

**APPLICATION PLPZ 201900239 to amend Section Sec. 6-110. USE REGULATIONS AND SPECIAL REQUIREMENTS FOR DWELLING UNITS PERMITTED IN THE BUSINESS ZONES.**

The purpose of this zoning regulation change is to:

- 1) ensure that common charges are included in the rent charged for a moderate income dwelling unit so as to avoid confusion as to what can be charged and also to ensure that an exorbitant amount of money isn't being charged for amenities in the building thereby potentially rendering the unit to expensive and defeating the purposes of this section.
- 2) Remove the Restriction Period of 40 years for new projects coming in and require that the moderate income units are held in perpetuity. This will ensure the long term ability for the community to provide moderate income dwelling units. All the existing moderate income dwelling units are subject to "in perpetuity", with the exception on one (non-constructed project) that was approved under the existing regulations.
- 3) Update the internal transfer of management responsibility from the Community Development Office to the Planning and Zoning Department.

*All deletions are noted through strikethrough, and new text is noted through red lettering.*

6-110(h)(3) Guidelines for maximum rent and sales price:

For moderate-income dwelling units in each housing development, a range of sales prices and/or monthly rentals may be established, subject to the following:

- i. The maximum monthly rent for one bedroom moderate-income dwelling units ~~excluding~~ **shall include all** common charges, and **may exclude** utilities (gas, oil and electricity) **at the discretion of the property owner**, shall not exceed 2.0% of the median annual Town paid wages for all full-time Town of Greenwich Municipal and Board of Education employees during the preceding fiscal year. Additional bedrooms will result in higher maximum rent: two bedroom units will be limited to 2.5% and three bedroom units to 3% of the median annual Town paid wages as described above.
- iii. In the case of a condominium ownership structure, there shall be no extra up-front charge for minimum required facilities such as, but not limited to, parking and recreational facilities. Each unit owner, however, shall pay his fair share of common charges, expenses and assessments as provided in the Common Interest Ownership Act of the State of Connecticut and as approved by the Town of Greenwich ~~Community Development Office~~ **Planning and Zoning Department**.

6-110(h)(3)(4) Resale Restrictions:

- i. For moderate-income dwelling units, the title to said property shall be restricted so as to maintain the unit in the moderate-income category ~~for a~~

~~period of 40 years~~ **in perpetuity** beginning on the date of issue of the Certificate of Occupancy (the "Restriction Period"). Said restriction shall provide that in the event of any resale of the unit by the original owner or any successor owner, ~~during the Restriction Period~~, the maximum resale price shall be limited by the same guidelines and rules indicated in 6-110(h)(3)(ii) above. (7/19/16)

- ii. For rental moderate-income dwelling units, the title to said property shall be restricted so as to maintain the rents charged for the units in the moderate-income category ~~for a period of 40 years~~ **in perpetuity** beginning on the date of issue of the Certificate of Occupancy. This title restriction will survive any sale of the rental project to a subsequent owner during the Restriction Period. There shall be no limitation on the sales price of an entire moderate-income rental project; however, if less than the entire project is sold, any moderate-income dwelling unit(s) sold must be sold to a qualifying moderate-income household during the Restriction Period.
- iii. **If a moderate-income dwelling unit is subject to a Restriction Period other than "in perpetuity"**, twelve months prior to the end of the Restriction Period, the owner of any moderate income dwelling unit shall notify, by certified mail, the Town of Greenwich ~~Community Development office~~ **Planning and Zoning Department** or its designee of the impending end of the Restriction Period. Failure by the owner of the moderate-income dwelling unit to notify, by certified mail, the Town of Greenwich ~~Community Development office~~ **Planning and Zoning Department** or its designee twelve months prior to the end of the Restriction Period shall extend the Restriction Period by the number of days equal to the period of failure to give notice.
- iv. In the case of moderate-income dwelling units which are part of a commonly owned building in which a moderate-income dwelling unit cannot be sold individually, then such moderate-income dwelling unit will remain in the Restriction Period, **if applicable**, until such unit can be eligible to be sold in accordance with the procedure of Sec. 6-110.
- v. Each moderate-income dwelling unit shall be subject to an option to purchase (the "Purchase Option") at the maximum allowable restricted sales price or any mutually agreed upon sales price that does not exceed the maximum sale price. The Purchase Option shall be available to the Town of Greenwich, or its designee, followed next by the Housing Authority of the Town of Greenwich, then followed next by a qualified non-profit as approved by the Town. Upon receipt of a notice of the end of the Restriction Period, **if applicable**, the Purchase Option shall be available to the Town of Greenwich for 90 days. If the Town exercises the Purchase Option, it may enter into a contract of sale. If the Town fails to exercise the Purchase Option or declines to exercise the Purchase Option within 90 days, the Housing Authority of the Town of Greenwich shall have 30 days to exercise the Purchase Option and enter a contract of sale. If the Housing Authority of the Town of Greenwich fails to exercise the Purchase Option or declines to exercise the Purchase Option within 30 days, a qualified non-profit as approved by the Town shall have 30 days to exercise the Purchase Option and enter into a contract of sale. If the qualified non-profit fails to exercise the Purchase Option or declines to exercise the Purchase Option within 30 days, the existing moderate-

income dwelling unit owner will be free to proceed with the sale of the moderate-income dwelling unit at the end of the Restriction Period, **if applicable.**

- vi. A seller of a moderate-income dwelling unit that has been restricted as a moderate income dwelling unit for ~~the~~ **a** Restricted Period who has provided the requisite notice of an intent to sell shall have the option to proceed with a sale at fair market value without restriction if no contract of sale has been signed in accordance with paragraph (h)(4)v above, provided that the Town of Greenwich, or its designee, shall examine the contract of sale to determine if the proposed sale price bears a reasonable relationship to the moderate-income dwelling unit's fair market value. The Town of Greenwich, or its designee, may rely on comparable sales or an appraisal, and shall not approve a contract of sale where there is a determination that the sale price does not bear a reasonable relationship to fair market value. Upon transfer of title on the moderate-income dwelling unit, the seller of the moderate income dwelling unit shall pay 50% of the difference between the contract sale price of the unit and the final restricted sale price to the Town of Greenwich.
- vii. In the event of a casualty or other destruction of a moderate-income dwelling unit, any replacement unit shall be subject to the regulation of this Sec. 6-110.
- viii. Any conversion of a rental moderate-income project to another use shall not be permitted during the Restriction Period, **if applicable**, unless such conversion includes the creation of the required number of for sale moderate-income dwelling units in accordance with Sec. 6-110.

6-110(h)(6) Administration:

- i. ~~The Greenwich Community Development Office~~ **Planning and Zoning Department** or other designated agent/agency approved by the Town shall maintain a list of eligible moderate-income households in accordance with the priority list set forth in (b)(3) above. Where the number of those eligible in the same category of priority exceeds the number of available moderate-income dwelling units, the applicant shall be selected by lottery. As the goal of this program is to provide the greatest benefit to the largest number of eligible people, the Town will seek, at its discretion, to match the size of an available moderate-income dwelling unit to the most appropriately sized eligible household. The selected moderate-income household must reside in the moderate-income dwelling unit. Moderate-income dwelling units must be occupied by the qualified owner(s) or legal lessee(s) only. If there is more than one qualified owner or legal lessee, each owner or legal lessee must occupy these units as their primary residence. These moderate-income dwelling units cannot be rented, assigned, leased out, or occupied by others not legally allowed or approved by the Town or its designated agency.
- ii. At the time of Site Plan approval for each housing development, the Planning and Zoning Commission shall approve the designation of an administrative agency to monitor and administer guidelines for the rental, sale, or resale of moderate-income dwelling units. Such administrative agency, which may buy the moderate income dwelling units for the purpose of rental or resale to moderate-income households, may be a

non-profit corporation, an agency of the Town, a Community Housing Development Corporation pursuant to Section 8-217 of the Connecticut General Statutes, a 501(c)(3) non-profit corporation such as a Greenwich Community Development Partnership, or other approved organization. Such agency may maintain and submit an eligibility list to the ~~Community Development Office~~ **Planning and Zoning Department** or other designated agent, but the choice of households for available moderate-income dwelling units even if owned by the designated agency shall be in accordance with (b)(3) above.

- iii. The designated agency shall establish the sale price, resale price, or annual rent of the individual dwelling unit in accordance with the guidelines and requirements of (h)(3) and (h)(4) above and with the approval of the Greenwich ~~Community Development Office~~ **Planning and Zoning Department** or other designated organization. There will be an Affordability Plan filed on the Greenwich Land Records indicating the deed restrictions on the specific unit which the designated agency will enforce.
- iv. The designated agency shall set up such procedures as may be necessary to receive annual certification or other information from owners and or tenants which confirms continuing compliance with the guidelines and requirements of this Sec. 6- 110 and which notifies it of any conversion in the form of ownership. This information shall be submitted to the Planning and Zoning Department ~~or to the Greenwich Community Development Office.~~