

52

AD HOC REPORT
Request to Amend Affordable Housing Program

Hon. Mark D. Boughton, Mayor
Common Council Members

January 24, 2007

Chairwoman Mary Saracino called the meeting to order at 7:00 p.m. Committee members are Ms. Saracino, Mr. John Esposito and Mr. James Johnson. Also in attendance, Assistant Corporation Counsel Robin Edwards; Director of Health, Housing and Welfare, Scott LeRoy, Associate Director of Health, Housing and Welfare, Paul Schierloh; Tax Assessor Colleen Burke; and members of the public.

The petitioner, Mr. Bozzutto, is asking the committee to consider changing the index by which he can realize a profit upon the sale of his affordable housing unit, a condominium located at the Maple Village Condominiums. He purchased his unit about four years ago.

Attorney Edwards explained this type of affordable housing program falls under the purview of C.G.S. 8-2g which is a density bonus statute allowing a developer to build additional units, on a project provided that some of the units are affordable housing units. The petitioner seeks to change the index contained in the contract that was entered into between the City of Danbury and the developer pursuant to the terms of C.G.S. 8-2g, so that he can realize a profit upon the sale of his affordable unit. The contract is between the City and Maple Union, LLC, the developer who, through its attorney, delivered a letter to the Committee this afternoon indicating that the contract should not be changed therefore, the petitioner's question becomes an academic issue. Maple Union, LLC, would not consent to the change, and since their consent is needed to amend the contract the Committee can go no further. Without the consent of the developer this committee cannot legally vote to amend the contract.

Mr. Schierloh said there are 3 different scenarios for the affordable units in our area. The contract does permit a reasonable increase in the sale price, however, due to HUD changes in their calculations for median income, the petitioner is not able to realize a profit. Suggestions were made to discuss with future developers to give better notification and disclosure to potential buyers and to provide a disclaimer about the calculations on re-sale prices. Going forward the index and notifications will be considered.

Mr. Johnson moved to take no action at this time without prejudice. Seconded by Mr. Esposito. Motion carried unanimously.

Mr. Johnson moved to adjourn the meeting at 7:15 p.m. Seconded by Mr. Esposito. Motion carried unanimously.

Respectfully submitted,



Mary Saracino, Chairman

John Esposito

Jim Johnson