

## LOCAL LAW NO. 39 OF 2025

A LOCAL LAW to Repeal Chapter 330 (Zoning) Article VA, entitled "Affordable Housing Overlay District (AHOD)" Sections 29.1 to 29.11, rename Article VA to "Community Housing Fund Overlay District (CHOD)" and Replace Sections 29.1 to 29.10 with updated standards in order to coordinate zoning procedures with the Town Board's process for Community Housing Fund (CHF) approvals"

BE IT ENACTED by the Town Board of the Town of Southampton as follows:

### SECTION 1. Legislative Intent.

The intent of this local law is to establish a modern Community Housing Overlay District (CHOD) that encourages and facilitates the development of affordable housing opportunities essential to maintaining a sustainable town. Access to affordable housing is a cornerstone of community stability and economic vitality. This revision recognizes the ongoing need to create housing options to ensure that individuals and families who work and contribute to the community can also afford to live within it.

In 1989, the Town Board adopted Article VA, "Affordable Housing Overlay District," with the stated purpose to fill a housing need where other sections of the code do not provide the best solution. On November 8, 2022, Southampton Town voters approved by ballot referendum a local law to amend Chapter 140 of the Southampton Town Code to establish a half-percent tax to fund the Peconic Bay Region Community Housing Fund to allow for the creation of affordable housing opportunities in the Town. As part of this overall effort, the Town Board adopted a Housing Plan as part of the Comprehensive Plan to outline "a new housing vision for the Town" as well as a Community Housing Fund (CHF) Project Plan (Chapter 140) to identify the types of projects that the Board may utilize CHF funding for.

The revised overlay district, that will be renamed "Community Housing Fund Overlay District (CHOD)" is designed to modernize, streamline and clarify floating zone procedures in order to better utilize the CHF funding resource and reduce barriers to affordable housing development while maintaining community character and natural resources. Through this amendment, the Town seeks to promote predictable, efficient and transparent review processes that will support the timely creation of affordable housing consistent with local planning goals and the long-term sustainability of the community.

The CHOD designation would be "landed" after considering recommendations from the Housing Director/CHF Advisory Committee, Land Management Administrator, Planning Board, School District, Civic/Citizen's Advisory Committees, local stakeholders and the public. As part of the zoning process, the Town Board can approve a preliminary development concept plan that designates total housing units and housing typology, setbacks, buffers, recreation areas, open space/trails, roadways, sidewalks and any other design requirements found to be reasonable and necessary.

The CHOD designation is intended for parcels having an area greater than 60,000 sq. ft., and a development plan designed to be in a form and scale that is consistent with the character of a given community. In order to distribute CHOD designations equitably, this floating zone will be limited to a total density of ten (10) units per acre with a maximum yield of thirty-five (35) units. Community Housing Funds requested for the successful implementation of a given development plan will be considered pursuant to Town Code Chapter 140 at the same time, providing a holistic public process that includes an environmental assessment pursuant to SEQRA. The final site plan and/or any required subdivision will be subject to Planning Board

review and approval in this two-step process.

SECTION 2. Amendment.

Southampton Town Code Chapter 330 (Zoning) Article VA, entitled "Affordable Housing Overlay District" Sections 29.1 to 29.11 is hereby REPEALED in its entirety and a new Article VA, entitled "Community Housing Fund Overlay District (CHOD)" Sections 29.1 to 29.10 is hereby REPLACED by adding the underlined words as follows:

§330-29.1. Purpose

A. It is the purpose and intent of the Community Housing Fund Overlay District (CHOD) to provide the Town Board with a zoning tool that works in concert with Chapter 140, "Community Housing Fund" to coordinate funding and streamline the process. The Town Board may consider establishing CHOD zoning in conjunction with CHF proposals for funding in order to fulfill a housing need where the other provisions of the Town Code do not provide the best solution.

B. To facilitate the provision of high-quality yet affordable housing with due regard for existing neighborhood development, environmental concerns and compliance with the Comprehensive Plan and amendments thereto, the CHOD shall be established in each case by the Town Board on a floating zone basis in accordance with an approved preliminary development concept plan, as described and defined herein.

C. The Community Housing Fund Overlay District shall only be established by the Town Board in connection with the appropriation of Community Housing Funds necessary to implement a desired development program pursuant to Chapter 140 of the Town Code, as may be amended.

§330-29.2. Preliminary Review for Consideration of Projects.

A. The procedure for planning and approving a Community Housing Fund Overlay District (CHOD) utilizing Community Housing Fund shall include a preliminary review of the development plan at a public work session, as follows:

- (1) The applicant shall submit an application to the Community Housing Fund Advisory Board for a development proposal that is consistent with the Town's adopted Housing Plan and the Community Housing Fund (CHF) Project Plan.
- (2) The Community Housing Fund Advisory Board shall review said application and make a recommendation to the Town Board regarding whether such application should be the subject of a Town Board public work session. Prior to a scheduled work session, the Housing Director shall outline the proposed plan with funding requested pursuant to Town Code §140-44 and the Department of Land Management Administrator shall submit a report and recommendation on the CHOD zoning based on 330-185C(3) for the Town Board to consider.
- (3) The Housing Director or designee shall provide advance notice of the pending work session date to the Civic and/or Citizen's Advisory Committee, if any, for the specific Hamlet of the proposal and a representative shall be given an opportunity to comment.
- (4) After the work session, pursuant to 330-185C(4), the Town Board may elect by resolution to advance the project to a public hearing; the project sponsor shall

then provide Land Management with conceptual plans as per §330-29.3 in order to proceed with scheduling.

§330-29.3. Submission requirements.

- A. The development sponsor shall submit to the Town Board 10 printed copies and one electronic file of all the required information. The submission shall include information as required in §330-185D and the following items:
- (1) The names and addresses of the property owner, and of the planner, engineer, architect, surveyor and/or other professionals engaged to work on the project.
  - (2) If other than the applicant, a notarized authorization from the property owner to apply for the CHOD designation.
  - (3) A written statement describing the nature of the proposed project:
    - (a) Describe how the project design meets the purposes of this Article, the Housing Plan and consistency with the Town's Comprehensive Plan and any amendments thereto.
    - (b) Provide an analysis of the site's relationship to immediately adjoining properties and the surrounding neighborhood; the availability and adequacy of community facilities and utilities to serve it; the safety and capacity of the street system in the area in relation to the anticipated traffic generation.
    - (c) Discuss the suitability of the site to include information related to proximity of the proposed site to a Hamlet Center, school, shopping center, hospital, or other place of local employment.
    - (d) Discuss the range of housing options provided, accessible amenities, and various alternative transportation methods like walking, cycling, on-demand bus transit, LIRR, Hampton Hopper or similar shuttle, ride-sharing service (e.g. Uber, Lyft), etc. that are available.
    - (e) Provide a preliminary summary of environmental information such as if the property is within a designated Special Groundwater Protection or Critical Resource Area or any other environmental regulations or constraints related to the property.
    - (f) If applicable, confirm the conceptual development plan's compliance with the clearing standards of the Central Pine Barrens Compatible Growth Area (CGA) and the Town's Aquifer Protection Overlay District (APOD).
  - (4) A written statement of the intended ownership structure for the property, if the units will be offered for sale or rental, the rental/sales prices, the target income eligibility of the occupants and the overall plan for maintenance for all common utilities, facilities and open space lands within the proposed development. Any common fees associated with a given development plan shall be disclosed as part of the funding request.

- (5) All relevant documentation required by the Town Housing Director to demonstrate the financial capability of the project sponsor to complete the development program within the construction budget provided and a complete list of all other funding sources intended/awarded for the project and any related restrictions or requirements as part of such funding.

B. A program summary that includes a preliminary development concept plan, drawn to a scale of 1 in. = 40 ft. and including the following items of information:

- (1) The area of the property in both acres and square feet.
- (2) A map of existing terrain conditions, including topography with a vertical contour interval of no more than two feet; identification of soil types, including wetlands; existing wooded areas and other significant vegetation; existing stone walls; and natural features.
- (3) An aerial map indicating the location of the property with respect to neighboring streets and properties, including the names of all owners of property within 500 feet thereof. This should also show the existing zoning of the property and the location of all zoning district boundaries in the surrounding neighborhood.
- (4) The conceptual site development plan shall indicate:
  - (a) The proposed location of all buildings with setbacks to property lines; building typology (e.g. single family, duplex, triplex, fourplex, townhouse, manor house, cottage court, etc.)
  - (b) Color renderings, elevations, and floor plans of all buildings.
  - (c) The arrangement of parking areas and access drives; and the general nature and location of other proposed site improvements and amenities including but not limited to sidewalks; bike paths; recreational facilities; open space/trail networks; limit of clearing to allowable percentage (if in CGA or APOD- with any proposed areas for revegetation); landscaping and screening; the storm drainage system; utilities; water connection; wastewater connection or on-site location; and any other information required by the Town Board.
- (5) A time schedule and critical path outline of necessary steps and approvals for the staging and completion of the proposed project.

C. Upon receipt of complete documentation, the Town Planning & Development Administrator shall work with the Housing Director, Town Attorney and Town Clerk to publish a Notice of Public Hearing as per §330-185 and Chapter 140 of the Town Code indicating the zoning parameters of the conceptual development plan and CHF funding request. The notice shall indicate the Town Board's intent to assume Lead Agency pursuant to SEQRA.

D. Nothing herein shall preclude the Housing Director or Housing Authority from initiating a capital project so that a given proposal may go through the process for CHOD designation and CHF funding consideration in order to purchase real property, to advance the procurement of a project sponsor, and/or to be ready for public bid for construction.

§330-29.4. Referral to Planning Board and other agencies.

- A. The establishment of a CHOD shall follow the same procedures and standards as identified in §330-185E through J.
- B. The Planning Board shall assign the Town Board referral as a first-priority status pursuant to Town Code §216-3 B (1).

§ 330-29.5. Town Board Public Hearing.

- A. A public hearing before the Town Board on a CHOD zoning designation shall comply with the same notice as per Town Law §264 and §330-185.
- B. The Town Board shall require the posting of the subject property and notification of all the property owners within 500 feet of all boundaries of the affected property as per §330-185G.

§330-29.6. Town Board Action.

- A. The Town Board may act to approve, approve with modifications or disapprove the establishment of the Community Housing Overlay District with attendant zoning standards of the conceptual development plan and in accordance with the following:
  - (1) Units created pursuant to a CHOD shall be made available to households with incomes between 60% and 130% of the Area Median Income (AMI) for Suffolk County as defined annually by the U.S. Department of Housing and Urban Development (HUD).
  - (2) Proposals that are for 100% senior housing and 100% disabled housing developments may serve households with incomes below 60% AMI, provided they meet all other applicable federal, state, and local program requirements.
- B. Approval or approval with modifications shall be deemed to authorize the project sponsor to proceed to the Planning Board for final site plan approval in accordance with the conceptual development plan and the subsequent procedures and requirements of this Article and §330-183 and/or Chapter 292.
- C. An official copy of the resolution containing the Town Board's decision shall be placed in the legislative file in the office of the Town Clerk, and, if approved, the official data of the Town Zoning Map shall be amended accordingly by the Geographic Information Systems (GIS) Manager or designee.

§330-29.7 Final Site plan approval by Planning Board.

- A. No earthwork, land clearing, construction or development shall take place on any property within an established Community Housing Fund Overlay District until a final site plan is approved and signed by the Planning Board in accordance with this article and with the procedures and standards for site plan approval as set forth in § 330-183 of this chapter.
- B. Where a proposed affordable housing development also involves the subdivision or re-subdivision of land, no development may proceed until the Planning Board has granted final subdivision approval in accordance with the standards and procedures of the subdivision approval in accordance with the standards and procedures of the

Subdivision of Land, Chapter 292 of this Code.

§330-29.8 Development standards.

- A. A Community Housing Overlay Fund District designation shall only be established on parcels found to comply with the standards herein. As part of the zone change process, the Town Board may codify additional development standards based on the particular circumstances of a given property.
- B. Location. The location of Community Housing Fund Overlay Districts shall be restricted to parcels within the R-20, (C)R-40, (C)R-60, (C)R-80, (C)R-120 and CR-200 residence districts and business districts except those that have direct frontage on CR39 (extending east from the SUNY campus to the intersection of Flying Point Road) that meet the minimum lot area requirement.
- C. Lot area and adequacy of parcel. The minimum size parcel required for the establishment of a Community Housing Fund Overlay District shall be 60,000 square feet and shall be found adequate by consideration of the following:
  - (1) The property shall be of such shape, dimension, topography and location as will allow for an appropriate and attractive development.
  - (2) The layout provides adequate setbacks, screening and can demonstrate compliance with all design requirements as described within this Article. The primary design objective is to achieve a harmonious relationship with the existing natural physical contours/terrain of the property and be at an appropriate scale in proximity to neighboring buildings and adjoining land uses.
- D. Density. The total density shall not exceed ten (10) units per acre. In any case, the total number of dwelling units within a CHOD shall not exceed thirty-five (35).
- E. Ownership. In the case that more than one person or a corporate entity, the application proposed for the CHOD designation shall be jointly filed by all owners/authorized principals, and, if approved, shall be jointly binding on them. This shall be confirmed by written agreement, in recordable form satisfactory to the Town Attorney.
- F. Administration and control of occupancy. All dwelling units shall remain affordable in perpetuity pursuant to the income provisions, lottery and re-sale requirements of Town Code Chapter 216.
- G. Traffic access. Properties within a Community Housing Fund Overlay District shall have direct frontage on a public street.
- H. Architectural Style. All CHOD developments shall adhere to core principles of balance, proportion, rhythm, and relationships between components as well as high quality materials and sustainable features.
  - (1) The architectural vernacular of the closest Hamlet Heritage Area or similarly designated area, if any, shall be referenced to provide an understanding of the established historical styles of the area. Pattern Books and other recommendations from adopted Hamlet studies shall also be referenced and incorporated into a design program.

- (2) Where practicable, buildings shall simulate the mass, size and style of 'Missing Middle Housing' that is defined by house-scale buildings having multiple units within in a building. Depending on the setting, a development plan may include residential structures that look like a barn or other building typologies found appropriate based on the particular context of the property and the associated design objectives.
  - (3) Designs shall follow best practices/rules of the architectural style proposed with classical rhythm and placement of individual elements such as windows, doors, eaves, and roof articulations using the following guidelines:
    - (a) Repetition of forms: A simple and proportional recurring pattern of shapes, sizes, or colors used throughout a design.
    - (b) Consistent spacing: Elements like columns and windows are spaced at regular intervals, creating "beats" for the eye to follow.
    - (c) Guided movement: The repetition draws the viewer's eye around a structure, creating a sense of continuity and flow.
    - (d) Structural patterns: Repeating elements can be structural, as seen in the rows of columns, or decorative, as with repetitive motifs on a facade.
- I. Parking. Community Housing Fund Overlay District housing developments shall comply with §330-94.
  - J. Recreation area. Each development site shall include a recreation area, trails, a central green, community gardens, or similar outdoor amenity. A gazebo and other customary accessory structure may also be provided.
  - K. Private outdoor space. To the maximum extent practicable, each individual dwelling unit shall be provided with a private outdoor space in the form of a patio, terrace, garden, courtyard, deck or balcony, including storage space if possible, which space shall be immediately adjoining and directly accessible to the dwelling unit that it serves.
  - L. Individual unit access. In general, each individual dwelling unit within a housing development shall have its own separate entrance/exit leading directly to the outside.
  - M. Covenants and restrictions. The Town Board or the Planning Board shall have the right to require that the applicant or owner to execute agreements and covenants as it may deem to be required. Said agreements or covenants shall be recorded in the office of the Suffolk County Clerk and constitute a covenant running with the land.
  - N. Universal design. The development shall be designed to comply with Town Code § 123-33 and any other State Building Code or Federal requirement related to accessibility and visitable design.
  - O. In determining whether to grant a zone change to a Community Housing Overlay District (CHOD), the Town Board, in addition to its usual discretion in considering a change of zone, shall also consider:
    - (1) The need for units for a range of income types and the nature and extent to

which the applicant intends to provide them.

- (2) The appropriateness of the location of the proposed site, the environmental suitability of the site, and other relevant factors.
- (3) The proposed development design and use of land assures the proposed density fits within the character of the community and the overall pattern and equitable distribution of such units across the entire Town, with a specific emphasis on the east side of the Shinnecock Canal.

#### § 330-29.9 Planning Board and Building permit fees.

Where the Town Board has rezoned a parcel for a Community Housing Fund Overlay District, the Planning Board fees provided in §330-181 and the building permit fees provided in § 123-12 of the Building Construction Code of the Town of Southampton, shall be waived.

#### §330-29.10 Coordination with Community Preservation Fund Article VI.

The Town Board may from time to time seek to coordinate the public hearing and review process to include any funding requests related to Water Quality Improvement for sanitary system upgrades or wastewater recovery facilities associated with a given project proposal.

#### SECTION 3. Authority.

The proposed law is enacted pursuant to Municipal Home Rule.

#### SECTION 4. Severability.

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

#### SECTION 5. Effective Date.

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