

AD HOC REPORT
Affordable Housing – Caroline Commons

Hon. Mark D. Boughton, Mayor
Common Council Members

June 21, 2007

Chairman Gregg Seabury called the meeting to order at 7 PM. In attendance were committee members Mary Teicholz, and Duane Perkins. Also in attendance was Attorney Robin Edward from Corporation Council, and Attorney Brian Doto representing the petitioner.

Mr. Seabury referred to Attorney Edward to review the contact between the City and Caroline Commons. Attorney Edward stated that this is a standard 8-2G contract. This contract includes a density bonus program that allows a developer to develop more units on the property provided that some are affordable. The developer intends to build 13 units with 2 being affordable. At this time there is one change to the contract in Schedule E. It currently states that the maxim sales price for the units be just over \$300,000. The price would be reduced \$275,000 meeting the HUD standard for affordable based on the Standard Median Income for Danbury.

Mr. Seabury asked Attorney Doto if he agreed with the changes as they are. Attorney Doto stated that he does agree. Mr. Perkins asked for clarification on the number of units and the price. Mr. Seabury asked how large the property is that these units will be built on. Attorney Edwards stated that the land is 41,915 square feet. Mr. Seabury also asked if this request had received a positive recommendation from Planning, to which Attorney Edwards stated that it had.

Mrs. Teicholz moved that the committee recommend to the Common Council to approve the affordable housing contact with Caroline Commons with the correction to Schedule E, units not to exceed \$275,000. Seconded by Mr. Perkins. No discussion. Motion passed unanimously.

Mrs. Techolz moved to adjourn at 7:11 PM. Seconded by Mr. Perkins. Motion passed unanimously.

Respectfully Submitted,

Gregg Seabury, Chair

Mary Teicholz

Duane Perkins

SCHEDULE E

SALES PRICE

The maximum sales price of the Affordable Housing units shall not exceed \$275,000.00 (the "Initial Sale Price") and the maximum monthly rental of the Affordable Housing units shall not exceed \$1,380.00 (the "Initial Rental Price"), provided that the sales/rental price may be reasonably periodically increased as follows:

- (1) The initial sales/rental price of an affordable housing unit shall be adjusted by the resale index (Index"). The Index shall mean the calculated percentage of change in the Danbury median income using the income guidelines as published by HUD. Said measure shall be calculated from the time of the initial sale or rental to the time of the resale or new rental. The initial sale/rental price shall be multiplied by the resale index to establish the maximum resale price or new rent amount.
- (2) The City, by approval of the Common Council, in its discretion, after recommendation and review by the Department of Health, Housing and Welfare, may revise the method of determining the maximum resale/rental price as set forth herein, if due to any substantial changes by HUD to the methodology used in determining the Danbury median income, the Council finds that comparison over time is not accurate or meaningful.