

COLD FACTOR
Partly cloudy today with
highs in the mid-20s;
not quite so cold tonight.
Forecast, C6

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Unique housing project to unite arts, agriculture

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PROVIDENCE — Rhode Island Housing has approved a \$15-million financing package for Sandywoods Farm, a unique arts and agricultural community to be built in the northeast corner of Tiverton.

Sandywoods Farm is designed to combine affordable housing with a working farm and produce

market, as well as studio, gallery, and performing space for artists, a multi-use approach that fosters the sense of common purpose the independent state agency says it wants to promote.

Construction had been expected to begin construction last year with multiple streams of financing cobbled together by nonprofit

SEE **SANDYWOODS, A4**

The total of about \$1 million in tax credits will generate nearly \$9 million to repay a construction loan promised up front by Rhode Island Housing.

In addition, the Church Community Housing Corporation has scaled back its plan to purchase the entire 174-acre site, relying instead on the Tiverton Land Trust to acquire more than half of it — about 94 acres — to help fulfill the goal of the project to preserve open space, according to Steve Ostiguy, executive director of Church Community Housing.

Representatives of the land trust confirmed their plans to buy the land but said that deal was still in the works.

Sandywoods Farm will share an entrance on Bulgarmarsh Road with an existing public recreation area and the site of a future public library, recently purchased by the library trustees.

Ostiguy said that CCHC, a re-

gional housing and community development agency serving Newport County, is expected to close about the middle of next month on the purchase of about 68 acres that will provide land for 50 rental cottages, 24 single-family house lots, and a 22-acre working farm.

The land is owned by Joseph Bossom, a farmer who went to Ostiguy four years ago with the idea of turning his farm into a rural artists' colony, Ostiguy recalled.

Bossom is married to Mika Seeger, a ceramic artist and the daughter of folksinger Pete Seeger.

The rental cottages are expected to be ready for occupancy in 2010.

They will be geared to tenants earning up to 80 percent of the median income for the area.

Residents will have a say in the use of common space and other operational aspects of the development, a feature that will encourage people to work in the arts and in agriculture "for the benefit of the whole community," according to Rhode Island Housing.

Sandywoods

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developer the Church Community Housing Corporation of Newport.

Then the real estate and financial markets crashed.

Rhode Island Housing has stepped in to fill the breach.

"We have managed to stitch together a new financial plan that will work in today's environment," said Richard Godfrey, executive director of Rhode Island Housing.

Overall, the "compact and rural housing community will seek to protect and increase agricultural food production, foster creativity, [and] preserve open space," in addition to providing affordable housing for low- and moderate-income families, according to the proposal submitted to Rhode Island Housing board of commissioners for final approval last week.

Godfrey said the project embodies the philosophy of a separate initiative called KeepSpace, which Rhode Island Housing founded in 2007 out of a desire to promote communities in which people live close to their jobs and children can grow and play in a healthy, environmentally friendly environment.

The buildings will be powered by solar and wind energy.

Eventually, the site is to have a café, a bed and breakfast, and greenhouses, which will serve the farmer's market, according to long-term plans.

More immediately, the \$15 million in financing secured by Church Community Housing Corporation covers land costs — a total of \$1.5 million — and the construction of the rental units and associated commercial and community space.

Church Community Housing plans to use some of the proceeds from the sale of the 24 house lots pay for about a third of its land acquisition costs.

The housing agency is "becoming much more involved in this now," he said. "We are very pleased that this project is going forward."

In the last year, the value dropped about 16 percent on \$785,000 worth of tax credits, which were to be sold to provide long-term financing for construction of the initial phase of the project.

But Rhode Island Housing has added nearly \$300,000 more in tax credits to the package, according to Carol Ventura, director of development at Rhode Island Housing.

If the sale of the house lots does not generate the needed \$565,000 within two years, Rhode Island Housing will pay off the loan and take the lots as collateral.

"The sale prices are very conservative," Godfrey said. "If we end up holding this land at the end," he said, "it will be improved with the utilities."

"This is highly valued collateral for the basis of our loan," he said.

The Town of Tiverton gave final approval to a subdivision for the Sandywoods Farm project about two weeks ago. It is requiring that the developer put in roads and utilities before any housing construction begins, a common practice, according to Rhode Island Housing.

The agency has agreed to guarantee those site improvements, which will cost an estimated \$536,000.

As the construction lender, the agency will provide "close and direct oversight" of the project, with its staff attending weekly construction meetings and reviewing monthly requisitions, according to the proposal submitted to Rhode Island Housing's board.