the zoning approval for a particular housing development entailed an owner-occupancy provision in the enabling legislation permitting zoning incentives and/or in covenants and restrictions associated with the site plan, such condition of owner-occupancy restriction shall supercede the provisions of this Chapter.

G. Distribution of units reserved for income-eligible households.

1. Units reserved for income-eligible households shall be physically integrated into the design of the development in a manner satisfactory to the Planning Board during site plan review and shall be distributed among efficiency, one-, two-, three- or four-

bedroom dwelling units in the same proportion as all other dwelling units in the development, unless a different proportion is approved by the Planning Board as being better related to the housing needs, current or projected, of the Town based upon recommendations of the Town's Comprehensive Plan or an Area Study, Hamlet Study, or other planning study adopted as an Update to the Comprehensive Plan.

2. (Reserved.)

H. Use of one-family dwelling, Upkeep.

1. The occupant household of a community benefit unit reserved for an income-eligible household shall occupy the premises as their primary residence and shall not rent or lease the premises or any portion thereof to others, as an absentee landlord or otherwise.
2. Use of a one-family dwelling shall be in conformity with Chapter 330 (Zoning) and the occupant household shall maintain the subject premises in accordance with the provisions of Chapter 261 (Property Maintenance).

I. Permanent Fixed Improvements.

1. For dwelling units reserved for income-eligible households, the following types of permanent fixed improvements are prohibited for all units with Certificates of Occupancy dated subsequent to the effective date of this Chapter.

- a. In-ground swimming pools.
- b. Tennis Courts.
- c. Expansions of the dwelling unit greater than 50%.

2. Prior to the installation of a permanent fixed improvement, the owner must notify the Town of the proposed permanent fixed improvement, together with an estimate of capital costs. The Town may request input from the Community Housing Commission prior to rendering a determination to approve or disapprove the requested permanent fixed improvement. All records regarding approval or disapproval of permanent fixed improvements for units reserved for income-eligible households shall be maintained by the Office of Housing. Persons aggrieved by decisions of the Housing Director to disapprove a permanent fixed improvement to a dwelling unit reserved for income-eligible households may appeal such decision by application to the Zoning Board of Appeals to determine to approve or disapprove the Housing Director's determination, in its discretion.

3. For dwelling units reserved for income-eligible households, expansions of the building footprint may be considered, subject to approval by the Zoning Board of Appeals under area variance standards.

J. Procedure for Resale of Community Benefit Units.

(1) Buyer Benefit. At the time of initial purchase, the Town will obtain, at its own cost,

an appraisal of each unit reserved for income-eligible households to determine its fair market value. The difference between such appraised value and the purchase price shall be referred to as the "Buyer Benefit." The Town will place a lien in the amount of the Buyer Benefit on the unit. All necessary duly executed documents shall be delivered at closing in accordance with guidelines developed by the Town or its agents and applicable banking regulations.

(2) Resale Requirements. The resale of each unit reserved for income-eligible households shall be subject to the following conditions and procedures:

- (a) The Seller of any such unit shall first give written notification via certified mail to the Town Clerk of its intention to sell. Such certified mail shall be addressed to the Town Clerk at Town Hall, 116 Hampton Road, Southampton, New York 11968 in order to be sufficient notice.
- (b) Thereafter, upon receipt of such written notification, the Town shall have a right of first refusal to purchase the unit, the procedures for which shall be established by the Town or its agents. Simultaneously, the Town or its agent will seek to provide a purchaser meeting the eligibility requirements of this section. Should the Town choose not to exercise its right, the Seller will have the right to convey the property to the purchaser selected by the Town at a price the Town or its agents shall determine. If in the event the Town notifies the Seller in writing that it elects not to purchase the unit or is unable to locate a qualified buyer within the 90 days of receipt of Seller's notice set forth in (a) above, the Seller shall have the right, upon written notification via certified mail from the Town, to sell the unit at market value in accordance with the criteria set forth in paragraph (d) below. The 90 day period set forth above shall commence on the first business day after the Town Clerk shall receive said notice. Notice to the Seller shall be deemed given upon the by the Town upon deposit of written notice addressed to the Seller in a U.S. Post Office depository or at the time of deposit of the written notice addressed to the Seller into the custody of an overnight delivery service.
- (c) In the event the seller shall be notified of the Town's intent either to purchase or that it has located a qualified buyer, the seller shall convey in accordance with the Town's notice. In the event the Town notifies the Seller as set forth in (b) above in writing that it elects not to purchase the unit or if the Director or Town notifies the Seller in writing that he/she is unable to locate a qualified buyer within the time period as outlined in paragraph [2], the Seller shall have the right to sell the unit at market value. Market Value shall be determined as follows:
 - (i) Two appraisals shall be ordered by the Town, but one of these appraisals shall be paid by the Seller. The average of the two appraisals shall be the purchase price. The seller of the unit shall

receive the purchase price minus the following: the Buyer Benefit lien and the Town's portion of the appreciation as modified by the Seller's permanent improvements as set forth in subsection (c) below.

- (ii) Any appreciation between a unit's market value at the time of purchase, which for purposes of this computation may be modified at the discretion of the Director or designee, by the cost of any permanent improvements made by Seller which are to be documented by the seller as adjusted by any changes in the consumer price index for "all items" for the New York Metropolitan area from the time such improvements were affixed to the unit, and its resale price shall be distributed as follows:

Appreciation Distribution Chart

Year of Resale	Percentage to Owner	Percentage to Town
1 st -5 th	25%	75%
6th or beyond	50%	50%

(1) Examples of resale in year three and year ten to the Town and to an open market buyer might be as set forth below. This example is for illustrative purposes only.

Sale at Year Three (3)

Assumptions

Average appraisal value/Current Appraised Value	\$600,000
Original market value	\$500,000
Original purchase price	\$142,200
Buyer benefit (\$500,000-\$142,200)	\$357,800
Permanent improvements	\$ 20,000
Market appreciation	\$100,000
Appreciation (\$100,000-\$20,000)	\$ 80,000

Purchase by Town

Purchase by open market buyer

Average appraisal value/Current Appraised Value	\$600,000
Buyer benefit (\$357,800)	\$357,800
Town appreciation benefit (75% of \$80,000)	\$ 60,000
Town's proceeds (\$357,800 + \$60,000)	\$417,800

Town's cost (Seller's proceeds)	\$182,200
Seller's proceeds	\$182,200

Sale at Year Ten (10)

Assumptions

Average appraisal value/Current Appraised Value	\$675,000
Original market value	\$500,000
Original purchase price	\$142,200
Buyer Benefit (\$500,000-142,200)	\$357,800
Permanent improvements	\$ 20,000
Market appreciation	\$175,000
Appreciation (\$175,000-\$20,000)	\$155,000

Purchase by Town

Purchase by open market buyer

Average appraisal Value/Current Appraised Value (sales price)	\$675,000
Town appreciation benefit (50% of \$155,000)	\$ 77,500
Buyer benefit	\$357,800
Town Appreciation Benefit	\$ 77,500
Town's proceeds (\$357,800 + \$77,500)	\$435,300
Town's cost (Seller's proceeds)	\$239,700
Seller's proceeds	\$239,700

(2) In the event a unit shall have depreciated in value as a result of market conditions or catastrophic loss, the Buyer Benefit lien and the Town Appreciation Benefit may be adjusted by the Town Board in its discretion.

(3) All funds received by the Town pursuant to the provisions of this Section (d)(ii) above, shall be retained in the Community Housing Opportunity Fund, a separate revolving account and expended only for the purposes of providing community benefit units in such manner as shall be determined by the Town Board.

K. Sustainable affordability.

(1.) Unless prohibited by law, all units reserved for income-eligible households shall be encumbered with an Affordability Restrictive Covenant. In the event, a court of competent jurisdiction invalidates such Affordability Restrictive Covenant for reason of its duration, then the unit so reserved for income-eligible households as a community benefit shall be deemed to be restricted to no less than ninety-nine (99) years and renewable upon transfer.

- (2.) Where a unit reserved for low- or moderate-income housing is restricted pursuant to a grant or subsidy from the federal government, State of New York or other municipal agency to provide low- or moderate-income housing consistent with the intent of this chapter, the Town may accept such restrictions in lieu of the restrictions set forth in this Chapter.

L. Certificates of occupancy.

All certificates of occupancy issued for dwelling units reserved for income-eligible households shall be endorsed with a notation that occupancy of such units is conditioned upon continued compliance with the provisions of Chapter 216 (Housing for Income-Eligible Households and Community Housing Opportunity Fund), Chapter 330 (Zoning) and all regulations and conditions promulgated thereunder.

M. Assessment.

The encumbrance of an Affordability Restrictive Covenant on real property and annotated on Certificates of Occupancy for dwelling units reserved for income-eligible households shall be taken into consideration by the Town Assessor in determining the assessments on such units.

§ 216-6. Community Housing Opportunity Fund Established.

- A. The Town Board hereby establishes a Town of Southampton Community Housing Opportunity Fund ("Fund" or CHOF).
- B. Deposits into the Community Housing Opportunity Fund may include revenues of the Town from whatever source determined to be appropriate by the Town Board based upon the advise of the Town Comptroller and Town Attorney, including but not limited to:
- 1) all revenues from bonds approved pursuant to the local finance law for the purpose of increasing affordable community housing opportunities;
 - 2) appropriations of unreserved surplus or appropriated fund balances in accordance with the Town's surplus policy, including appropriations pursuant to Chapter 8 (Budget). At no time, however, may there be an appropriation from the Town's contingency and tax stabilization reserve as set forth in §8-5;
 - 3) any proceeds received by the local government from the sale or rental of community housing produced from revenues of the fund;
 - 4) repayment of any loans issued from proceeds of the fund;
 - 5) any gifts of interests in land or real property or funds;
 - 6) any county, state or federal grants received by the Town for providing community housing;
 - 7) any future applicable transfer tax which may be enacted subsequent to the enactment of this legislation;

8) recaptured funds from previous Town housing initiatives and resales of units reserved for income-eligible households.

C. 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, without a majority vote of the Town Board.

D. 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.

§ 216-7. Purposes of the Community Housing Opportunity Fund.

A. The proceeds of the Community Housing Opportunity fund established pursuant to §216-6 above shall be utilized to the extent permitted by law for the following purposes:

- 1) the production of community housing for sale and resale to income eligible households who work and/or live in the Town;
- 2) the production of community housing for income eligible households who reside year round and work in the Town;
- 3) the rehabilitation of existing buildings and structures in the Town for the purpose of conversion to community housing for sale or rental to income eligible residents who reside year round and/or work in the Town;
- 4) the provision of no-interest or low-interest loans to income eligible residents who reside year round and/or work in the Town for the purchase of a first home;
- 5) the provision of housing counseling services by not-for-profit corporations that are authorized by the U.S. Department of Housing and Urban Development (HUD) to provide said services.

B. Community Housing Opportunities facilitated by the CHOF shall be subject to limited equity recapture provisions and long term or perpetual affordability, to the extent allowable under the law.

- (1) For ownership units, Restrictive Covenants will specify that resale prices shall be determined in accordance with the provision of this Chapter.
- (2) Affordability of housing shall be accomplished through the following: The Town of Southampton reserves the right to require that all housing units purchased or facilitated through the fund remain affordable as a community benefit for income-eligible households, except upon a majority vote of the Town Board by resolution. All properties purchased through the fund must be sold back to the fund for resale to income eligible households who meet the qualifications of defined priority populations, in accordance with the provisions of this Chapter 216. Costs for permanent fixed improvements also

shall be compensated, in accordance with the provisions of this Chapter 216.

C. For the purposes of this chapter, eligible expenses relating to the production of community housing and the rehabilitation of existing housing stock and structures under the Community Housing Opportunity Fund shall include to the extent permitted by law, but not be limited to, land acquisition or other interests in real property, planning, engineering, construction costs and other hard and soft costs associated with development, rehabilitation, purchase or rental of housing pursuant to this section. All revenues received by the Town from the sale or rental of community housing or the repayment of loans shall be deposited in this fund.

D. The Town Comptroller shall provide an Annual Report to the Town Board to detail disbursements, proceeds, and a fund balance for the Community Housing Opportunity Fund.

SECTION 3. Severability.

If any section or subsection, paragraph, clause, phrase or provision of this law shall be judged invalid or held unconstitutional by any court of competent jurisdiction, any order or judgment made thereby shall not affect the validity of this law as a whole or any part thereof other than the part or provision so adjudged to be invalid or unconstitutional.

SECTION 4. Grandfathering.

The provisions of this Chapter 216 shall apply to those units receiving a certificate of occupancy or a renewed certificate of occupancy subsequent to the effective date of this local law.

SECTION 5. Effective Date.

This Local Law shall take effect upon the filing of this Local Law with the Secretary of State pursuant to the Municipal Home Rule Law.

(Complete the certification in the paragraph that applies to the filing of this local law and strike out that which is not applicable.)

1. (Final adoption by local legislative body only.)

I hereby certify that the local law annexed hereto, designated as local law No. 65 of 20 05 of the ~~(County)(City)~~(Town)(Village) of SOUTHAMPTON was duly passed by the TOWN BOARD on 12/13 20 05 in accordance with the applicable provisions of law.
(Name of Legislative Body)

2. (Passage by local legislative body with approval, no disapproval or repassage after disapproval by the Elective Chief Executive Officer*.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20 _____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20 _____, and was (approved)(not approved)(repassed after disapproval) by the _____ and was deemed duly adopted on _____ 20 _____, in accordance with the applicable provisions of law.
(Name of Legislative Body)
(Elective Chief Executive Officer*)

3. (Final adoption by referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20 _____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20 _____, and was (approved)(not approved)(repassed after disapproval) by the _____ on _____ 20 _____. Such local law was submitted to the people by reason of a (mandatory)(permissive) referendum, and received the affirmative vote of a majority of the qualified electors voting thereon at the (general)(special)(annual) election held on _____ 20 _____, in accordance with the applicable provisions of law.
(Name of Legislative Body)
(Elective Chief Executive Officer*)

4. (Subject to permissive referendum and final adoption because no valid petition was filed requesting referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20 _____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20 _____, and was (approved)(not approved)(repassed after disapproval) by the _____ on _____ 20 _____. Such local law was subject to permissive referendum and no valid petition requesting such referendum was filed as of _____ 20 _____, in accordance with the applicable provisions of law.
(Name of Legislative Body)
(Elective Chief Executive Officer*)

* Elective Chief Executive Officer means or includes the chief executive officer of a county elected on a county-wide basis or, if there be none, the chairperson of the county legislative body, the mayor of a city or village, or the supervisor of a town where such officer is vested with the power to approve or veto local laws or ordinances.

5. (City local law concerning Charter revision proposed by petition.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the City of _____ having been submitted to referendum pursuant to the provisions of section (36)(37) of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of such city voting thereon at the (special)(general) election held on _____ 20____, became operative.

6. (County local law concerning adoption of Charter.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the County of _____ State of New York, having been submitted to the electors at the General Election of November _____ 20____, pursuant to subdivisions 5 and 7 of section 33 of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of the cities of said county as a unit and a majority of the qualified electors of the towns of said county considered as a unit voting at said general election, became operative.

(If any other authorized form of final adoption has been followed, please provide an appropriate certification.)

I further certify that I have compared the preceding local law with the original on file in this office and that the same is a correct transcript therefrom and of the whole of such original local law, and was finally adopted in the manner indicated in paragraph #1____, above.

Marietta M. Seaman

Clerk of the County legislative body, City, Town or Village Clerk or officer designated by local legislative body

MARIETTA M. SEAMAN, TOWN CLERK

Date: DECEMBER 15, 2005

(Seal)

(Certification to be executed by County Attorney, Corporation Counsel, Town Attorney, Village Attorney or other authorized attorney of locality.)

STATE OF NEW YORK
COUNTY OF SUFFOLK

I, the undersigned, hereby certify that the foregoing local law contains the correct text and that all proper proceedings have been had or taken for the enactment of the local law annexed hereto.

Kathleen Murray

Signature

KATHLEEN MURRAY, ESQ., ACTING DEPUTY TOWN ATTORNEY

Title

~~XXXXXX~~
~~XXXXXX~~
Town
~~XXXXXX~~

SOUTHAMPTON

Date: DECEMBER 15, 2005