

## **Greenwich Affordable Housing Trust Fund**

### **Greenwich Code of Ordinances**

#### **CHAPTER 6. LAND USE**

#### **ARTICLE 8. – GREENWICH AFFORDABLE HOUSING TRUST FUND.**

##### **Sec. 6-324. - Findings; Purpose; Legislative Authority; Definitions**

###### **Findings:**

1. It is hereby found that the Town of Greenwich (“Town”) has an objective to provide ten percent (10%) affordable housing as defined under Title 8, Chapter 126a, Section 8-30g of the General Statutes of Connecticut (Section 8-30g).
2. It is hereby further found that, should State Statutes, including but not limited to Section 8-30g, be modified, amended or enacted in the future, the Town of Greenwich may modify or amend its adopted Affordable Housing Plan to provide an affordable housing level different than the ten percent (10%) currently set forth in Section 8-30g.
3. It is hereby further found that the Town may, by vote of the Representative Town Meeting, and consistent with the General Statutes of Connecticut, redefine what is meant by Affordable Housing.

###### **Purpose:**

The purpose of the Greenwich Affordable Housing Trust Fund (GAHTF or Trust or Fund) is the preservation of existing and the creation of new affordable rental and home ownership housing in the Town, pursuant to the current Town and Regional Plans of Conservation & Development, Affordable Housing Plan and any General Statutes of Connecticut applicable now or in the future.

###### **Legislative Authority:**

This article is enacted pursuant to the authority granted to the Town by Title 7, Chapter 98, Section 7-148(c)(2)(K) of the General Statutes of Connecticut to ‘to create a sinking fund or funds or a trust fund or funds or other special funds, including funds which do not lapse at the end of the municipal fiscal year’.

###### **Definitions:**

All definitions below shall be considered automatically amended to comply with any future revisions in the Connecticut General Statutes as they may be relevant to housing or municipal zoning authority and consistent with the requirements of this ordinance.

1. “Affordable housing development” means a proposed housing development which is any of the following: (A) assisted housing, or (B) a set-aside development or (C) includes housing for households earning incomes of no more than eighty (80) percent of the median family income for the Stamford-Norwalk HUD Metropolitan Fair Market Rent Income Area, adjusted for household size as published annually by the U.S. Department of Housing and Urban Development, or other such equivalent income standard as may be established by a majority vote of the Town of Greenwich Planning & Zoning

Commission. Affordable rent and home ownership cost shall not exceed thirty (30) percent of the eligible household income.

2. “Affordable housing rental and home ownership units” shall mean any dwelling unit for which the rent (including utilities) does not exceed thirty (30) per cent of the gross income of the renting household or for which the mortgage payment (including insurance, utilities and real estate taxes) does not exceed thirty (30) per cent of the gross income of the purchasing household or other standards as may be established pursuant to any municipal, state or federal housing program designed to assist low and moderate income households.
3. “Assisted housing” means housing which is receiving, or will receive, financial assistance under any governmental program for the construction or substantial rehabilitation of low or moderate income housing, and any housing occupied by persons receiving rental assistance under Title 42, Chapter 8, Subchapter I, Section 1437f of the United States Code;
4. “Median income” means, after adjustments for family size, the state median income or the area median income for the area in which the municipality containing the affordable housing development is located, as determined by the United States Department of Housing and Urban Development
5. “Set-aside development”, pursuant to State Statute 8-30g, means a development in which not less than thirty per cent of the dwelling units will be conveyed by deeds containing covenants or restrictions which shall require that, for at least forty years after the initial occupation of the proposed development, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as housing for which persons and families pay thirty per cent or less of their annual income, where such income is less than or equal to eighty per cent of the state median income. In a set-aside development, of the dwelling units conveyed by deeds containing covenants or restrictions, a number of dwelling units equal to not less than fifteen per cent of all dwelling units in the development shall be sold or rented to persons and families whose income is less than or equal to sixty per cent of the state median income and the remainder of the dwelling units conveyed by deeds containing covenants or restrictions shall be sold or rented to persons and families whose income is less than or equal to eighty per cent of the state median income;
6. “Developer(s)” shall mean any individual, corporation, business trust, estate trust, limited liability company, partnership or association, or any other entity or combination thereof involved in the development of construction projects. For the purpose of this article, the Town of Greenwich Housing Authority shall be considered a “developer”.

## **Sec. 6-325. - Board of Trustees: Members and Meetings**

### **Members**

1. As stipulated herein, the Greenwich Affordable Housing Trust Fund shall have a Board of Trustees (“Board” or “Trustees”) comprising seven (7) total members as outlined below.

2. The seven (7) Trustees shall be:
  - a. Town of Greenwich Planning & Zoning Director or such Director's designee;
  - b. Chair of the Planning & Zoning Commission or a member designated by the Chair of the Planning & Zoning Commission,
  - c. Two (2) members of the public with a background and expertise in finance, both of whom shall be Town residents nominated by the Board of Selectmen and appointed by the Representative Town Meeting;
  - d. One (1) member of the public with legal expertise who shall be a Town resident, nominated by the Board of Selectmen and appointed by the Representative Town Meeting;
  - e. Two (2) additional at large members of the public who shall also be Town residents, nominated by the Board of Selectmen and appointed by the Representative Town Meeting.
    - i. Establishment of Unique Designations (R1 through R5) for appointed positions: Each of the five (5) appointed positions on this Trust Fund is assigned a unique designation to facilitate auditing of the appointment process over the course of time. Terms for appointed public members shall be for a period of three (3) years except for the shorter one-time Interim Terms for one (1) public member with expertise in finance and one (1) at large public member to a single term of two (2) years which is used once, to accomplish a staggering of the term expiration years of the position for the purpose of limiting the scheduled turnover of public members in a single year. When appointing a new member to this Trust Fund, the new member will receive the position designation previously assigned the person she or he is succeeding and such designation will be indicated on all notices of nomination and appointment including, but not limited to, the Call and the minutes of the Representative Town Meeting, the agenda of the committees of the Representative Town Meeting and, where appropriate, the agenda and minutes of the Board of Selectmen. Appointed members of the Commission shall hold office until their successors shall have been appointed and shall qualify.
3. At its first meeting, the Board shall elect a chairperson, vice-chairperson and secretary for one (1) year terms. Elections shall be held once per year.
4. Administrative support for the Board shall be provided by the staff of the Planning & Zoning Commission.
5. No Trustee shall receive a salary or other remuneration for serving on the Board.
6. No person may serve as a member of the Board who then has or within the previous year has had an economic interest in or management control over a proposed project or existing property within the Town with an affordable housing component. Residing in affordable housing shall not be considered an economic interest.

7. Any Board member who resides in an affordable housing development or unit shall not participate in any expenditure decision affecting the property in which he/she resides.

### **Advisory Council**

The Board shall be assisted by an Advisory Council comprising persons with professional or other expertise in affordable housing and persons who are able to offer the Board a valuable perspective on affordable housing. Members of the Advisory Council shall serve ex officio and shall have no voting rights. The following persons shall serve on the Advisory Council:

1. Two (2) members of the Representative Town Meeting nominated by the Nominations Committee of the Representative Town Meeting and appointed by the Representative Town Meeting each serving a two (2) year term;
2. The Commissioner of the Department of Human Services or a designee;
3. A member of the Board of Selectmen;
4. The Chairman of the Planning and Zoning Board of Appeals or a designee;
5. The Town's Housing Analyst;
6. One (1) representative from the Board of Greenwich Communities or a designee;
7. Two (2) residents of affordable housing rental or home ownership units located in Town identified and invited by the Board;
8. A Town resident with expertise in fundraising and marketing, identified and invited by the Board; and
9. A representative of a Town charitable organization, identified and invited by the Board.

### **Meetings of the Board**

1. The Board shall meet at least quarterly. All Board meetings and decisions shall be open to the public and duly advertised and conducted pursuant to the requirements of the Connecticut Freedom of Information Act, Chapter 14, Sections 1-200 to 1-242 of the General Statutes of Connecticut.
2. Each member of the Board shall have one vote. Affordable Housing Development funding decisions shall be made by a super majority of five (5) voting members of the Board. All other decisions of the Board shall be made by simple majority of four (4) voting members of the Board.
3. The presence of four (4) voting Board members constitutes a quorum.
4. The Advisory Council shall participate in all meetings of the Board.

**Sec. 6-326. - Declaration of Trust.**

1. The terms of the GAHTF, which shall be consistent with the provisions of this Article, shall be set forth in a Declaration of Trust, which shall be subject to the approval of the Representative Town Meeting.
2. The Declaration of Trust shall:
  - a. Appoint a trustee to oversee the assets of the GAHTF.
  - b. Contain all relevant and necessary details regarding the GAHTF's purpose, beneficiaries and ongoing administration.
  - c. Outline provisions for the disposition of existing assets should the GAHTF be terminated at a future date.
3. The Declaration of Trust shall be submitted to the Representative Town Meeting by the Planning & Zoning Director within ninety (90) days after the passage of this Ordinance for review and approval or as near thereafter as can be accommodated on the Representative Town Meeting Call.

**Sec. 6-327. - Sources of Funding, Investments, and Limitations on Use of Fund.**

1. There is hereby established a GAHTF Account to be maintained by the Board. All funds received by the Town, all interest earnings and all other income from Fund activities shall be deposited in the GAHTF Account. All interest earnings from the GAHTF Account shall be reinvested in and dedicated to the Fund.
2. In addition to such sums as may be appropriated by the Town for deposit into the Fund, the Town is authorized to and shall deposit all monies received by it, from whatever source, for the provision of affordable housing, including fees received pursuant to Title 8, Chapter 124, Section 8-2i of the General Statutes of Connecticut, and other fees, monetary gifts and grants, unless otherwise restricted, into the Fund.
3. No monetary gift or grant from any anonymous source is to be accepted by the Trust.
4. By vote of the Representative Town Meeting, a development fee or surcharge on Town fees for permits of any kind may be approved as a source of funding for the GAHTF.
5. The Planning & Zoning Commission may approve and implement a fee 'in lieu' of inclusionary housing unit program for funding the GAHTF pursuant to the authority granted to the Planning & Zoning Commission by the provisions of Title 8, Chapter 124, Section 8-2i of the General Statutes of Connecticut (Section 8-2i).
6. The Comptroller of the Town shall be the custodian of the Trust's funds and shall maintain separate accounts and records for said funds. The Comptroller, working with the Town Treasurer, shall invest the Trust's funds in the manner authorized by Title 7, Chapter 112, Sections 7-400 to 7-403 of the General Statutes of Connecticut. Any income or proceeds received from the investment of funds shall be credited to and become part of the Trust. As custodian, the Comptroller shall issue checks or transfer moneys as directed by the Trustees

and approved by the Comptroller in accordance with the Trust's Annual Operating Expense Budget or the Trustees' formal vote on Affordable Housing proposals.

7. No monies held in the GAHTF Account, including interest and dividends earned, shall be transferred to any other account within the Town's operating or capital budgets. Any applicant who has paid a fee in lieu pursuant to the Town of Greenwich Building Zone Regulations and Section 8-2i shall not be eligible to apply for funds from the Trust for the same project. No expenditures shall be made from the Trust except as authorized in accordance with the provisions of this ordinance.

### **Sec. 6-328. - Affordable Housing Plan Required**

1. The Town's Planning & Zoning Director shall prepare a Greenwich Affordable Housing Plan (GAHP) pursuant to the requirements of CGS Title 8 Chapter 126a Section 8-30j while it remains effective and pursuant to the below or any other relevant State statutes, should such statute expire, be revised or substituted.
2. The GAHP shall be based upon and specify the Plan of Conservation & Development and for the Town and that of its Region with regard to housing goals and strategies, and shall be prepared a least every five (5) years or as required by applicable State law or municipal regulation. The Affordable Housing Plan shall be completed and adopted no later than nine (9) months after adoption of this Ordinance.
3. Pursuant to guidelines issued by the CT Department of Housing (DOH), and as may be subsequently revised by DOH, the GAHP shall include the following:
  - a. Community Values Statement
  - b. History of Affordable Housing in Greenwich
  - c. Housing Needs Assessment which shall include an analysis of the following data for the Town and its Region:
    - i. Demographics for the Town including current population, changes over time and projections for the future
    - ii. Housing Supply in Greenwich by operator and program and affordability level, and trends in the development of affordable housing options;
    - iii. Economic Indicators especially resident income and proportional spend on housing costs
    - iv. Gap Analysis which shows the difference between the housing available in town and what residents of the town and region can afford to pay.
  - d. Land Use and Zoning Assessment providing information on how the Town uses its land and what types of housing can be built where.
  - e. Housing Market Analysis for both rental and homeownership units including trends and developments with particular regard to housing cost and affordability

- f. Plan Principles, Goals and Actions with prioritization of affordable housing needs in Greenwich, taking into consideration, among other factors, affordability levels, demographic characteristics and specific conditions in individual neighborhoods;
  - g. Both Short as well as Long Term Strategies to address prioritized needs, including benchmarks for assessing the success in addressing those needs
4. The GAHP shall be adopted by the Greenwich Planning & Zoning Commission and the Representative Town Meeting. The Plan shall also be posted on the Town of Greenwich website for public inspection and shall be available in hardcopy at the Town Planning & Zoning Department and Town Clerk office for review during normal business hours.

**Sec. 6-329. - Budgeting, Reporting and Audit Requirement.**

1. The Board shall prepare an annual operating expense budget for the Trust. Said budget shall be incorporated into the Planning & Zoning's budget and submitted to the Office of the First Selectman, the Board of Estimate and Taxation and the Representative Town Meeting in compliance with Town of Greenwich mandated deadlines and requirements.
2. No liability or operating expense shall be incurred by the Trust which is not provided for in its annual budget, nor shall the Comptroller pay out any money for any purpose not authorized.
3. The Trust's accounts and records shall be included in the Town's Comprehensive Annual Report and shall be subject to annual independent audit by the independent auditor selected by the Town.

**Sec. 6-330. - Expenditures from Affordable Housing Trust Fund.**

1. The continuation of the Fund shall be perpetual, notwithstanding that from time to time said Trust may be unfunded.
2. Affordable housing funding decisions by the Trust must be approved by a super majority of five (5) members of its Board as required above.
3. Expenditures shall be made from the Trust only in accordance with the following procedures and requirements:
  - a. All expenditures listed below shall be based on and as prioritized by the Greenwich Affordable Housing Plan. Funds from the Trust shall only be used for the following authorized purposes:
    - i. Creation of affordable rental or homeownership housing units. To encourage the development of affordable housing through a variety of means including, but not limited to, the provision of favorable financing to developers of affordable housing, or by means of the direct write-down of costs for non-profit developers of affordable housing, or to subsidize the acquisition of sites, existing structures or designated affordable housing units which comprise a portion of a larger development

- containing housing which is not deemed affordable to persons of low and moderate income.
- ii. Multi-family rehabilitation program. To finance the rehabilitation, repair, renovation or alteration of existing and deteriorated multi-family residential properties in a manner that preserves or enhances the affordability of dwelling units within such properties through interest rate subsidies, or the direct subsidy of project costs.
  - iii. Limited Equity Cooperative or Condominium Conversion Properties. To assist in the acquisition, rehabilitation, repair, alteration or renovation of residential properties deemed appropriate for conversion to a "common interest community" as defined pursuant to CGS 47-202(7) and consistent with the Town's current Affordable Housing Plan.
  - iv. Studies to determine the affordable housing needs of Greenwich residents and for the preparation of the Greenwich Affordable Housing Plan. Selection of vendors for such service shall be compliant with Greenwich Purchasing Department standards and requirements.
  - v. Administrative expenses arising pursuant to the execution of Trust purposes and goals.
- b. Except for payments related to preparation of the GAHP, affordable housing needs studies and administrative expenses, no Expenditures shall be made from the Fund in absence of an approved GAHP and all expenditures must demonstrate how they meet the goals and priorities established therein.
4. Once the Fund has, for the first time, reached a level of three hundred thousand dollars (\$300,000.00) and all other relevant conditions have been met, the Board of Trustees shall thereafter accept, on a continuous basis, requests for funds for authorized purposes from eligible parties. Eligible parties include, but are not limited to, for-profit and not-for-profit housing developers or not-for-profit organizations with the goal of furthering affordable housing, along with the Housing Authority of the Town of Greenwich (Greenwich Communities). Individuals shall not be considered eligible parties. The Board shall review and make a determination whether or not to grant such requests.
  5. Whenever two million dollars (\$2,000,000.00) or more are available in the Trust, the Board of Trustees shall issue a Notice of Funds Available (NoFA) to solicit proposals for how to further the Town's Affordable Housing Plan. Such NoFA shall be issued no later than two (2) weeks after the first Board meeting after the monies in the Trust reach the above threshold. No later than seven (7) months after the issuance of the NoFA, the Board of Trustees shall render a decision on whether or not and how to fully or partially disburse the monies of the Fund.
  6. Any proposed expenditure over five hundred thousand dollars (\$500,000.00) approved by the Board of Trustees shall be submitted as a recommendation to the Board of Selectmen and the Representative Town Meeting. The Representative Town Meeting may reject such recommended expenditure within forty-five (45) days of receipt by a vote of two-thirds (2/3) of its members present and voting. If, within forty-five (45)

days of receipt of the recommendation, the Representative Town Meeting fails to reject such recommendation, it shall be considered approved.

7. The Board shall, at the end of each Fiscal Year, prepare a Report listing all projects supported, the expenditures approved, and a description of how the affordable housing needs and priorities complied with the Greenwich Affordable Housing Plan. Said report shall be completed and submitted to the Planning & Zoning Commission, the Representative Town Meeting, the Board of Estimate and Taxation and the Comptroller no later than September 15 of the following Fiscal Year. The chairperson of the Board shall present such Report at the next regularly scheduled meeting of the Representative Town Meeting. The Report shall also be posted on the Town's website for public inspection and shall be available in hardcopy at the Town of Greenwich Planning & Zoning Department and Town Clerk's office for review during normal business hours.

**Sec. 6-331. - Interpretation.**

Nothing in this Chapter shall be construed to limit any powers lawfully exercised by the Planning & Zoning Commission exercising the powers of such Commission pursuant to State Statute or Special Acts or to Article 9, Section 83 of the Greenwich Town Charter.