
HOUSING PLAN

Housing Plan

Town of Southampton, New York

PREPARED FOR

Town of Southampton
Housing & Community Services
116 Hampton Road
Southampton, NY 11968
631.702.1731

PREPARED BY



**VHB Engineering, Surveying, Landscape
Architecture and Geology, P.C.**
100 Motor Parkway
Suite 350
Hauppauge, NY 11788
631.787-3400

May 2022

Table of Contents

1 Introduction and Executive Summary	1
1.1 Introduction	1
1.2 Community Engagement	2
1.3 Executive Summary	3
1.4 Supporting Data and Analysis	5
2 Existing Conditions	6
2.1 Community Character	6
2.2 Demographics	7
2.3 Income and Cost of Living	9
2.4 Housing Inventory and Households	10
2.5 Subsidized Units	11
3 Housing Constraints	14
3.1 Zoning Constraints	14
3.2 Infrastructure Constraints	24
3.3 Environmental Constraints	25
3.4 School Capacity	27
4 Needs Assessment	29
4.1 Bridging the Affordability Gap	29
4.2 Retaining and Attracting Younger Residents	32
4.3 Senior Housing	32
4.4 Inclusive and Equitable Housing	33
4.5 Smaller Units for Smaller Households	33
4.6 Protecting Southampton’s “Look and Feel”	34
4.7 Transit-Oriented Development	34
4.8 Employer-Based Housing	35
5 Housing Vision and Goals	36
5.1 Housing Vision	36
5.2 Housing Goals	37
6 Implementation Strategy	43
6.1 Recommended Actions	43
6.2 Potential Partners and Funding Sources	51
Appendices	54

List of Tables

Table 1 Population Change by Hamlet (2010 – 2018).....	7
Table 2 Share of Residential Units Built in the Current Century.....	8
Table 3 Share of Household Paying More Than 35% of Income on Housing Costs	9
Table 4 Share of Households Occupied Seasonally by Hamlet (2018).....	10
Table 5 Median Housing Value (2010-2018)	11
Table 6 Existing Affordable Housing/Community Benefit Unit	12
Table 7 Maximum Sale Price ¹ for a Unit ² Reserved for an Income-Eligible Household (2020-2021).....	13
Table 8 Maximum Rent ¹ By Unit Bedroom Size ² (2020-2021)	13
Table 9 Dimensional Regulations for Residence Districts.....	16
Table 10 School District Enrollment 2009/10 to 2019/20.....	28
Table 11 Median Gross Rent by Hamlet (2018)	31
Table 12 Share of all Units in Building with 3+ Units, by Hamlet (2018).....	31

Appendices

- A. Town and Hamlet Profiles
- B. Supporting Maps
 - 1.1. Map 1 - Southampton Town
 - Map 2 - Bridgehampton
 - Map 3 - Eastport
 - Map 4 - East Quogue
 - Map 5 - Flanders
 - Map 6 - Hampton Bays
 - Map 7 - Northampton
 - Map 8 - North Sea
 - Map 9 - Noyac
 - Map 10 - Quogue
 - Map 11 - Riverside
 - Map 12 - Sagaponack
 - Map 13 - Sag Harbor
 - Map 14 - Shinnecock Hills
 - Map 15 - Speonk-Remsenburg
 - Map 16 - Tuckahoe
 - Map 17 - Water Mill
 - Map 18 - Westhampton
 - Map 19 - Hamlet Centers
 - Map 20 - Zoning
 - Map 21 - Land Use
 - Map 22 - Natural Resources
 - Map 23 - Protected Lands
 - Map 24 - Transportation
 - Map 25 - Infrastructure
 - Map 26 - School Districts
 - Map 27 - Land Use by Housing Type
 - Map 28 - Housing Units
 - Map 29 - Hotel, Motel, B&B, & Other Similar Uses
 - Map 30 - Lot Size Requirements
 - Map 31 - Undeveloped Land
 - Map 32 - Population Density per Square Mile by Census Block Group
 - Map 33 - Housing Units per Acre by Census Block Group
 - Map 34 - Percent of Occupied Housing Units by Census Block Group
 - Map 35 - Percent of Owner-Occupied Housing Units by Census Block Group
- C. Methodologies
- D. Data Sources
- E. Residence Districts Table of Use Regulations
- F. Residence Districts Table of Dimensional Regulations
- G. Housing Survey

1

Introduction and Executive Summary

1.1 Introduction

The Town of Southampton, a world-class resort community located in Suffolk County, New York, engaged VHB to prepare a Housing Plan, which the Town Board will adopt as an updated element of the Comprehensive Plan. To develop this plan, VHB reviewed relevant policy and planning documents, researched census data and other publicly available datasets, and engaged directly with the public through a series of virtual public forums and an online survey of residents.

Once an understanding of the baseline conditions was established, VHB worked with the Town to define the Town's needs, vision, and goals, and prepared a list of recommended actions for implementing these goals. The report that follows provides a summary of VHB's process and findings.

The Housing Plan addresses critical questions on housing, including:

- › What are the key demographic trends in Southampton that require attention with regard to housing policy?
- › What are the unique characteristics of Southampton's housing supply, and how does it vary across the Town's fifteen unincorporated hamlets?
- › What housing challenges does the community face, and how does it impact different segments of the population?
- › What type of residential community does Southampton aspire to become over the coming decades?
- › What steps can be put in place now to realize this vision for the future?
- › What will the proceeds of the Community Housing Fund (*if established*) be spent on?

Chapter 2 of this report provides a high-level assessment of existing demographic and housing conditions, based on data pulled from the US Census and other publicly available materials. This is followed by Chapter 3, an assessment of the constraints that shape the housing market in Southampton – regulatory, environmental, infrastructure, and school capacity constraints.

In Chapter 4, these findings are synthesized into an assessment of housing needs. Chapter 5 presents a new housing vision for the Town, including a discussion about the proposed Community Housing Fund to be established by a 0.5% supplemental real estate transfer tax, along with related goals. Finally, Chapter 6 provides a detailed strategy for implementing the goals of the Community Housing Fund and achieving the vision.

It should be noted that this report was written during the height of the COVID-19 pandemic. The impact that the pandemic will have on suburban housing markets like Southampton is not yet known, but it is anticipated that housing demand will grow, at least in the short term, as some residents of larger cities seek rural and suburban housing alternatives. The Town is advised to monitor the pandemic's impact on the local housing market closely as the pandemic progresses and consider how these conditions impact housing strategy.

1.2 Community Engagement

Community engagement was essential to the development of this Plan, especially for identifying housing needs and public preferences. The Town wanted to ensure as many residents as possible were included in the process of information gathering. To garner feedback, the Town hosted several virtual public forums, conducted a public survey on housing needs, and used multiple forms of communication to provide residents with information on meetings, opportunities for providing comments and asking questions, and links to the public survey.

1.2.1 Virtual Public Forums

Due to New York State Stay at Home orders, the Town, with technical support from VHB, hosted a series of nine virtual public forums. Residents of the Town had the opportunity to learn about the Plan and to provide feedback on their community's housing needs. The public forums targeted each of the Citizen Advisory Committees (CACs), though all residents were encouraged to attend as many of these virtual public forums as they wanted. The forums were broadcast on SEA-TV, streamed on YouTube, and recordings of the forums were posted on the Town's website after the meetings. The virtual public forums were divided as follows;

- › July 21, 2020: North Sea CAC
- › July 23, 2020: Noyac CAC
- › July 29, 2020: Shinnecock Hills/Tuckahoe/Southampton CAC
- › July 30, 2020: Water Mill CAC

- › August 4, 2020: Westhampton/Remsenburg-Speonk/Eastport/Quogue CAC
- › August 6, 2020: Bridgehampton CAC
- › August 11, 2020: East Quogue CAC
- › August 13, 2020 Flanders/Riverside/Northampton CAC
- › August 18: Hampton Bays CAC

Comments and recommendations from each of these forums have been reviewed and incorporated into this Plan where appropriate.

1.2.2 Public Survey

While the virtual public forums were created with the intention of reaching as many residents as possible, it could be difficult for some residents to attend if they did not have the time or appropriate technology. In order to reach as wide an audience as possible, an online public survey regarding housing needs was created using Metroquest. The survey was available from August 3, 2020 through September 30, 2020 and received 2,557 responses.

The housing survey responses, which were not limited to residents of the Town of Southampton, were integral in drafting the needs assessment chapter of this Plan.

1.2.3 Publicity

An extensive notification strategy was used by the Town to publicize the virtual public forums and the housing needs survey. News articles covering the virtual public forums and survey were published in local press including *The Southampton Press*, *East End Beacon*, *Riverhead Local*, and others. Additionally, the Town sent email blasts to over 20,000 residents. Direct links to the public survey on housing needs were provided on the Town's website and Facebook page. The Town also posted direct links to the virtual public forums on their website to facilitate easy access for the public to join. Each CAC was notified in advance of the virtual public forum, so CAC members could actively participate.

1.3 Executive Summary

As a high-end resort community, housing affordability is a critical issue in Southampton. High demand for seasonal homes has driven up the cost of land and the cost of construction. The recent rapid increase in home prices has placed a single family detached home beyond the reach of moderate and middle income families. The difficulties moderate and middle income families face finding a place to live is compounded by the fact that Southampton has a limited supply of rentals, smaller units, multifamily units, and subsidized units.

Within this context, demographic shifts are taking place that will introduce new challenges. For instance, fewer young families are choosing to live in Southampton, and many older residents are aging in place. An increasingly diverse population and workforce seeks to find

housing in the Town of Southampton and the supply of housing that is affordable has not kept pace with the demand. According to the most recent US Census figures, the largest Southampton Town racial/ethnic groups are White (85.3%) followed by Hispanic (22.5%) and Black/African American (5.7%). 7.6% of Southampton families live in poverty. Additionally, roughly half of the members of the federally recognized American Indian Tribe of The Shinnecock Indian Nation live off the reservation.

The Town has made great strides in recent years to retain its heritage and environmental resources while artfully providing for affordable housing. In addition to expanding soft infrastructure by re-establishing the Housing Office (in 2017) and establishing the

Department of Housing and Community Development Services (in 2019), the Town has been working on revitalization plans for downtown areas, most notably in Riverside and Hampton Bays to allow for mixed use and walkable development.

Southampton's zoning code includes various provisions that incentivize community benefits and reward projects that accommodate low/moderate and middle income households and seniors. And yet, Southampton's very real challenges with regard to housing still persist.

Southampton is a world-class resort community with a strong brand for high-end vacation homes, and also, is home to an economically and racially diverse community of year-round residents. The Town acknowledges that escalating home prices and shifting market dynamics require flexible and adaptive planning in order to provide more housing options for moderate and middle income households. As such, for the coming decades, Southampton's new vision is defined as follows:

In anticipation of transformative demographic shifts, the Town of Southampton will embrace the goals of affordability, sustainability, inclusiveness, equity, and fair housing. The Town will deploy its resources to promote the development of diverse and inclusive housing typologies, including entry-level units, small apartments and condominiums, rentals, employer-based housing, and multifamily configurations. Without jeopardizing community character, the Town will encourage walkable, mixed-use development in the vicinity of transit hubs.

HOUSING AFFORDABILITY IS ESSENTIAL TO ACHIEVING THE TOWN'S VISION.

It is vital to the social and economic sustainability of the Town to provide a range of affordable housing. The Town's ability to provide sufficient affordable housing will:

1. **Strengthen** the Town's economy by assuring that employers have access to the workers they need for a variety of jobs; provide workers better access to homes near their jobs which will then in turn attract the best and most skilled employees.
2. **Support** Town residents of all ages and stages of life, such as young families who are just starting out; families with children who need stability; hardworking employees who deserve opportunity and choices; and seniors who wish to securely age in place.
3. **Improve and promote** neighborhood stability and diversity and assure the quality of the neighborhood character.

Workers in moderate income and middle income paying jobs form the backbone of the Town's economic development. They support business functions, provide residents with goods and services and serve the thousands of vacationers who come to the Town each year. Without a sufficient supply of housing that is affordable to these workers, it will become increasingly difficult for the Town to attract and retain a workforce and continue to grow a vibrant and sustainable local economy in the future.

Targeted actions to implement this vision are as outlined in Chapter 6 of this report.

1.4 Supporting Data and Analysis

In an effort to create a clear and manageable Housing Plan, much of the supporting data and maps have been provided in the Appendices, including the following:

Appendix A. Town and Hamlet Profiles – focused data profiles for the Town and each of the 15 individual hamlets.

Appendix B. Supporting Maps – a series of 35 separate maps illustrating relevant information such as land use, zoning, infrastructure, natural resources, transportation, and housing patterns.

Appendix C. Methodologies – a summary of the methodologies used in developing the Southampton Housing Plan.

Appendix D. Data Sources – a list of all data sources, reference materials and background studies utilized in developing the Southampton Housing Plan. Appendix E. Residence Districts Table of Use Regulations

Appendix F. Residence Districts Table of Dimensional Regulations

Appendix G. Housing Survey – a summary report of all responses from the Southampton Housing Survey. Separate summary reports are provided for English and Spanish survey responses.

2

Existing Conditions

This section of the Housing Plan presents a description of key demographic and housing trends in the Town of Southampton and across each of its 15 unincorporated hamlets.¹ Focused data profiles for the Town and each of the 15 individual hamlets can be found in Appendix A.

2.1 Community Character

Southampton is a Town of 57,975 people, located on the South Fork of Long Island in Suffolk County, New York. It is bordered to the north by the Town of Riverhead and the Great Peconic Bay, to the east by the Town of East Hampton, to the south by the Atlantic Ocean, and to the west by the Town of Brookhaven. The Town is composed of seven incorporated villages and 15 unincorporated hamlets. The hamlets include Bridgehampton, Eastport, East Quogue, Flanders, Hampton Bays, Northampton, North Sea, Noyac, Quogue, Remsenburg-Speonk, Riverside, Shinnecock Hills, Tuckahoe, Water Mill, and Westhampton. In addition, it is noted that the Town contains the unincorporated portions of Sagaponack and Sag Harbor. However, as U.S. Census data is not available separately for these unincorporated areas, these areas are not examined as separate hamlets in this Housing Study.

Major access to the Town is provided by Sunrise Highway, Montauk Highway, Old Country Road, and several stops along the Montauk Branch of the Long Island Railroad (LIRR). A significant portion of the western half of the Town is within the Central Pine Barrens Core Preservation Area and Compatible Growth Area, limiting development in those portions of the Town.

The Town's economy is largely centered around the tourism and vacation home industries. Commercial corridors are dispersed throughout the Town, primarily along County Road 39 and Montauk Highway, with pockets of commercial and industrial development throughout other hamlets, along major arterial roadways. These

¹ Unless otherwise noted, data sourced from the 2018 American Community Survey (ACS) 5-year Estimates.

commercial centers are often smaller in scale, with a mix of one- to two-story retail, restaurants, and other commercial uses.

The road network in Southampton is primarily composed of narrow rural roads traversing open space, agricultural fields, and residential areas. Sidewalks and bicycle infrastructure are primarily limited to areas with commercial corridors. For this reason, Southampton can be characterized as an automobile-dependent rural/suburban environment.

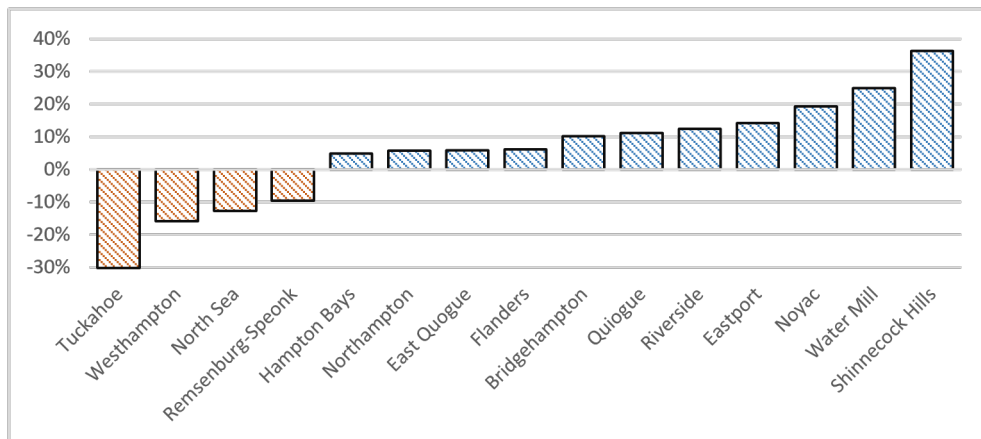
2.2 Demographics

2.2.1 Population Change

Southampton’s 2018 population of 57,975 was 2.1% higher than the 2010 population. Over this eight-year period, Southampton grew more quickly than Suffolk County (0.4%) or New York State (2.0%). For reference, the United States population grew around 6.2% during this same period.

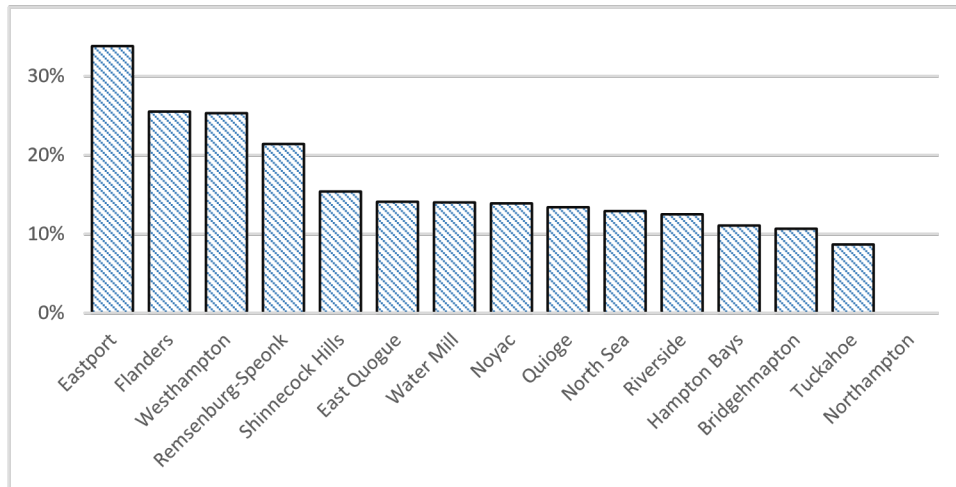
Different parts of Southampton saw varying rates of population change. The population of some hamlets grew significantly, like Shinnecock Hills and Water Mill, each of which grew by more than 20% over the eight-year period. At the same time, other hamlets experienced a drop in population, including Westhampton, Tuckahoe, Remsenburg-Speonk, and North Sea. Population decline can have harmful impacts on a geographic area; for instance, a reduction in the number of students attending public school can translate into a reduction of state funding for educational programs.

Table 1 Population Change by Hamlet (2010 – 2018)



Another measure of growth is residential construction. On this front, growth has taken place most quickly in the hamlets of Eastport, Flanders, and Westhampton, where over 25% of all residential units were built since the turn of the century.

Table 2 Share of Residential Units Built in the Current Century



2.2.2 Age

As the population of Southampton has grown, it has also grown older. In fact, the median age was already high in 2010, at 43.5 years old. By 2018, the median age had increased to 45.4 (ranging significantly from 32.6 in Flanders, to 53.2 in Water Mill). Southampton's median age is significantly higher than the statewide median (39.0 years).

Related to this, whereas 16.4% of the statewide population is over the age of 65, 20.7% of Southampton's population falls into this category.

This data reveals a remarkable pattern of graying over a relatively brief period of eight years. In broad terms, older residents present a unique set of housing needs, for which many towns and cities across the nation are insufficiently prepared.

2.2.3 Race

In addition to a shifting age profile, the population of Southampton is also becoming more racially diverse. In 2010, 11.9% of the Town's population was non-white, and by 2018, this figure had grown to 13.9%. Over the eight-year period, there was an increase across all racial minority groups, including the Black or African American population (61% growth), American Indians (29% growth), and Asians (35% growth).

Certain hamlets, like Northampton and Flanders, were particularly diverse in 2018, with white people representing less than 50% of the population. Other hamlets were significantly less diverse, such as Eastport, North Sea, and Remsenburg-Speonk.

2.2.4 Households

Southampton is home to many families. In 2018, 65.0% of households were family households. This is not significantly different than the rate of family households statewide (63.3%) or nationwide (65.7%). Similarly, the average household size is not atypical at 2.55, compared to 2.50 in New York State and 2.63 across the nation.

In summary, Southampton's population is growing, aging, and becoming more diverse, all trends that are anticipated to continue over the coming decades. The Town must examine its current approach to housing in light of these patterns and work to bridge the

divide between the needs of the population, and the housing supply provided by the market.

2.3 Income and Cost of Living

As a resort community, Southampton has a unique demographic, social, and housing profile. Almost half of the housing units in Southampton are occupied on a seasonal basis. Many of Southampton's wealthiest residents only spend a fraction of their time in town.

In crafting an equitable housing strategy, special attention must be afforded to the Town's year-round residents, many of whom are low/moderate and middle income households. In many cases, the Town's housing stock must be re-aligned to better accommodate this population's needs and the need to attract and maintain the Town's workforce.

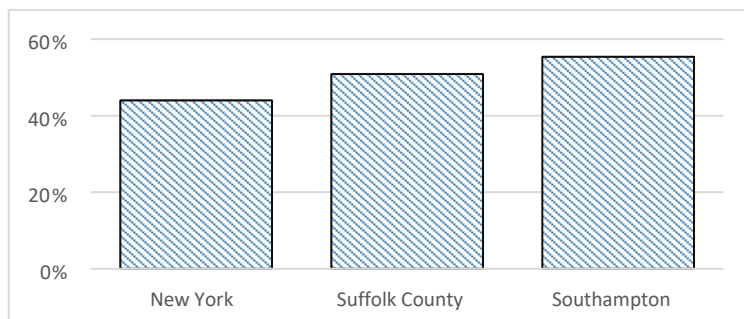
Southampton's median household income (\$89,199 in 2018) is almost a full third higher than the statewide median (\$67,844). But this statistic doesn't accurately reflect the reality of many households living in Southampton. For instance, median household income varies greatly by hamlet, from Riverside, where it is approximately \$40,700, to Shinnecock Hills, where it is \$115,875, almost triple that amount.

Based on census data provided by the 2018 American Community Survey (ACS) 5-year Estimates, Riverside, Tuckahoe, and Flanders have the lowest median household income, while Shinnecock Hills and Water Mill have the highest.

The income distribution in Southampton also varies greatly between homeowners and renters. Whereas 52.5 percent of homeowner households earned more than \$100,000 in 2018, only 23.6 percent of renter households earned this much. In fact, 50.9 percent of renter households earned less than \$50,000 in 2018.

In general, households in Southampton are uniquely hard-hit by housing costs.

Table 3 Share of Household Paying More Than 35% of Income on Housing Costs



In 2018, the share of renter households in Southampton paying greater than 35% of their income on housing costs was 55.4%. That is a markedly higher rate than in Suffolk County (50.9%) or New York State (44.0%). For these renter households, the cost of living has increased significantly, growing 15.9% from 2010 to 2018. The cost of living increased

for all types of households in Southampton from 2010 to 2018, including owner households with mortgages (6.1%) and owner households without mortgages (11.9%).

All told, as of 2018, there were 5,719 cost-burdened homeowner households, and 2,486 cost-burdened renter households in the Town of Southampton. Cost burdened households are more prevalent among lower-income households; additionally, cost burdened households are more prevalent among renters than among homeowners.

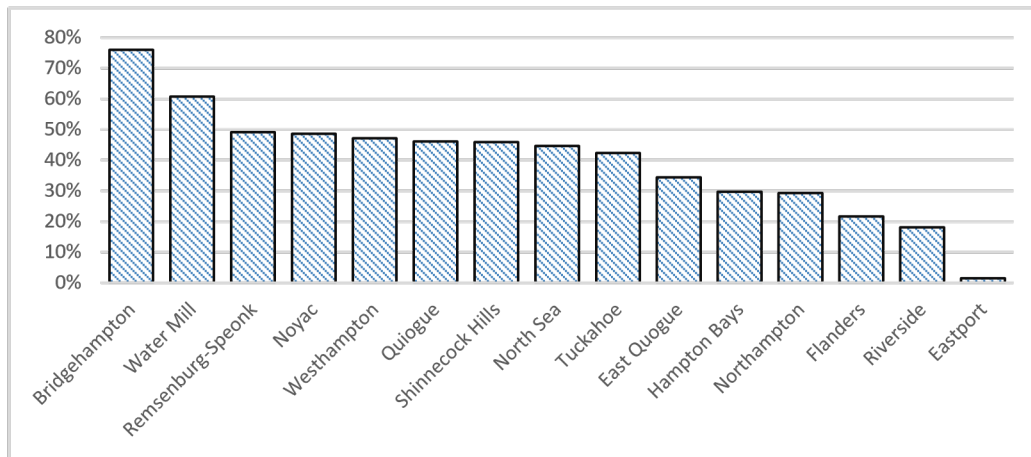
In 2018, 8.0% of all people living Southampton lived below the poverty level.

2.4 Housing Inventory and Households

As of 2018, there were 43,826 housing units in the town of Southampton. Almost 69% of these units were built in the second half of the twentieth century. 13.7% of the Town’s housing units were developed during the current century. This means that Southampton’s housing stock is growing faster than Suffolk County as a whole, where only 9.1% of units were developed since 2000.

However, it should be noted that the rate of residential development slowed sharply around 2010, at the beginning of the Great Recession.

Table 4 Share of Households Occupied Seasonally by Hamlet (2018)



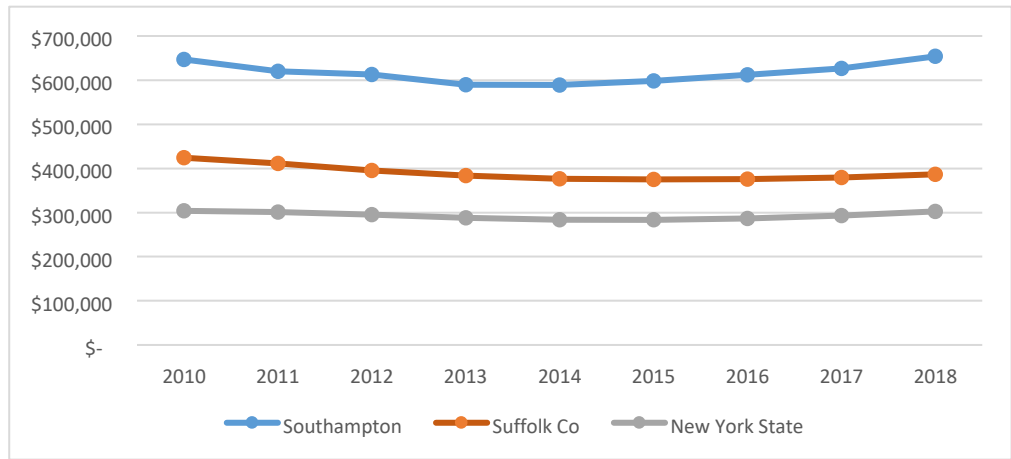
Many of the hamlets in Southampton are predominantly composed of seasonal homes. This includes Bridgehampton and Water Mill, where greater than 60% of the housing units are seasonal. On the other hand, hamlets like Eastport, Riverside, and Flanders have comparatively fewer seasonal homes.

The share of housing units that were known to be occupied by renters in Southampton in 2018 was 22.3%. This was less than half the statewide rate of 46.5%

Since the inception of Zoning in 1957, single-family detached units have been the predominant settlement pattern within Southampton. As such, Southampton’s housing stock is heavily weighted toward single-family detached units. In almost all of the Town’s hamlets, greater than 80% of units are now comprised of single-family detached houses. The only exception to this are Riverside, Eastport, and Westhampton. This is an important

metric, as single-family detached residences are not typically the most affordable options for low- and moderate-income families.

Table 5 Median Housing Value (2010-2018)



The median housing value in Southampton in 2018 was \$653,800. This is almost double the countywide median (\$386,800), and more than double the statewide median (\$302,200). From 2015-2018, the median home value in Southampton grew by almost 10%, a much higher rate than the county (3.1%) or the state (6.6%)

2.5 Subsidized Units

According to the Regional Plan Association, there are a total of 520 subsidized units in the Town of Southampton. This includes 306 units available through Section 8 Housing Choice, 74 units available through Section 8 New Construction / Substantial Renovation, 29 Low-Income Housing Tax Credit (4%) development units, and 111 Project-Based Contract Administrator units. This breaks down into 380 units through HUD, and 140 through New York State program. These 520 units represents approximately 1.2% of the total housing units in town.

Some of these projects were sponsored by private-sector developers, whereas others are fully funded through public programs. The Town owns and operates a limited amount of affordable housing units in Sagaponack.

The Town maintains an index of affordable housing units and facilitates a lottery to obtain access to these units via the Town’s website.

The following table provides a partial inventory of existing affordable housing and community benefit units. As shown in Table 6, the level of affordability for these units range from 50% to 120% of median family income, with most units falling within the 60% to 80% range.

Table 6 Existing Affordable Housing/Community Benefit Unit

Development	Total Units	Affordable Units	Level of Affordability	Sponsor / Financing Source
Speonk Commons, 41 North Phillips Ave, Speonk	38	37	60% and 80%	TSHA
Sandy Hollow, 161 Sandy Hollow Rd, Southampton	28	28	60% and 80%	TSHA
Northern Sites, Hamilton Ave, Westhampton Beach	14	11	80%	LIHP HOME
Bridgewood Bridgehampton Sag Harbor Turnpike Bridgehampton	4	4	80%	AHC; CDC; private funding
Quiogue Woods, Jennifer Path, Deborah Drive, Quiogue	39	10	80%	Private Development
Eagles Walk, Aerie Way, East Quogue	81	14	80%	Private Developer
Bishop Ryan Village, 10 Squire Town Rd, Hampton Bays	76	76	50%	Diocese of Rockville Centre
Hampton Bays Apartments, 57 Springville Rd, Hampton Bays	38	37	50%	TSHA USDA, private mortgage, project based Section 8
Woodbridge, Springville Rd, Hampton Bays	29	29	63%	Low Income Tax Credit
Morrow Apartment (over Eckert), Montauk Hwy, Hampton Bays	2	2	50%	Private
Bridgehampton Mews, Bridgehampton Sag Harbor Turnpike	8	8	80%	Subsidies AHC; Subsidies HOME; Subsidies DHCR; Subsidies LIHP; Subsidies TOWN Matching Grant Amount
Bridgehampton Mews (rental), Bridgehampton Sag Harbor Turnpike	4	4	50%	LIHP HOME funds
Westhampton Pines, 102 Old Country Rd, Westhampton	189	19	80% & 120%	Private Developer
Courtyards at Southampton	50	14	80%; 100%; 110%; 120%	Subsidies AHC Grant; Subsidies Suffolk County Grant
Scattered sites throughout Town of Southampton	25	25	100%	72H Affordable Homes
Sagaponack Woods,	4	4	100%	SBAHIC
Carter Avenue Hampton Bays	1	1	100%	SBAHIC
Tuckahoe Woods	2	2	100%	SBAHIC

Development	Total Units	Affordable Units	Level of Affordability	Sponsor / Financing Source
Southampton Point	50	15	Inclusionary	Private Developer
Burkeshire Court	Commercial	4	Inclusionary	Private Developer
Center of the Hamptons	Commercial	6	Inclusionary	Private Developer
Susan's Idea	Commercial	1	Inclusionary	Private Developer

Prices for affordable housing are reviewed and updated yearly pursuant to changes in the established federal Housing & Urban Development (HUD) guidelines by the Town Board. The maximum sale prices for affordable housing built in the town and the rental prices for affordable housing rental units in the Town program are listed below. The following maximum sale price and rents are reserved for income-eligible households:

Table 7 Maximum Sale Price¹ for a Unit² Reserved for an Income-Eligible Household (2020-2021)

Household Income	Maximum Sale Price
Low-Moderate (<80% of Median Income)	\$254,000
Middle (>80% to 130% of Median Income)	\$380,000

¹Maximum sales price shall be based upon a family of four, regardless if the applicant household size is less than or more than a family of four.

²Maximum sales price shall be for both single family dwelling units (detached) and multi-family dwelling units (attached) and is inclusive of the land upon which the unit exists, and any condominium charges or homeowners' fees.

Table 8 Maximum Rent¹ By Unit Bedroom Size² (2020-2021)

Household Income	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Low-Moderate	\$1,267	\$1,425	\$1,583	\$1,710	\$1,963
Middle	\$1,645	\$1,852	\$2,058	\$2,223	\$2,552

¹Including utilities allowance, except telephones, cable or satellite television service, and internet service.

²Maximum Occupancy is 2 persons per bedroom.

In addition to these affordable units, the Town of Southampton also provided assistance to more than 150 homeowners over the last 25 years to rehabilitate homes with structural and handicapped accessibility modifications.

3

Housing Constraints

Considering the existing housing market and housing needs identified in this report, the Town may focus on geographic areas or sites that may be more suitable for new housing than others. In an effort to identify areas with potential for housing development, the following section includes an overview of the issues or constraints to additional housing development, including:

- › current zoning policy and land use regulations
- › access and connectivity to existing water and sewer infrastructure
- › access to transit
- › environmental constraints
- › **school** district capacity

This analysis broadly identifies areas with significant regulatory, infrastructure, environmental or other constraints to development. This Housing Plan is intended to serve as the housing element to the Town's Comprehensive Plan and, as such, this Housing Plan is not associated with any specific development proposal for housing construction. Any site-specific proposals for the development of housing would be required to obtain all necessary permits and approvals for planning and zoning. Further, specific development proposals would be subject to the New York State Environmental Quality Review Act (SEQRA), which would require specific review of potential impacts to infrastructure and natural resources.

3.1 Zoning Constraints

Zoning serves as a tool for municipalities to regulate the type, size, and scale of developments. In the Town of Southampton, zoning regulations can be found in Chapter 330: Zoning (the "Zoning Code") of the Town Code. Within this chapter of the Town Code, regulations regarding residential uses can be found throughout Article II: Residence Districts,

Article IIA: Accessory Apartments, and Article III: Senior Citizen Zone. In addition, the Zoning Code covers several additional districts and overlay districts relating to residential

development, including the Multifamily Planned Residential Development District (MFPRD), Open Space Conservation (OSC), the Affordable Housing Overlay District, and the Riverside Overlay District (ROD). This section of the Housing Plan includes an analysis and summary of the existing Residence Districts found within the Town and provides a summary of existing overlay districts.

3.1.1 Residence Districts

The Town of Southampton has seventeen different types of Residential Districts (the "Districts"), including Country Residence (CR) districts, Residence (R) districts, Multifamily (MF) districts, and a Mobile Home Subdivision (MHS) districts. With the exception of the SC44 Senior Citizen Housing and OSC zoning districts, single-family detached dwellings of new construction are permitted as-of-right in all districts;; two-family detached dwellings of new construction, together with multiple dwellings for three or more families ("multifamily"), are only permitted in the MF-44 Multifamily Residence and MFPRD floating zones.

For specific types of residences such as mobile (manufactured) homes, the MHS-40 Mobile Home Subdivision Residence is the only district that permits such residences as-of-right. The same is true for senior citizen housing, which is only permitted within the SC-44 Senior Citizen Housing District and the MFPRD floating zones. A full list of permitted as-of-right uses, special exception uses, and prohibited uses can be found in Appendix E.

In addition to setting forth regulations regarding uses, the Zoning Code also sets the dimensional regulations for these uses that vary amongst Residential Districts. A summary of the lot area, lot coverage, minimum (min.) lot width, and maximum (max.) height for the seventeen Districts can be found below in the table below. A full table of all dimensional regulations for all seventeen Districts can be found in Appendix F.

Table 9 Dimensional Regulations for Residence Districts

Dimension	CR-200	CR-120	CR-80	CR-60	CR-40	R-120	R-80	R-60	R-40	R-20	R-15	R-10	MF-44	MHS-40	SC-44	MFPRD	OSC
Lot area																	
Min. (square feet [sf])	200,000	12,000	80,000	60,000	40,000	120,000	80,000	60,000	40,000	20,000	15,000	10,000	44,000	40,000	44,000	220,000	-
Min. per dwelling unit (sf)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11,000	40,000	5,500	11,000	-
Max. number of dwelling units on any one parcel, except as provided in § 330-8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75	-	-
Lot coverage																	
Max. lot coverage by main & accessory buildings (%)	5	10	10	15	20	10	10	15	20	20	20	20	20	20	20	20	-
Lot width (min.) (ft)	200	200	175	150	150	200	175	150	150	120	100	75	200	150	200	-	-
Height (max.)																	
Stories	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	-
Feet	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	-

Single-Family

Minimum lot areas for CR Districts range from 40,000 sf to 200,000 sf, and R Districts range from 10,000 sf to 120,000 sf. For all seventeen Districts, no structure shall exceed two stories (or 32 ft) in height, resulting in primarily low-density development throughout the Town. Single-family housing is the predominant form of housing in the Town of Southampton and is found throughout its hamlets. Generally, R Districts can be found closer to the shorelines of the Town, whereas CR Districts tend to be more inland with a few exceptions. In addition, the eastern portion of the Town just past the Shinnecock Canal contains more CR Districts than R Districts, whereas the opposite is true for the western portion of the Town, again using the Shinnecock Canal as a physical distinction between the two areas.

Multifamily

While a majority of the Districts give preference to single-family homes, the two Districts that allow multifamily development, defined as either two-family detached dwellings of new construction or multiple dwellings for three or more families, are the MF-44 and Multifamily Planned Residential Development District (MFPRD). According to the Zoning Code, in the MF-44 and MFPRD Districts, no more than eight units shall be permitted in a multifamily building constructed after the year 1989. For multifamily buildings reserved for senior citizens, no more than 12 dwelling units shall be permitted in the same. In addition to the unit restrictions, no dwelling units are allowed below the first floor in the basement, and no structure shall be more than two stories in height. The result is traditional suburban-style apartments of two stories spread out across multiple buildings scattered amongst common open space and amenities. In addition to the dwelling units per building restriction, it is also further restricted by allowing no more than 12 dwelling units per gross acre of land on the development site.

Based on recommendations set forth in the Town of Southampton Master Plan of 1970 and the 1999 Comprehensive Plan Update (together, the "Town Comprehensive Plan"), the need for additional higher density housing opportunities was identified as a priority for the Town. The creation of the Multifamily Planned Residential Development District (MFPRD) allows for higher density housing on land designated as single-family residential, but within close proximity to retail centers, community facilities, public transportation, and major roadways. Allowable on a floating zone basis and subject to Town Board Approval on a case-by-case basis, the MFPRD District allows for large (between 40 and 75 dwelling units), medium (between 20 and 40 dwelling units), and small (20 dwelling units or less) multifamily housing developments.

The MFPRD District is permitted in any residence district with the exception of CR-200, CR120, and R-120, so long as it is within a reasonable distance to retail centers, community facilities, and public transportation, and falls within 0.5 miles of a hamlet center or village center. Medium multifamily housing developments are permitted on a site within a short and safe walking distance no greater than 500 ft from a public transit stop.² When multifamily housing developments are not located in a short and safe walking distance from hamlet

² It is noted that the Town of Southampton is in the process of revising these location standards.

centers, village centers, or a public transit area, the developer must provide a shuttle bus service and/or other transportation mitigation measures.

Minimum site sizes for the establishment of an MFPRD District shall be no less than five acres of 200,000 sf. Additional provisions state that the site "shall be of such shape, dimension, topography and location as will allow for an appropriate and attractive development with proper setbacks, screening and a harmonious relationship with adjoining land uses and the natural physical terrain. Buffer areas used to screen developments from adjacent properties or transportation corridors (vehicular and rail) are required. Permitted density with the MFPRD shall be no more than six multifamily dwelling units per acre, and one unit per 15,000 sf for single-family dwellings. A maximum number of units is not established herein but is at the discretion of the Town Board based on the development's impacts and benefits on a particular hamlet. In addition, according to the Long Island Workforce Housing Act, at least 10% of all dwelling units provided shall be set aside for moderate income families of the total amount of housing, 1 to 2 units shall be set aside for individuals with developmental disabilities.

Developments within the MFPRD are required to have either direct frontage on a major road or collector road or provide safe and convenient access to such roads such that access roads do not pass through single-family neighborhoods. All MFPRD developments shall be served by public water and sewage, proper drainage, refuse storage and collection, and underground utilities. Waivers are also available for small, medium, and large MFPRD developments if they provide certain community benefits such as housing for low- to moderate-income persons or demonstrate consistency with the Town Comprehensive Plan.

Senior Housing

Due to the high percentage of senior citizens, defined in the zoning text as persons who are 55 years of age or over, the Senior Citizen Zoning District (Senior Citizen Planned Residential Development [SCPRD] or the Senior Citizen Zone SC-44) was established to provide housing opportunities better suited for the lifestyles of seniors within close proximity to hamlet centers or business districts. Provisions set forth in the Senior Citizen Zone are also targeted towards seniors with fixed incomes, physical restrictions, and those who are unable to afford the cost associated with the upkeep of a single-family residence. This district provides senior housing options in close proximity to shopping, medical services, and other community facilities easily accessible by major roadways and public transit. This district is established on a floating zone basis and is subject to Town Board Approval, unless proposed developments include 20 dwelling units or less by way of a special exception use permit.

Like the MFPRD Zoning District, developments are classified into large, medium, and small, and follow the same unit count thresholds as the MFPRD. The minimum site size for a Senior Citizen Zone development shall be three acres of 120,000 sf. All developments shall be served by public water supply, and sewage plans must be approved by Suffolk County Department of Health Services. All developments in the Senior Citizen Zone are required set aside no less than 20% of all dwelling units for low-, moderate- and/or middle-income senior citizens. Due to the nature of senior developments, buffer areas are also required to screen developments from adjacent properties as well as road and rail corridors. Developments shall have frontage on an improved existing state, county, or Town road having right-of-way of at least 50 ft, and is defined as a major arterial, minor arterial, major

collector road, or minor collector road. A maximum number of units is not established herein but is at the discretion of the Town Board based on the development's impacts and benefits on a particular hamlet.

Rental Properties

Its location on the eastern portion of Long Island makes Southampton a highly desirable destination for tourists and vacationers alike, creating a healthy demand for rental properties within the Town. Guidelines for renting residential properties are set forth within the Chapter 270: Rental Properties of the Zoning Code and are applicable to all unincorporated areas within the Town. In this section, rental properties are defined as "a dwelling unit which is occupied for habitation as a residence by persons, other than the owner or the owner's immediate family, and for which rent is received by the owner, directly or indirectly, in exchange for such residential occupation." A rental property in this case refers to all nonowner-occupied single-family residences, two-family residences, accessory apartments, and townhouses.

Accessory Apartments

Accessory apartments are allowable within the Town under the provisions set forth within Article IIA: Accessory Apartments within the Zoning Code. Owner occupancy of either the principal dwelling or accessory apartment is required, along with a Certificate of Occupancy or Certificate of Compliance. For the lot in which an accessory apartment is to be added, only one dwelling unit may be present on the lot at the time of submitting an application for an accessory apartment. No accessory apartments are permitted on lot sized less than 30,000 sf, unless the density of the census-designated place (CDP) in which the lot resides is less than 500 persons per square mile in accordance with ten-year data published by the U.S. Census Bureau, in which case the exception is no less than 20,000 sf.

Prior to the issuance of a building permit for an accessory apartment, the Zoning Code requires that one Town-Owned Development Right (TDR) must be extinguished by the Town; the extinguished TDR must be within the same school district as the proposed accessory apartment. It is noted that this requirement is restrictive of where accessory apartments are permitted, as the number of available TDRs differs between the Town's various school districts. As such, this requirement effectively steers accessory apartments towards certain areas of the Town (i.e., those school districts with a greater number of available TDRs). Further, should TDRs be completely depleted within a certain school district, future accessory apartments would be entirely precluded from same.

Pursuant to information provided by the Town, it is also noted that attaining approval for accessory apartments is a lengthy and complex process, requiring approvals, permits, and variances from numerous different Town agencies/bodies. This process may discourage and/or inhibit the establishment of accessory apartments. As such, the inherently complex process of approving an accessory apartment may further limit the quantity of accessory apartments available throughout the Town.

In consideration of the above, the Town's regulations governing the approval and establishment of accessory apartments may benefit from additional amendments that:

- › Permit a more equal distribution of accessory apartments throughout the Town, and

- › Streamline the permit/approval process to increase the efficiency of same.

Manufactured Home Communities

The Zoning Code of Southampton sets forth provisions for manufactured homes within Chapter 220: Manufactured Home Communities. A manufactured home is defined as a structure that is transportable in one or more sections structure that, when erected on a site, is 320 sf minimum and was built on or after June 15, 1976. In addition, the Zoning Code mandates that a manufactured home is either built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes plumbing, heating, air conditioning and electrical systems therein.

The Zoning Code also requires that each Manufactured Home Community apply for/annually renew a Manufactured Home Community Operator License. Licensing applications are reviewed by the Public Safety Administrator and are ultimately issued to the Town Board for approval. If deemed necessary, the Town Board may hold a public hearing prior to making a determination on the licensing application.

3.1.2 Special Exception Uses Related to Housing

Conversion of Existing Single-Family Dwelling for Two Families

Permitted where the lot area and floor area are double that which is required for each family in the applicable district. The Town Planning Board may also approve the conversion of an existing single-family dwelling on a parcel with a lot greater than 1.5 times the minimum lot size of the applicable zoning district, provided that at least one development right or Pine Barren Credits (PBCs) is transferred to the site.

Housing for Agricultural Labor

Permits the establishment of dwellings and group quarters on the site of a farm which employs agricultural laborers, such that the placement of dwellings and group quarters have access to a paved street or drive, and that all such residential buildings and their accessory uses shall be no less than 200 ft from any side or rear lot line and 150 ft from any front lot line.

Housing for Restaurant Employees

Permits the establishment of dwelling and group quarters on the site of the restaurant only to be occupied by full-time (40 hours per week) employees of the restaurant. Shall be located on the site of the restaurant and must be attached to the principal building and have direct access to a paved street or driveway and be no less than 50 ft from any side or rear lot line. No kitchen or cooking facility is to be located within the dwelling or group quarters, and no more than two employees shall reside in any one room, and no more than eight rooms may be constructed.

3.1.3 Special Districts

Planned Development Districts (PDDs)

Although this is no longer a tool used by the Town Board, Planned Development District (PDDs) are zoning districts that exist with the intent of allowing unique and relaxed zoning regulations in exchange for predetermined public benefits as a result of new development. Described in detail in Article XXVI: Planned Development District of the Zoning Code, the original purpose of the PDD was to "facilitate increased flexibility to achieve more desirable development through the use of more creative and imaginative design of residential, mixed-use, commercial and industrial areas than is presently achievable under conventional land use techniques and zoning regulations...". However, the PDD process proved to be troublesome, resulting in public opposition to specific development projects and the approvals process as a whole. Although the intent of the PDD was to promote more flexibility in the zoning, it resulted in a pattern of unpredictability that ultimately led the Town Board to call for a moratorium on PDDs in May of 2016. As a result of the year-long review of the PDD law, the Town Board agreed that the unpredictability of PDDs outweighed its benefits as a zoning mechanism, thereby eliminating PDDs as a zoning tool for all applications for development made after June 6, 2016. The following PDDs were adopted prior to the moratorium, and include housing, whether it be affordable, senior, single-family, multifamily, or as a portion of a mixed-use development, as part of allowable uses:

- › Hampton Bays Center Mixed Use Planned Development District (MUPDD)
- › Westhampton Residential Planned Development District (WRPDD)
- › Hampton Bays South Mixed Planned Development District (HBSMUPD)
- › North Sea Mixed-Use Planned Development District (NSMUPDD)
- › Sandy Hollow Cove Residential Planned Development District (SHCRPDD)
- › Fairfield Southampton Residential Planned Development District (FSRPDD)
- › Canoe Place Inn, Canal and Eastern Properties Maritime Planned Development District (CPICEMPDD)

Riverside Overlay District (ROD)

Resulting in a culmination of years of comprehensive planning, the Town established the Riverside Overlay District (ROD) within the hamlet of Riverside across the Peconic River from Riverhead. The ROD "establishes development rules and procedures that will result in a compact and walkable transit-oriented mixed-use development accessible on foot to the train station in Riverhead".

Adopted in 2015, together with form-based regulations, the ROD sets out to establish greater densities, mixed uses, and community amenities within a compact, pedestrian-scaled style development plan, walkable to the Long Island Railroad's Riverhead Station. Seven ROD Overlay Zones (RO-1 through RO-7) have been established that give property owners and

developers the option to utilize more flexible zoning regulations over the existing underlying zoning of the ROD.

3.1.4 Affordable Housing

Affordable Housing Overlay District

Beginning in 1984, the Town adopted an update of its affordable housing program, which included amendments to Chapter 330: Zoning and the creation of Chapter 216: Low-Income, Moderate-Income, and Senior Citizen Housing. In order to promote affordable housing within the Town, at the direction of the Town Board, an affordable housing district may be created when deemed beneficial to the Town and the implementation of the updated Master Plan. The Affordable Housing Overlay District's (AHOD) purpose and intent is to "provide the opportunity within the Town for the development on a planned basis of moderate density single-family housing, or attached housing using the planned residential development provisions of Chapter 247 of the Town Code, on sites that would not otherwise yield a significant affordable housing opportunity. The AHOD may provide affordable housing opportunities when the MFPRD and density incentives do not provide the best option for affordable housing.

Housing for Income-Eligible Households and the Community Housing Opportunity Fund (CHOF)

The Town of Southampton has established a Community Housing Opportunity Fund (CHOF) in order to provide for the "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", in addition to funding the Town of Southampton Housing Authority. This resource is available to both individuals and families who live and/or work within the Town but cannot procure affordable housing. The Town uses the CHOF as a mechanism to ensure affordable housing is available to those who both need it and qualify for it based on income levels. The CHOF is responsible for producing community housing for sale and resale to income-eligible households.

Affordable Housing Opportunities Through GML §72-h

In addition, New York State General Municipal Law's §72-h transfer program allows for the transfer of designated improved parcels and vacant parcels from Suffolk County to the Town or other not-for-profit housing organizations to be utilized for affordable housing opportunities. A housing lottery is utilized by the town to ensure a randomized selection process for all newly constructed community benefit units reserved for income-eligible households.

3.1.5 Zoning Tools & Incentives

Transfer of Permitted Residential Development Rights

In conjunction with the Comprehensive Plan of the Town of Southampton and the Central

Pine Barrens Comprehensive Land Use Plan adopted by the Town Board and Central Pine Barrens Joint Planning and Policy Commission in 1995, the Town Board may authorize the transfer of permitted residential development rights from one parcel of land to another parcel of land within the same school district in instances where it is beneficial to the Town by advancing objectives of the Town's Comprehensive Plan.

Increased Residential Density for Non-Profit Organizations that Establish Low/Moderate and Middle-Income Housing Inventory

The Zoning Code recognizes that there is a limited supply of owner- and renter-occupied housing that reflect the income levels of both low/moderate and middle income residents in the Town. In order to combat this deficit and in accordance with the adopted Southampton Master Plan of 1970 and 1999 Comprehensive Plan Update, the Town Board has the authority to increase the residential development density in the MF-44 and MFPRD Districts under the condition that a non-profit develops and maintains the housing at rates within the low/moderate and middle income brackets. In this instance, the Town Board may authorize an increase in residential development density when an authorized not-for-profit organization guarantees to develop and maintain housing at a purchase price or rental cost within the low/moderate and middle income housing market. As a result, the increased density of dwelling units per gross acre of land on the development site shall not exceed 12 units.

Using Incentive Provisions

Another tool the Town may utilize to incentivize additional residential development on specific parcels or to increase residential development if a project proposes the construction of community benefit units, is through action of the Town Planning Board to permit the use of development rights or Pine Barren Credits (PBCs). Residential Districts CR-120, CR-80, CR-60, CR-40, R-120, R-80, R-60, R-40, and R-20 are eligible to utilize these density incentives. In the case of CR-200, TDR or PBCs may only be utilized if they also originate within the CR-200 District.

Long Island Workforce Housing Program

Under the Long Island Workforce Housing Act, when a developer makes an application to a local government in Nassau or Suffolk County to build five or more residential units, the local government must require at least 10% affordable housing, in exchange for providing the developer with a "density bonus" that authorizes them to exceed the local residential density maximum by at least 10 percent. In the Town of Southampton, when "a subdivision plat or site plan for five or more residential units or a mixed-use development that incorporates five or more residential units, the developer shall receive a density bonus or other incentive" per an agreement between the developer and the Town, as long as the developer agrees to one of the following provisions:

- (1) Set aside at least 10% of such units for affordable workforce housing on site
- (2) Provide other land and construct the required affordable workforce housing units that are not part of the developer's current plans on another site within the Town

- (3) Pay a fee equal to two times the median income for a family of four for the Nassau/Suffolk Primary Metropolitan Statistical Area, as defined by HUD, for each additional unit which results or would have resulted from the density bonus.

As part of this provision, the Town guarantees that all affordable units created under this article remain affordable.

3.2 Infrastructure Constraints

3.2.1 Sanitary Systems

According to a publicly available map of all sanitary sewer systems in Suffolk County, there are only two public sewage treatment plants (STPs) in the Town of Southampton. These two plants cover Gabreski Airport (C-24) and Suffolk County Community College's East Campus (SCCC-2). In addition to the two public STPs, several private STPs serve a variety of higher intensity uses throughout the Town, including the Hampton Rehab Center, Southampton Hospital, the Westhampton Nursing Home, and several multifamily and senior housing developments. The lack of public sanitary sewers in the Town is a constraint to developing multifamily housing, as any higher density multifamily developments will require private, onsite STPs, whereas the Town's single-family detached dwellings are able to operate on private septic systems. To combat such constraint, the Town of Southampton has developed a rebate program that will reimburse residents for the cost of installing an Innovative and Alternative On-site Waste Water Treatment System (IA/OWTS). The funding of such program is through the Town's Community Preservation Fund.

The Town is currently studying the business corridor of Flanders/Riverside to determine the feasibility of installing a sanitary sewer service along County Road (CR) 24, beginning at the traffic circle and running east approximately 3.4 miles to Long Neck Boulevard. In addition to studying sewerage the Riverside area, the Town is also studying the feasibility of installing a sanitary sewer service in Hampton Bays. The proposed boundaries of the two sanitary sewer systems are shown in Appendix B, Map 25 – Infrastructure.

3.2.2 Public Water Supply

The Town is served by both the Suffolk County Water Authority (SCWA) and the Hampton Bays Water District, supplying public water to a majority of the Town, but not the entire Town. The SCWA serves the southern portions of Eastport, Speonk-Remsenberg, Westhampton, Quogue and East Quogue, and northern portions of Riverside and Flanders, as well as varying portions of Shinnecock Hills, Tuckahoe, North Sea, Water Mill, Bridgehampton, Noyac, Sagaponac, and Sag Harbor. The Hampton Bays Water District serves the entirety of Hampton Bays, as well as eastern portions of Flanders and East Quogue. Areas of the Town not served by public water supply include portions of Northampton, northern portions of Eastport, Speonk-Remsenburg, and Westhampton, eastern portions of Flanders and East Quogue, as well as intermittent portions of Shinnecock Hills, Tuckahoe, North Sea, Water Mill, Noyac, Bridgehampton, Sag Harbor, and Sagaponack,

and are limited to low density single-family residential development that can be served by private wells. Higher density multifamily developments would require connections to the public water supply via either SCWA or the Hampton Bays Water District.

3.2.3 Transportation

The Town of Southampton is served by the Montauk Branch of the Long Island Railroad, with commuter rail stations at Speonk, Westhampton, Hampton Bays, Southampton, and Bridgehampton, providing access to Midtown Manhattan via Penn Station. These train stations are highly desirable for transit-oriented development – mid-density, pedestrian scale, mixed-use development centered around a public transit station. However, with the exception of the Hampton Bays Station, areas around LIRR stations within Southampton remain underdeveloped, surrounded by either low density, single-family detached housing, and agricultural or industrial uses. The Town is also served by several Suffolk County Transit (SCT) bus routes, including the 66, 8A, 92, and 10B, with the 10B and 92 connecting to points east via the East Hampton LIRR Station and SCT's 10C route that also services Montauk. Route 92 is the Town's major east-west SCT corridor, servicing hamlets in Southampton between Riverhead and East Hampton. In addition, a major transfer point of several SCT routes occurs at the Suffolk County Center Government Complex in Riverside. However, even with the presence of an east-west transit corridor via SCT's Route 92 and the LIRR's Montauk Branch, the preferred method of transportation remains the automobile, with the presence of the major east-west New York State Route 27, Sunrise Highway. The popularity of this major roadway is a major cause of traffic congestions and delays for both local and through traffic, diverting vehicular traffic onto narrow, underdeveloped side streets and single-family residential neighborhoods throughout the Town. Transportations options that serve the town – the LIRR, SCT, and major state and county routes – are shown in Appendix B, Map 24 – Transportation.

3.3 Environmental Constraints

3.3.1 Protected Lands

The Town of Southampton contains substantial areas of land that are protected from development. Such lands include, among others, National Wildlife Refuges, State Preserves, Suffolk County Parks, Town of Southampton Community Preservation Fund acquisitions and Parks, and other local parks. A large portion of these protected lands are concentrated within the hamlets of Flanders, Northampton, and Westhampton. Here, numerous protected parcels adjoin one another, resulting in large contiguous areas of protected land. In the eastern portion of the Town, protected lands are generally more spread apart. Still, protected lands account for a substantial proportion of the land within certain hamlets (i.e., the hamlets of Bridgehampton, Water Mill and North Sea). As dedicated open space resources and protected areas, development is not permitted within these areas.

3.3.2 Central Pine Barrens

Some of those protected lands described above include areas dedicated to the preservation of the Central Suffolk Pine Barrens (the Central Pine Barrens), a designated Critical Environmental Area (CEA). These areas are found exclusively within the western portion of the Town of Southampton (i.e., the hamlets of East Quogue, Eastport, Flanders, Hampton Bays, Northampton, Riverside, Speonk-Remsenburg, and Westhampton). Development within the Central Pine Barrens is subject to the recommendations set forth in the Central Pine Barrens Joint Planning and Policy Commission's *Central Pine Barrens Comprehensive Land Use Plan*. Pursuant to Chapter 330 of the Code of the Town of Southampton, the Town has adopted these recommendations, thereby ensuring all future development is undertaken in a manner consistent with same. Development regulations are provided for two distinct ecological regions, as is detailed below.

Core Preservation Area

The Core Preservation Area identifies those portions of the Central Pine Barrens that still contain large intact areas of undeveloped pine barrens. Within the Town of Southampton, a majority of the Core Preservation Area is found within the hamlet of Northampton, though the hamlets of Flanders and Westhampton also contain a substantial amount of Core Preservation Area. To preserve the undeveloped nature of these areas, development within the Core Preservation Area is prohibited, with few exceptions. It is noted that residential development is not one of the few exceptions in which development in the Core Preservation Area can be undertaken. As such, residential development in the Core Preservation Area is not permitted.

Compatible Growth Area

The Compatible Growth Area includes the remaining portions of the Central Pine Barrens not within the Core Preservation Area. Large portions of the Compatible Growth Area are found within the hamlets of East Quogue and Westhampton, with additional areas in the hamlets of Eastport, Flanders, Hampton Bays, Riverside, and Speonk-Remsenburg. Development within the Compatible Growth Area is permitted, subject to the standards set forth in Chapter 330 of the Code of the Town of Southampton. Such standards pertain to, among others: permissible wastewater density-loads; discharges to groundwater; stormwater management; disturbance to natural vegetation; and, the use of fertilizers, herbicides, pesticides and other such products. Thus, future residential development within the Compatible Growth Area is permitted, contingent upon compliance with the above referenced regulations.

Wetlands

The Town of Southampton contains numerous regulated tidal and freshwater wetland areas. Generally, tidal wetland areas are found along the Town's shoreline, near the Atlantic Ocean and surrounding the bays within and adjacent to the Town (e.g., Great Peconic Bay, Shinnecock Bay, Moriches Bay, etc.). These tidal wetlands are generally found near the Town's northern and southern boundaries. The freshwater wetland areas are generally found more inland. It is noted that the majority of the Town's freshwater wetland areas are located within the eastern portion of the Town (i.e., the hamlets of Tuckahoe, North Sea, Water Mill,

Bridgehampton, Sagaponack, and Sag Harbor). However, sizeable, more isolated freshwater wetlands are also found in the western portion of the Town (i.e., the hamlets of Northampton and Flanders).

Development within regulated wetlands, or within the regulated adjacent area of regulated wetlands, is subject to permitting from the NYSDEC. For regulated tidal wetlands, the regulated adjacent area typically includes those areas within 300 feet of the wetland boundary; for regulated freshwater wetlands, the regulated adjacent area typically includes those areas within 100 feet of the wetland boundary. In addition, as per Chapter 325 of the Code of the Town of Southampton, the Town has adopted its own regulations limiting development within the proximity of wetlands. Specifically, activities within wetlands, or within 200 feet of a wetland boundary, are also subject to permitting by the Town of Southampton Conservation Board. Based on the above, future development within these wetland areas is restricted by both NYSDEC and Town of Southampton permit requirements.

Aquifer Protection Overlay District

As per Chapter 330 of the Code of the Town of Southampton, the Town has adopted an Aquifer Protection Overlay District. This zoning overlay district was enacted to facilitate the adequate provision of water to the residents of the Town, and to promote the health, safety and welfare of the Town. In pursuit of these goals, the Aquifer Protection Overlay District sets forth development restrictions designed to maintain the health of the underlying aquifers and preserve them as a continued source of potable drinking water. Specifically, this overlay district sets regulations that: limit the disturbance of natural vegetation; limit the use of fertilizer-dependent vegetation; and establish additional building permit requirements.

The Aquifer Protection Overlay District covers a substantial portion of the Town of Southampton. This overlay district encompasses the entirety of the hamlets of Northampton, Sagaponack, Sag Harbor, and large portions of the hamlets of Bridgehampton, East Quogue, Eastport, Flanders, Hampton Bays, North Sea, Noyac, Riverside, Speonk-Remsenburg, Water Mill, and Westhampton. Thus, future development within these areas is subject to the regulations and restrictions established under the Aquifer Protection Overlay District.

3.4 School Capacity

The Town of Southampton is served by 13 different school districts. School district boundaries do not always coincide with hamlet boundaries. Some of these 13 school districts also serve areas outside the Town of Southampton such as the Riverhead School District, which serves a relatively small population in the Southampton hamlets of Riverside, Northampton and Flanders.

The table below shows the total PK-12 enrollment by school district for the 2009-10 and 2019-20 school years. As shown in the table, most school districts have seen a reduction in total enrollment over the past decade, with a relatively small increase in enrollment in a few districts. It is noted that the school district with the most substantial increase in enrollment is the Riverhead School District with most of the enrollment from the neighboring Town of Riverhead.

With a reduction in enrollment in most school districts over the past ten years, most school districts have some available capacity to accommodate additional enrollment.

Table 10 School District Enrollment 2009/10 to 2019/20

School District	PK-12 Enrollment (2009-2010) ³	PK-12 Enrollment (2019-2020) ⁴	Change in Enrollment 2009/10 to 2019/20
Bridgehampton	159	227	+68
East Quogue (PK-6)	445	390	-55
Eastport – South Manor	3,897	3,285	-612
Hampton Bays	1,916	2,061	+145
Quogue (PK-6)	120	87	-33
Riverhead	4,816	6,071	+1,255
Sag Harbor	935	953	+18
Sagaponack (PK-6)	21	16	-5
Southampton	1,590	1,546	-44
Remsenburg-Speonk (PK-6)	191	142	-49
Tuckahoe (PK-8)	355	267	-88
Wainscott ⁵	21	29	+8
Westhampton Beach	1,786	1,843	+57

³ Source: NYSED Information and Reporting Services. Enrollment Data Archive, District Enrollment – All Students 2009-2010.

⁴ Source: NYSED Information and Reporting Services. BEDS Day enrollment 1/6/2020.

⁵ Though predominantly located within the Town of East Hampton, a small portion of the Wainscott Common School District extends into the Village of Sagaponack.

4

Needs Assessment

This section of the Housing Plan presents an overview of the Town's housing needs, based on the findings from the assessment of existing conditions, constraints, and community feedback.

The population of Southampton is subject to the impact of overlapping national, regional, and local demographic trends. Currently, it is evident that there is a significant mismatch between the population's housing needs, and the housing stock that exists. The Town's housing needs, some of which are shared by other towns throughout Long Island, and some of which are more unique to Southampton, are identified as follows.

4.1 Bridging the Affordability Gap

In recent years, housing costs in Long Island have been rising sharply. Across the Island's two counties, housing costs have risen 24% since the year 2000, even as the median household income has fallen by 1.6%. In the Town of Southampton, these trends have been less severe than in Long Island as a whole. However, the increase in

monthly housing costs (15.6% from 2000-2018) is still outpacing the growth of median household income (13.5% over the same period).

The median home value in Southampton is \$653,900. This is over triple the national median, and almost double the median of New York State. Moreover, housing value continues to rise in Southampton, increasing steadily since 2013. High housing costs are even more pronounced in high-end hamlets like North Sea, Bridgehampton, and Water Mill. Median housing value is at least \$800,000 across these three hamlets, reaching as high as \$1.6m in Water Mill.

Although the median household income in Southampton is relatively high at \$89,199, there is a marked contrast between owner households and renter households. The median household income for renter households is \$49,505. For these renter households, the Regional Planning Association ("RPA") finds, median gross rent as a share of median household income is a full 43.4%.

There are many factors that influence housing costs. In the online survey conducted as part of this Housing Plan's public outreach, participants selected "High costs of construction, land, and taxes" as the greatest barrier to achieving the Town's housing goals.

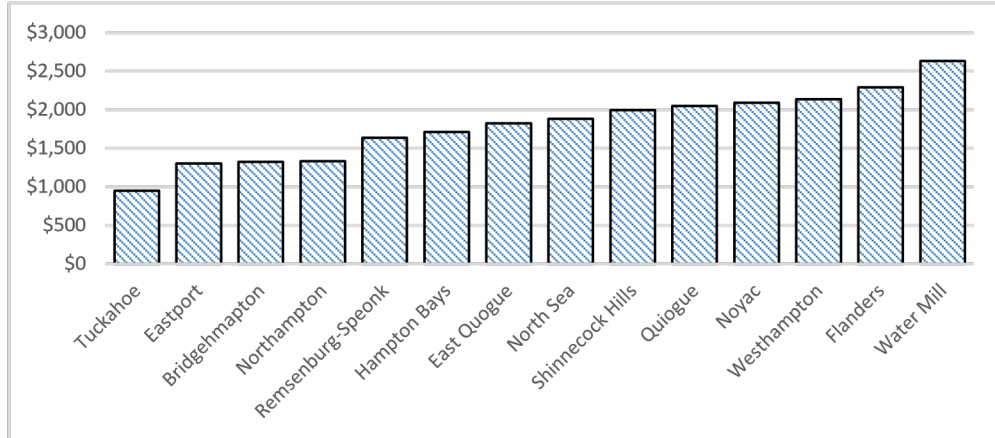
Given these market conditions, the share of cost-burdened homeowner and renter households is very high in Southampton, where 42.2% of all households are cost-burdened, and 22.8% are severely cost-burdened. The greatest share of cost-burdened households fall in the low-income category; however, many cost-burdened households are moderate- and high-income.

Housing cost burden varies across Southampton's hamlets. Eastport, Riverside, and Flanders have the greatest share of cost-burdened households – and perhaps not surprisingly, also have the greatest share of year-round households. All three hamlets are also among the hamlets with the lowest median housing value.

The quantity of subsidized housing units currently available, according to the RPA, is 520 units, including 380 units subsidized through HUD, and 140 units subsidized through New York State. This constitutes roughly 1.2% of the Town's total housing units. There is a need for more affordable housing options in Southampton, as supported by the public outreach and the assessment of existing conditions.

The lack of affordable housing options in Southampton relates directly to the fact that there is a short supply of rental housing, at only 22% of the total housing units, and the rental housing that does exist is expensive. In Southampton, the median gross rent in 2018 was \$1,792 per month (compared to only \$1,309 statewide). That's 16% higher than 2010. In five hamlets (Quogue, Noyac, Westhampton, Flanders, and Water Mill), the median gross rent is over \$2,000 per month, an amount that is out of reach for the average Long Island household.

Table 11 Median Gross Rent by Hamlet (2018)

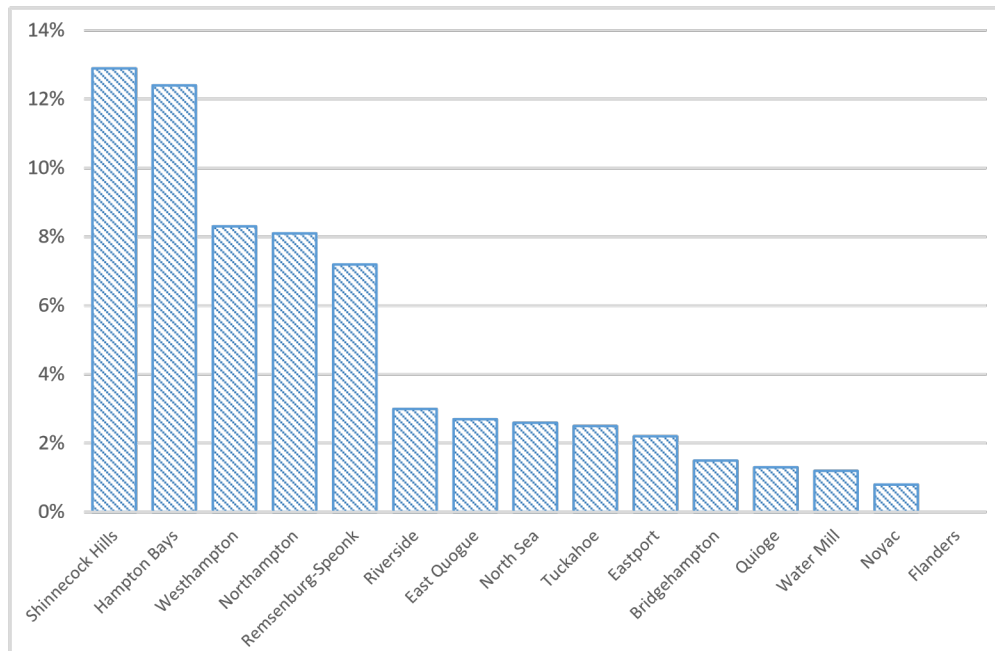


The supply of rental housing in Southampton only represents 22.3% of all housing units, compared to 46.5% statewide, and 35.9% nationwide. In some hamlets, like Water Mill, Bridgehampton, and East Quogue, less than 15% of units are rentals. This limited supply results in high rental rates, making it more difficult for younger people and lower-income families to find housing.

Increasing the supply of rental housing in Southampton (and achieving a more even distribution across the hamlets) would result in a decreased median gross rent for the Town’s many cost-burdened renter households.

The lack of affordable housing is also related to the short supply of multifamily housing product. Shinnecock Hills and Hampton Bays are the only hamlets wherein more than 10% of all rental units are in buildings with at least three units.

Table 12 Share of all Units in Building with 3+ Units, by Hamlet (2018)



According to RPA, from 2014-2019, there were 1,306 permits filed for residential construction, and all of them were for single-family buildings.

It should be noted that, in the public survey conducted as part of this study, multifamily housing ranked the lowest as the type of housing that the town needs (single family detached ranked the highest). The sentiment against multifamily may be one of the greatest barriers to this type of development.

4.2 Retaining and Attracting Younger Residents

An entry-level home, or “starter home,” is a housing unit that can be purchased by a young consumer without jeopardizing their financial well-being. Such homes are in short supply in the Town of Southampton, in part because many of such homes are often sought out by developers, to be demolished and reconstructed as large homes that are typically beyond the financial reach of young consumers.

In 2010, 30.7% of the population was aged 20 to 44. By 2018, the population falling into this category had dropped almost 3%, to 28.0%. This reduction in the presence of young people – and by extension, young families - translates to a drop in school-aged children, which can lead to reduced transfers of state aid to local school systems.

Southampton needs more housing that is accessible – and appealing – to young adults. This is not only an issue of cost, but also one that relates to housing typologies.

4.3 Senior Housing

According to the Urban Institute, the number of Americans aged 65 and older will more than double over the next 40 years nationwide. This will have a profound impact on housing throughout the country, and certainly in a place like Southampton, where the number of seniors as a share of the population is already notably higher than statewide or nationwide averages.

In 2018, over 20.7% of the population was 65 years or older (compared to 17.9% in 2010). Also, in 2018, the head of household in Southampton was over 65 years in 34.8% of households, much higher than Long Island as a whole (29.0%). In the Town of Southampton, the median age in 2018 was a very high at 45.4 years old, significantly older than the same measure in 2010, and significantly higher than the state. It is expected that the number of seniors will continue to proliferate rapidly.

When respondents to the online survey conducted for this Housing Plan were asked what types of housing Southampton needs, “senior housing” ranked second out of eight choices, second only to “home ownership.”

Seniors have a specific set of housing needs, and frequently require Assisted Living options. Assisted Living can be broken down into categories by level of care, ranging from residential living and skilled nursing centers to fully equipped medical facilities. Southampton needs to ensure that the housing stock provides the right mix of services for this growing population.

4.4 Inclusive and Equitable Housing

As time goes on, Southampton is becoming more racially diverse. The number of non-white residents as a share of the population increased significantly from 2010 to 2018. This is particularly evident in diverse hamlets like Northampton and Flanders, and less so hamlets like Eastport, North Sea, and Remsenburg-Speonk which have very high levels of white residents.

In a recent investigative report on racial discrimination in Long Island's housing market, Newsday found that 49% of the time, Black investigators posing as housing consumers experienced unequal treatment. Hispanic investigators experienced unequal treatment 39% of the time, and Asians 19% of the time. In many cases, agents steered minority consumers to specific areas, or imposed unfair conditions on minority consumers.

As minority households continue to proliferate across Southampton's hamlets, it is critical for the Town of Southampton to promote the fundamentals of Fair Housing policy to prevent racial discrimination. A key challenge in this regard is enforcing these policies. There is little in the way of financial resources to support the extensive boots-on-the-ground testing that is required to stamp out discriminatory practices.

In addition to racial inclusiveness, there is also a significant need to make housing more inclusive for people with disabilities. This came up multiple times during the virtual hamlet public forums conducted for this Housing Plan. It is noted that New York State has reduced the budget to support group homes for the disabled, and there is a greater need for private sector housing options to support people with physical and development disabilities. In addition to the physical design of housing units, the public realm itself must be intentionally designed to accommodate the needs of the disabled. This could include more walkable pedestrian spaces, preferably in close proximity to transit hubs.

4.5 Smaller Units for Smaller Households

In 1970, at the height of Southampton's residential development, the average household size in the United States was 3.14 people. By 2018, this figure had shrunk to 2.53. Related to this pattern, the share of families within total households has gotten smaller, and the share of people living on their own has increased significantly. In Southampton, 70% of the housing units have three or more bedrooms, clearly catering to large families. But in 2018, 35% of households were non-family households, and in three hamlets (Shinnecock Hills, Quiogue, and Riverside), the share of non-family households was greater than 40%. Townwide, almost 29% of householders lived by themselves.

In seven hamlets, the average household size was less than 2.5, even running as low as 1.73 in Riverside. The hamlet of Water Mill is a telling example of mismatched supply and demand. Although it has the fourth highest rate of people living alone (almost one-third), it has the highest share of units with 3+ bedrooms (around 85%).

Based on these trends, it is evident that Southampton needs a greater diversity of housing types, including smaller studios and 1-bedroom units, to cater to the growing presence of smaller households.

4.6 Protecting Southampton’s “Look and Feel”

Throughout the public engagement that took place in support of this Housing Plan, it was clear that Southampton’s aesthetic character is highly valued. While the community recognizes the need for more housing that is affordable, and greater variety in housing products, there is also widespread sentiment that Southampton’s “look and feel” must be protected. Thus, there is a need to promote housing typologies that achieve all three of those goals.

Planner and designer Daniel Parolek recently published a book that presents his vision of bringing back the nation’s “missing middle housing.” This term is applied broadly to medium-density housing that preserves local character while allowing for more affordable and a mix of housing products, including duplexes, fourplexes, courtyard buildings, cottage courts, townhouses, multiplexes, triplexes, and live-work units. These types of housing can act as a buffer zone between single-family homes and a commercial district, corridor, or transit hub. Some of these housing types can also be designed to look like single-family homes so as not to disrupt the look and feel of the community. Accessory dwellings are another type of housing unit that can be introduced into a suburban area without negatively impacting the suburban experience.

Southampton will need to find creative ways of allowing for, and promoting, these categories of housing products, in a way that supports the housing needs of low-income and younger populations.

4.7 Transit-Oriented Development

Most of Southampton is of a rural/suburban character. Land uses are spread out far enough that many residents do not typically walk to go shopping, visit professional offices, or go to work. Even in the higher-density, mixed-use areas, pedestrian and bike infrastructure can be limited.

In the online survey conducted as part of this Housing Plan, many participants indicated that bicycle lanes and bike parking are needed in Southampton’s downtown areas. In addition to this, there is need for more mixed-use, walkable residential clusters located at transit hubs.

Housing located at transit hubs will allow for a greater mix of housing products, potentially at lower price points, to flourish. Moreover, mixed-use spaces carry appeal for younger residents in particular.

4.8 Employer-Based Housing

The need to help businesses provide housing for lower and moderate income employees is most commonly associated with resort communities like Southampton. During the public outreach, it was evident that there is a very high demand for this type of housing product, most typically in the form of smaller units including studios and 1-bedroom units.

There are already examples of this in Town; there is a need to find ways to expand this inventory, and potentially to serve additional populations such as volunteer EMS/FD members.

5

Housing Vision and Goals

This section of the Housing Plan presents a new Housing Vision for the Town and identifies the Town's goals.

5.1 Housing Vision

In 1999, the Town of Southampton prepared a Comprehensive Plan Update that included a vision for creating a more affordable and equitable housing market. The Plan Update identified a number of key vision goals, including:

- › Increase the amount of affordable housing in the Town, not only for low-moderate income households, but also for working middle-income households that are priced out of the market.
- › Provide affordable housing in all parts of the Town, though focusing on hamlet centers where a mix of uses and densities are to be encouraged.
- › Create affordable housing that is in keeping with the historic, architectural and natural qualities of Southampton, and does not stigmatize housing tenants.
- › Leverage private sector financing resources to create affordable housing opportunities.

Twenty-one years later, the Town can celebrate some positive gains with respect to these goals. For instance, the inventory of affordable housing has been expanded, with the introduction of publicly and privately sponsored projects like Bridgehampton Mews, Westhampton Pines, Courtyards at Southampton, Sandy Hollow and Speonk Commons apartments.

Additionally, the Town has taken steps to strengthen the "soft infrastructure" of municipal government, by established the Housing Office, as well as the Department of Housing and Community Development Services to address affordable housing needs.

At the same time, it is evident that the Town still faces some of the same challenges that it faced at the turn of the century. With the preparation of this Housing Plan, the Town of Southampton introduces a new vision for housing, as follows:

In anticipation of transformative demographic shifts, the Town of Southampton will embrace the goals of affordability, sustainability, inclusiveness, equity, and fair housing. The Town will deploy its resources to promote the development of diverse housing typologies, including entry-level units, small apartments and condominiums, rentals, employer-based housing, and multifamily configurations. Without jeopardizing community character, the Town will encourage walkable, mixed-use development in the vicinity of transit hubs.

5.2 Housing Goals

In order to realize the housing vision defined above, Southampton will focus on achieving a set of targeted, strategic goals which form the foundation of Southampton's approach to affordable housing. Some of these goals are carried over from previous planning exercises, and some are derived from more recently emerging needs. Each of these goals will require targeted actions to implement. These actions are outlined in the next chapter.

Southampton's housing goals are defined as follows:

5.2.2 Goal #1: Provide Financial Assistance to Alleviate Housing Cost Burden

The Town must develop a set of tools that it can use to provide financial assistance to minimize the housing cost burden to those income qualifying individuals living or employed within the Town of Southampton.

The Peconic Bay Region Community Housing Fund.

Financial Assistance can support the construction, acquisition or rehabilitation of housing in order to make it affordable. The primary source of this financial support would be through the newly proposed Peconic Bay Region Community Housing Fund. The establishment of this fund will give the Town of Southampton the authority and resources it requires to provide needed housing opportunities. The fund will be financed by a combination of state and local funds, including a 0.5% supplemental real estate transfer tax which would be in addition to the existing 2% real estate transfer tax for the Peconic Bay Region Community Preservation Fund. The supplemental real estate tax is enacted by The Peconic Bay Community Housing Act, a local law which is subject to a mandatory referendum and will appear on the voting ballot in November, 2022.

The Town's use of the Community Housing Fund will adhere to smart growth principles. Such principles will include:

- › I Public Investment. Minimizing social, economic and environmental costs of new development including infrastructure costs by strengthening opportunities for the purchase of existing housing for first time home buyers.
- › Development. Encouraging development in areas where transportation, water and sewage infrastructure are available or practical by creating walkable neighborhoods.
- › Conservation. Protecting, preserving and enhancing the Town's resources, including agricultural land, forests, surface waters, ground water, recreation and open space, scenic areas and significant historic and archeological sites by encouraging planners to craft a vision of the Town's unique community and set standards that reflect the values and character of the Town and requiring the installation of an innovative and alternative on-site waste water treatment system (IA/OWTS) for new construction.
- › Coordination. Promote the coordination of governmental decisions and cooperation among communities by facilitating cooperative agreements and coordinate planning to ensure that development is compatible with neighboring communities.
- › Community Design. Integrate all income and age groups, mixed land uses, compact and traditional neighborhood development, planned unit development, open space, downtown revitalization, brownfield redevelopment, and enhance beauty in public spaces in the development of housing that is close in proximity to places of employment, recreation and commercial development.
- › Transportation. Reduce automobile dependency, traffic congestion and automobile pollution by increasing public transportation or alternative modes of transportation.
- › Consistency. Ensure consistency and predictability in building and land use codes.
- › Community Collaboration. Through a collaborative community-based effort, develop smart growth plans that include long term land use and permit predictability and coordination, efficient decision making and planning implementation.

The proceeds of the fund shall be utilized for the following purposes:

A. First-Time Home Buyer Assistance Program:

The Town's primary financial assistance tool is the First-time Homebuyer Assistance Program, a shared equity, soft mortgage program that provides first-time homebuyers who are residents of the Town or who are employed in the

Town with up to 50% of the purchase price of a home in the Town of Southampton⁶

The program is available to qualifying households whose income does not exceed one hundred percent of the income limits as established by the State of New York Mortgage Agency.

The loan will be fully repaid to the Town upon the resale of the home.

To the extent permitted by law, priority for this Home Buyer Assistance Program may be given to income eligible households residing in the Town of Southampton in which one individual is a qualified active member of fire/EMS volunteer community services in the Town, as defined in Southampton Town Code §216-2 or an honorably discharged veteran of the United States Armed Forces. A service award program reducing the amount of a mortgage to be repaid to the Town by such a qualified community services volunteer or veteran may be established and adopted by town board resolution.

B. Employer Assistance Housing:

Through the Community Housing Fund, the Town may provide financial assistance in conjunction with a public/private partnership for employer assisted housing. Collaborations of business and civic leaders can support the creation of housing that is affordable for employees of local businesses using a number of strategies.

C. The Production of Housing:

The Town may use the Community Housing Fund in order to produce community housing for sale to eligible individuals.

The Town may provide financial assistance through low interest loans in conjunction with a public/private partnership or with the Southampton Town Housing Authority (STHA) to provide incentives to produce and maintain community housing for sale or rental where the private partner complies with the profit guidelines of the New York State Affordable Housing Corporation.

D. The Rehabilitation of Community Housing:

The Town may use the Community Housing Fund for the rehabilitation of existing buildings and structures located in the Town for the purpose of conversion to community housing for sale or rental to eligible individuals.

E. The Acquisition of Real Property in Existing Housing Units:

The Town may use the Community Housing Funds for the acquisition of real property in existing housing units which will result in the production of community housing for sale or rental to eligible individuals.

⁶ Provided that home does not exceed one hundred fifty percent (150%) of the purchase price limits as established by the state of New York mortgage agency (SONYMA) low interest rate loan program in non-target categories for Suffolk County.

F. Housing Counseling Services:

The Town may use the funds to provide housing counseling services by a not-for-profit corporation who is authorized by the United States Department of Housing and Urban Development to provide such services.

5.2.3 Goal #2: Provide Housing for All

Provide more Housing Options for Seniors

Southampton's population has a uniquely high median age, and a high percentage of people in higher age categories. The Town could take stock of the varying levels of senior living support facilities and services and update the strategy for housing this growing population.

Provide more Housing Options for the Disabled

As Southampton's population grows older, the share of the population struggling with disabilities will also increase. The Town could work to ensure that physically accessible units are provided to meet these needs, and appropriate housing options are available for the developmentally disabled.

Expand the Supply of Employer-Based Housing

Many of Southampton's businesses rely on employees who cannot necessarily afford to live in Town without some form of assistance. These businesses have already had success in sponsoring employer-based housing options for their employees. The Town could continue to encourage this form of housing product.

Monitor Compliance with Fair Housing Laws

Fair Housing Laws prohibit discrimination in housing. Historically, racial discrimination has marred the integrity of the residential real estate market across Long Island. As the minority population of Southampton continues to expand, the Town could be vigilant in monitoring compliance and enforcement of fair housing laws in order to achieve non-discriminatory practices and ensure equitable living conditions for all renters and homebuyers regardless of their race, limited income, education or legal status.

5.2.3 Goal #3: Promote Creative Infill

Encourage "Middle Market" Housing

As of 2018, 88.6% of the housing units in Southampton are single-family, detached houses. Southampton could provide regulatory support for projects that introduce "middle market" housing typologies into the Town's hamlets, protecting historic character while improving the diversity of the housing stock.

Invest in Targeted Bike/Ped Infrastructure and Placemaking

Southampton could update the public realm in targeted locations to encourage pedestrian activity, neighborhood development, accessibility, and public transportation.

5.2.4 Goal #4: Provide Targeted Planning Around Transit Hubs

Identify Ideal Locations for Transit Oriented Development

Southampton is home to several stops on the Montauk line of the Long Island Railroad, along with a variety of bus stops. The Town could identify preferred locations for walkable development near public transportation that supports the proliferation of a greater mix of housing products.

Define Localized TOD Vision Plans

Once the preferred locations for Transit Oriented Development are determined, the Town could craft TOD Vision Plans to set the table for development. This could include community design charrettes, market studies, and updates to the zoning and land use regulatory framework. The work that the Town has already done for creating mixed-use districts in Hampton Bays and Riverside can serve as a precedent as the process includes community engagement, patterning forms and architectural styles to be consistent with community character.

5.2.5 Goal 5: Provide a Housing Stock with More Affordable Options

A Greater Supply of Rental Housing

Southampton has a significantly low volume of rental units, at 22% of the total housing stock. Low moderate and middle income households, including young families, often rely on rental housing to establish themselves within a community before purchasing a home. A short supply of rental housing limits these opportunities and reduces accessibility. Hence, rental housing plays a critical role in the growth of a community. The Town could establish a framework for supporting a greater rental housing market.

Promote a Supply of Smaller Units

The average size of a household has been decreasing nationwide for many decades, a trend that is expected to continue. Southampton has a housing stock that is weighted heavily toward larger homes, with 70% of units having at least three bedrooms. Southampton could promote growth in the smaller unit market, including studios and one-bedroom units.

Identify Preferred Locations for Multifamily Buildings

The economy of scale inherent in multifamily construction allows for greater number of units at a lower cost per unit. For this reason, multifamily buildings are the most

common vehicle for expanding the supply of affordable housing, as well as creating mixed-income communities. Southampton could continue to identify preferred locations for multifamily buildings, ideally within the vicinity of transit hubs.

6

Implementation Strategy

This section of the Housing Plan presents a strategy for implementing the Town’s vision, including targeted recommendations on how to advance the Town’s goals.

6.1 Recommended Actions

As outlined in the previous chapter, the Town of Southampton will focus on five goals to make housing more affordable, accessible, and equitable. In this section, we will reiterate the five goals and present specific recommendations on how Southampton can address each one.

These goals are presented as Town-wide goals. However, the Town could consider each of them at the hamlet scale.

The Town has the ability to use certain “tools” in order to meet the goals of providing affordable housing to the different segments and populations of the Town. These tools include:

- A. **Financial Strategies** – Providing financial assistance through the enactment of the Peconic Bay Region Community Housing Act. A Fund which will be established through such Act and will impose an additional 0.05% tax on real estate transfers to support the construction, acquisition and rehabilitation of

affordable housing. It can also be used to make existing housing more affordable by addressing an unmet or changing housing need.

- B. **Land Use and Regulatory Strategies** – Incentivize community benefits and reward projects that accommodate middle and moderate income households and seniors. Incentives that leverage private development activities to increase the supply of affordable housing. Partial property tax exemptions that would allow eligible owners of multi-family rental properties to receive an exemption of property taxes on the additional value created by the renovations for ten years. Transfer of Development Rights (TDR) allows for the transfer of density from sending sites to receiving sites for the creation of affordable housing.

6.1.1 Goal #1: Provide New Homeownership Opportunities for First-Time Homebuyers and Preserve Existing Housing

Recommendation 1A: Expand Housing Programs with funding from the Peconic Bay Community Housing Act

The Town could use the funding derived from the newly proposed Peconic Bay Region Housing Act to provide new homeownership opportunities to first time homebuyers and to improve and preserve the Town’s current housing stock for use as Community Housing. Below is a brief list of such programs opportunities the Peconic Bay Region Community Housing Fund could provide:

A. First-Time Home Buyer Assistance Program:

The Town’s primary financial assistance tool would be the First-time Homebuyer Assistance Program, a shared equity, soft mortgage program that provides first-time homebuyers who are residents of the Town or who are employed in the Town with up to 50% of the purchase price of a home of their choice located in the Town of Southampton⁷. This program will allow for an equitable distribution of community housing opportunities among all communities within the Town.

The program is available to qualifying households whose income does not exceed one hundred percent of the income limits as established by the State of New York Mortgage Agency.⁸

⁷ Provided that home does not exceed one hundred fifty percent (150%) of the purchase price limits as established by the state of New York mortgage agency (SONYMA) low interest rate loan program in non-target categories for Suffolk County (Presently, such SONYMA limit is \$719,950 for a single family. 150% of the SONYMA limit would presently allow a purchase price of up to \$1,078,500)

⁸ Provided that the household income does not exceed one hundred fifty percent (150%) of the income limits established by the State of New York Mortgage Agency (SONYMA) low interest rate loan program in non-target categories for Suffolk County (Presently, \$145,480 for a family of 3+ persons)

The low-interest or no-interest loan requires that no payments to be made to the Town while occupying the home and will be fully repaid to the Town upon the resale of the home. The Town may determine to share in a percentage of the earned equity upon sale.

Priority for this Home Buyer Assistance Program may be given to income eligible households residing in the Town of Southampton in which one individual is a qualified active member of fire/EMS volunteer community services in the Town, as defined in Southampton Town Code §216-2 or an honorably discharged veteran of the United States Armed Forces to the extent permitted by law.

A service award program reducing the amount of the mortgage to be repaid to the Town by a qualified community services volunteer may be established and adopted by town board resolution.

B. Employer Assistance Housing:

Through the Community Housing Fund, the Town may provide financial assistance in conjunction with a public/private partnership for employer assisted housing. Collaborations of business and civic leaders can support the creation of housing that is affordable for employees of local businesses using a number of strategies.

The Town may provide low-interest loans to local employers who create housing that is affordable for the employees of local businesses. Housing created pursuant to this initiative will require the employer to receive a rental permit from the Town upon submission of proof of employment and a lease showing the rent being charged.

C. The Production of Housing:

The Town may use the Community Housing Fund in order to produce community housing for sale to eligible individuals.

The Town may provide financial assistance through low interest loans with flexible loan terms in conjunction with a public/private partnership or with the Southampton Town Housing Authority (STHA) to provide incentives to produce and maintain community housing for sale or rental where the private partner complies with the profit guidelines of the New York State Affordable Housing Corporation.

Community housing created pursuant to this initiative will require covenants and restrictions to be placed upon the property to ensure that the housing remains affordable to all subsequent income eligible purchasers.

D. The Rehabilitation of Community Housing:

The Town may use the Community Housing Fund for the rehabilitation of existing buildings and structures located in the Town for the purpose of conversion to community housing for sale or rental to eligible individuals.

The Town may provide financial assistance to residents who wish to include an accessory apartment in their residence for rental to income eligible individuals. Housing created pursuant to this initiative will require the resident to receive a rental permit from the Town upon submission of proof of the tenant's income and a lease showing the rent being charged.

E. The Acquisition of Real Property in Existing Housing Units:

The Town may use the Community Housing Funds for the acquisition of real property in existing housing units which will result in the production of community housing for sale or rental to eligible individuals.

The Town will ensure that all individuals meet the income qualifications and the purchase price or rent limits established by the US Department of Housing and Urban Development (HUD) within Nassau/Suffolk County or as determined by the Town Board.

F. Housing Counseling Services:

The Town may use the funds to provide housing counseling services by a not-for-profit corporation who is authorized by the United States Department of Housing and Urban Development to provide such services.

6.1.2 Goal #2: Provide Housing for All

Recommendation 2A: Provide More Senior-Friendly Housing Options

Like any other municipality, Southampton's seniors range from active individuals with jobs, to retired people, to the infirm who require special services. There are many factors that go into the process of accommodating an expanding population of seniors. As it relates to housing, Southampton could work to ensure that there is ample housing available for seniors with a variety of need profiles, and that seniors have sufficient access to rental assistance, home repair or modification services, and accessible facilities. These services become increasingly critical for seniors living on fixed-income or in cost-burdened conditions. For seniors who wish to move out of their homes, there needs to be options such as condominiums or rentals at a variety of price points. The Town could assess its inventory of senior housing options for affordable independent, assisted living, and nursing home facilities, and assure that the Town's zoning permits ample but appropriate locations for such facilities.

Recommendation 2B: Provide More Housing Options for the Disabled

The Town could work to ensure that physically and developmentally disabled populations have options for accessible housing, with support services as needed. This will become increasingly important as the population continues to age and life expectancy continues to lengthen. To achieve this, the Town needs to meet with key stakeholders to identify the specific needs in the community that are not being met. The needs of the physically disabled vary depending on the type of disability. They may require barrier-free living spaces and/or home modifications to accommodate life support systems, service animals and other needs. Developmentally disabled populations require a range of housing options such as community residences, supportive housing, and independent living facilities.

Recommendation 2C: Expand the Supply Purpose-Build Housing for Employees

Southampton's Zoning Code includes provisions that allow for housing for agricultural labor and for restaurant employees. The Town could continue to work with businesses to expand the supply of housing for employees who cannot otherwise afford housing Southampton. As revealed in the public outreach conducted for this Housing Plan, studios and 1-bedroom units are usually best suited for employer-based housing.

Recommendation 2D: Monitor Compliance with Fair Housing Laws

The youngest generation of children in Southampton represent the most diverse group in the Town's history. And yet despite this on-going integration, Southampton has been negatively impacted by discriminatory practices in the housing market. This problem could be addressed publicly by a dedicated Fair Housing Task Force, to complement and support the work of the Suffolk County Fair Housing Task Force. The Southampton Task Force can focus on combatting discrimination through fair housing legislation, fair housing counseling and enforcement, and inclusive home ownership programs.

6.1.3 Goal #3: Promote Creative Infill

Recommendation 3A: Encourage Middle-Market Housing

The "Missing Middle Market" describes housing units that can be developed to introduce additional smaller units for the middle income families at a suburban scale. This could include any number of housing products, including duplexes, triplexes, fourplexes, courtyard buildings, cottage courts, townhouses, multiplexes, live-work units, and accessory dwelling units. The Town of Southampton could carefully plan to ensure that these types of units are compatible with the community and conduct a survey of residential properties to ascertain which of these architectural styles will maintain the historic character and the "look and feel" of the community.

Recommendation 3B: Review Site Plan and Dimensional Requirements in Light of the Preferred Housing Types

The Town could review the zoning code to determine if the preferred housing typologies are permissible in targeted locations. If barriers are found to exist for specific desired architectural styles (e.g. minimum lot size, minimum lot width, maximum lot coverage, maximum height, etc.), the Town could consider updating the zoning code to reflect this shift in preferences. Currently, the sixteen as-of-right residence zoning districts do not allow for more than 20% lot coverage, or more than two stories in height. The Town could also review zoning regulations regarding accessory apartments to assess if there are opportunities to expand the use of accessory apartments.

Recommendation 3C: Set Targets within Each Hamlet

The Town's need for a greater supply of affordable housing units must be accommodated without significantly altering the "look and feel" of Southampton's hamlets. The Town could develop specific goals for each hamlet, such that there is a shared understanding of how additional units may be accommodated without overbuilding and to ensure that no community has an undue concentration of affordable housing that would substantially alter the character of the community.

Recommendation 3D: Creative Reuse

During the public participation component of this plan, some residents suggested converting empty commercial space to residential use or converting older housing stock into multifamily rental units. Creative reuse of existing structures to accommodate housing needs can be a cost-effective strategy for providing housing solutions while retaining community character. The Town could work with residents and the housing development community to identify possible locations.

6.1.4 Goal #4: Encourage Transit Oriented Development (TOD)

Recommendation 4A: Identify Preferred TOD Locations

The demographic profile of Southampton shows that younger populations make up a decreasing share of the population. This is partially attributable to the broader nationwide trend of young adult populations seeking a more active, urban lifestyle than traditional suburbs typically offer. Much of Southampton consists of established single family residential neighborhoods; however there are existing transit hubs that may be well-suited for other housing options. The Town has already taken critical steps to plan and implement transit oriented development such as Speonk Commons, the Town's first affordable TOD development adjacent to the Speonk LIRR Station. The Town could examine other similar potential locations and identify strategies for implementation, including traffic studies, market studies, form based zoning and other incentives. A focus on TOD will encourage sustainable growth that meets the needs of

today's communities by providing affordable housing in a mixed-use, walkable environment that encourages alternative transportation choices.

Recommendation 4B: Assess Infrastructure Capacity at the Preferred TOD Locations

Transit-Oriented Development should include a mix of land uses in mid-density configurations. As such, sufficient infrastructure is required to support development. Southampton could assess the availability of public water and sewer infrastructure at the preferred TOD locations, and prioritize investments as needed.

6.1.5 Goal #5: The Equitable Distribution of Housing Stock with Affordable Options

Recommendation 5A: Perform Affordable Housing Assessments for Each Hamlet

Each hamlet in Southampton has a unique demographic profile, and a unique housing inventory. In many cases, the two are not well-aligned. The supply of affordable housing units is not distributed equally among the hamlets – for instance, many hamlets have no affordable housing units at all. If affordable housing were distributed more evenly throughout Southampton, more residents would pay attention to issues of affordable, fair, and equitable housing development. The Town could perform localized assessments to prioritize investments, ensure that local needs are being met and to take into consideration the sizeable constraints in many areas of the Town. For each hamlet, specific targets could be set for affordable housing, accessible housing, and senior housing. Special attention could be afforded to those hamlets who have lost population in recent years, including Tuckahoe, Remsenburg-Speonk, North Sea, and Westhampton.

Recommendation 5B: Introduce Single-Family or House-Scale Development that is Affordable by Design

There is a strong desire in the Town to keep the look and feel of the largely single-family neighborhoods. Given many constraints in the hamlets, it also may not be feasible to build higher density housing. New house-scale construction can provide a more affordable option through the development of two, three, or fourplexes that are designed to look like single-family homes. Single-family homes can also be made more affordable through vehicles such as community land trusts, whereby a local non-profit organization owns the land and the homeowner owns the structure/house. This strategy ensures that the homes stay affordable and allows the homeowner to pay less for the home while still building equity in the home. These types of development can fit seamlessly within single-family neighborhoods while providing crucial affordability.

Recommendation 5C: Set the Table for More Multifamily Residential Development

In order to meet the profound demand for affordable housing in Southampton, new units will need to be developed. Single-family housing cannot work alone in an affordable housing strategy; nor does it contain appeal for many of today's young, upwardly mobile population. As such, the lack of multifamily housing may pose a threat to Southampton's long-term financial health. The Town could embark on a consolidated effort to identify key barriers to multifamily housing development (regulatory, financial, or otherwise), and establish a strategy for eliminating or minimizing these barriers. This strategy will also include targeted outreach to involve activists who oppose multifamily housing, engage them in constructive dialogue to garner support as well as ideas, provide evidence of the widespread benefits of increased housing supply and resident diversity, and showcase housing designs that will achieve this goal without impacting the area. An increased supply of housing units will accommodate a growing population and exert downward pressure on housing costs.

Recommendation 5D: Identify Key Sites of Opportunity for Multifamily Residential Projects

One of the greatest challenges to development in Southampton is that there are limited sites available for mid-density residential development. Much of the land is protected, and among the parcels that are available, not all are served with public water or sewer infrastructure. In order to be considered as a Multifamily Planned Residential Development District, public water and sewer is required. In many cases, mid-density projects can only be accomplished through site redevelopment. Southampton could assist developers by identifying specific sites of opportunity within the Town's hamlets. The Town can place special emphasis on underutilized publicly-owned sites, which can be built out by developers within a public/private partnership (wherein the Town retains ownership of the property and maintains an element of control over key project outcomes). The Town can also identify sites that are appropriate for house-scale multifamily housing, especially in areas with steep constraints. Once the Town has generated an index of key sites, the Town can produce marketing materials and provide them directly to the development community to showcase development opportunities and identify local, state, and federal tax incentives that can be accessed for affordable housing development.

Recommendation 5E: Establish a Site Readiness Program and Solicit Funding from County, State, and/or Federal Resources

For special sites that present optimal development opportunities, the Town of Southampton can "prime the pump" and catalyze transformative investment through technical assistance and infrastructure capital funding. Technical assistance could include a variety of services, such as zoning analysis, environmental due diligence, traffic studies, and preliminary concept planning.

Infrastructure investment could be responsive to the fact that currently, many hamlets are lacking in sanitary sewer and public water supply. Technical and financial support could be administered based on programmatic requirements to ensure that it supports affordable housing goals.

Recommendation 5F: Conduct Regular Outreach to the Development Community

Housing is developed by a complex ecosystem of developers, non-profits, lenders, and philanthropists. The Town could establish objectives to forge relationships with key partners and work hand-in-hand with the private and non-profit sectors to achieve shared goals. Non-profit affordable housing developers in particular will benefit from increased cooperation with the public sector. Town staff should not assume that developers are fully informed with regard to the existence or accessibility of local, state, and federal-level funding programs. Sharing knowledge builds bridges between the public and private sector that will enable a more constructive and effective development process.

Recommendation 5G: Provide Affordable Housing Education

Many of the households in Southampton are cost-burdened, including renters and homeowners. Targeted affordable housing education programs are an effective mechanism for providing householders with critical information on how to navigate the affordable housing landscape. There are a variety of agencies that can perform this service under contract and some housing education programs may already exist in Southampton. It is recommended that the existing programs be reviewed to determine if additional or modified programs are needed to meet the needs of the growing population.

6.2 Potential Partners and Funding Sources

There are a number of existing and potential partners and funding sources for the development of affordable housing. It is important to note that most often, affordable housing is not funded by a single source, but rather, the combined result of private funding and various public funding sources.

6.2.1 Town of Southampton Housing Authority

The Town of Southampton Housing Authority's ("TSHA") mission is to develop mixed income housing opportunities in keeping with the rural character of the hamlets and villages of the Town of Southampton. The goals and objectives of the Authority are to:

- › Assist in providing greater housing opportunities for both rental and home ownership.
- › Preserve and improve existing affordable housing.
- › Pursue opportunities to develop additional mixed income housing.

- › Provide safe, secure affordable rental housing and prepare residents for future home ownership.
- › Educate the community on all facets of home ownership as an ambassador for first time homebuyers

The TSHA also operates the following affordable housing projects:

- › Hampton Bays Apartments – 37 unit senior and disabled housing facility in Hamptons located at 57 Springville Road.
- › Sandy Hollow – 28 unit affordable housing complex in Tuckahoe developed in partnership with Georgica Green Ventures LLC. Housing for young professionals offers affordable studio and one-bedroom rental apartments.
- › Speonk Commons – 51 unit residential rental community developed in partnership with
- › Georgica Green Ventures LLC. Speonk Commons is designed to mirror traditional Southampton Architecture and replace a 4.4 acre blighted site adjacent to the Speonk Train Station.

6.2.2 Section 8 Housing Choice Voucher Program

The TSHA maintains the Section 8 Housing Choice Voucher Program for the Town. The housing choice voucher program is the federal government’s major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

6.2.3 Federal Grants and Funding Sources

Within the Town of Southampton there are currently several sources of funds available to provide financial assistance to affordable housing programs and projects including the First Time Homebuyer Down Payment Assistance Program – The Suffolk County HOME Consortium provides up to \$14,000 in grant funds to put towards the purchaser’s down payment. Financial assistance from the proposed Community Housing Fund can provide first time homebuyers with down payment assistance, no interest and low-interest loans for the acquisition, construction and rehabilitation of affordable housing.

6.2.4 Public-Private Partnerships

Public-private sector partnerships can leverage investment in development projects that can revitalize diverse local communities and neighborhoods. The Town’s Community Housing Opportunity Fund, including the accessory

apartment legislation is a key to oversight, monitoring and compliance for sales and rentals of Community Benefit units. The Office of Housing and Community Development maintains the Affordable Housing Registry.

Employer Assisted Housing Programs (EAHP), such as the programs operated by Long Island Housing Partnership (LIHP) help employers offer housing cost assistance to all levels of their workforce. LIHP's EAHP is available to all businesses located in or relocating to Nassau or Suffolk County. Employers are required to provide a match of the program financing through various options, including grants, forgivable loans, deferred or repayment loans, matching savings and/or interest rate buy downs.

Financial assistance from the Peconic Bay Region Community Housing Fund can provide developers with flexible loan terms for new construction, the acquisition and rehabilitation of affordable housing.

6.2.5 Non-Profit Community

- › Habitat for Humanity of Suffolk provides new or newly renovated single-family homeownership opportunities for low- and moderate-income renters that are paying more than 30% of their income on housing and/or living in unhealthy or inaccessible housing.
- › Homeowners Assistance Program – With the assistance of the Peconic River Community Development Alliance, the Town of Southampton offers a program to assist home owners who are at risk of foreclosure and/or tax sale by connecting individuals with agencies and resources that can assist them.

6.2.6 Local Funding Sources

- › The Community Preservation Fund is a tool that the Town uses to acquire properties and convert them to other uses. This program is funded by revenue collected from a property transfer tax. As of the time of this writing, the New York State Governor has signed into law an amendments to the Community Preservation fund, which includes the creation of a new, Peconic Bay Region Community Housing Fund designated specifically to make housing more affordable on the East End. Such law is subject to a mandatory referendum which requires the approval by a majority of voters of the Town of Southampton.
- › Community Housing Opportunity Fund – provides a mechanism for the Town to fund and create 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.

Appendices