

POCD Action Item	Recommendation
<p>Affordable Housing Objectives (2009 POCD, pages 19 - 21).</p> <p>Affordable Housing is defined as housing where tenants receive no governmental financial support whatsoever to pay their rent or mortgage, but a developer/owner has voluntarily agreed to limit rents or sale prices to an amount which is widely affordable based on the Greenwich/Stamford/Norwalk Area Median Income.</p> <p>Subsidized Housing is defined as housing where government financial support or subsidy is offered either to unit owners or tenants to reduce housing cost to low-income tenants. Subsidy is defined as that portion of rent that is paid by a third party, other than the actual tenant.</p>	<p>The Housing Task Force (HTF) considered all of the Action Items assigned to it in the POCD in the context of a number of interrelated Greenwich affordable housing objectives that:</p> <ul style="list-style-type: none"> • Provide attractive, affordable housing options to meet the needs of the Town’s elderly, moderate-income workforce, and other residents challenged to find affordable Greenwich housing. • Develop an affordable housing program based on Greenwich’s unique housing market and Area Median Income characteristics. See attached 2011 Area Median Income (Attachment 1). • Preserve Greenwich’s unique neighborhoods and villages, and residential and open-space character. • Encourage residential uses in commercial areas to reduce stress on Greenwich’s infrastructure and Town resources. • Manage the affordable housing inventory to achieve and maintain an attractive and safe living environment. • Exercise appropriate Town oversight of the affordable housing program, including enforcing regulatory agreements and deed restrictions. • Provide continuing, flexible affordable housing funding from private and public sources – not necessarily municipal funding.
<p>3-5: Re-examine land use regulations to allow for</p>	<p>The Town should increase the qualifying income limits and make other changes to 6-110</p>

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<p>additional flexibility in the townhouse and neighborhood zones without changing the traditional land use patterns.</p>	<p>(g) to accommodate more affordable housing. Such changes will mitigate the need to develop in the Small Unit zone¹, and also eliminate the Neighborhood Zone² as it would no longer be needed. The existing zoning regulations for the Townhouse³ and Small Unit Zones would remain unchanged.</p> <p>Existing regulations should be modified so that zoning regulations and P&Z considerations would be applied to entities under common control, or with an identity of interests, for all zoning matters (e.g. adjacent lots owned by the same developer would be combined for purposes of P&Z approvals).</p>
<p>3.6: HATG should partner with public and private groups and agencies to provide subsidized housing.</p>	<p>The Housing Authority of the Town of Greenwich (HATG) should work with the Town as its partner in a collaborative way in the development of plans, programs and policies for subsidized housing in Greenwich, to insure that such housing is available to the broadest group of eligible citizens. The HATG should build relationships with subsidized housing developers so that the HATG could benefit from the expertise of these groups to accelerate the development process, optimize the development cost and avoid uncertainties in the review process. The first priority should be to upgrade and modernize the existing subsidized housing stock, enhancing the lives of those that live there while making it more appealing to the greater Greenwich community.</p> <p>HATG's priorities should be:</p> <ul style="list-style-type: none"> • To upgrade and modernize its existing inventory. • Develop and implement a strategic plan for renewal of existing units by HATG Board.

¹ Residential development that will serve the housing needs of Town residents and employees who seek small residential units at reasonable cost, as set forth in Sect. 6-62 of the Town Building Zone Regulations.

² Residential development that will serve the housing needs of Town residents, employees, and essential non-governmental agencies that are of moderate income as may be defined from time to time by the Housing Authority, as set forth in Sect. 6-86 of the Town Building Zone Regulations.

³ Residential development that will serve the housing needs of Town residents who desire housing with the conveniences and advantages of multi-family units and the amenities associated with single family detached units, as set forth in Sect. 6-74.1 of the Town Building Zone Regulations.

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	<ul style="list-style-type: none"> • Increase the number of available housing units by: optimizing current properties by building out to allowable densities; identifying and exploring new development opportunities such as foreclosed property and donated property; identifying and pursuing opportunities with Town and State owned land; and evaluating and presenting to the public existing development plans due to ever changing town perceptions. • Find developers that would provide turn-key subsidized housing developments. <p>The overall goal is to provide residents a chance to improve their lives and give future residents the same opportunity. In collaboration with social services agencies in Town, the HATG should work with current residents of family subsidized housing, if they are not already doing so, to develop skills leading to self-sufficiency. Such action would provide increased subsidized housing to others in need of this housing.</p>
<p>3.7: Encourage subsidized housing in areas that are served by transit and owned by HATG.</p>	<p>The HATG should:</p> <ul style="list-style-type: none"> • Focus development strategy on existing HATG properties that are on transit lines. • Investigate new development initiatives along transit lines, and • Publicize public and private transportation opportunities to HATG residents to increase use of public transit.
<p>3-8: Establish a Housing Taskforce to review current types of housing supply and demand, to perform additional planning working with other public and private agencies and to recommend new strategies.</p>	<p>The POCD Housing Task Force recommends establishing a self-sustaining Community Development Partnership (CDP) to coordinate all phases of the Town’s affordable housing strategy. The CDP should be structured to include a local housing trust fund, as well as education/outreach, development, financing, management, and compliance functions under a single self-funded public-private partnership. All aspects of the Town’s affordable housing strategy should be funded by a combination of private (developer buy-out provisions, private contributions) and public funding sources.</p>

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<p>3.9: Encourage increased utilization of the existing affordable accessory apartment regulations including the use of accessory buildings where appropriate.</p>	<p>Background: The HTF found that, with only one exception, Regulation 6-99 (a)(2) – Accessory Apartments in Single Family Dwellings in Single Family Zones (the Regulation) language appears to be up-to-date and functioning effectively to protect the interest of Town residents. The Regulation responds well to the current need of the Town from a technical standpoint. However, the opportunities afforded to homeowners under this regulation are not being utilized by Town residents in general or the elderly in particular. The HTF believes that much more needs to be done to fully incorporate the benefits of these regulations into the fabric of Town life.</p> <p>Therefore, the HTF’s recommendations are:</p> <p>Update the Regulation:</p> <p>The Regulation initially limits accessory apartment eligibility to structures built prior to 1980. The initial eligibility date should be updated to 2011. This update would require a change in the zoning regulations. A review for similar updates should occur at least every 5 years.</p> <p>Accessory Apartments:</p> <p>The Town should find mechanisms to reach out to resident homeowners to inform them of accessory apartment opportunities and requirements.</p> <p>The Elderly:</p> <p>The Town should identify an existing agency or organization to lead in coordinating counseling, training and providing personal assistance to the elderly eligible for accessory apartment opportunities. There are many non-profit groups assisting the elderly that could mobilize existing town resources.</p>
<p>3.10: Work with State legislators to modify Section 8-30g to use the median income of the Metropolitan Statistical Area (MSA) of Stamford-Norwalk, not the State median</p>	<p>Performed by First Selectman.</p>

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income which is too low for this area.	
<p>3-11: Consider zoning regulations to require a percentage of multi-family development units as moderate income housing.</p>	<p>There should be a Requirement and Incentive (both as defined below) to provide affordable housing units in any residential development, only where the current underlying zoning is commercial (e.g., R-MF, LBR, LB, CGB, CBGR, GB, and GBO zones).</p> <p>The Requirement is defined as 20% (rounded up to the nearest full unit) of all units developed in the Affordable Zone (e.g., 80% market-rate units, and 20% affordable units).</p> <p>The Incentive is defined as an additional 20 percentage point increase in existing affordable housing development incentives (i.e., zoning waivers and exceptions including but not limited to: FAR, building height [not to exceed four stories], parking, lot coverage ratio, square footage, building use, and similar incentives to be developed by the P&Z) in the Affordable Zone (except for R-6).</p> <p>There also is a Requirement where four-unit development is allowed in the R-6, R-7, and R-12 Conservation zones (collectively, together with the commercial zones, the Affordable Zone). In the R-6 zone, where the underlying zoning permits less than four-units, but a four or more unit development is proposed, the Requirement should apply, but not the Incentive (as defined below). An open issue is pre-existing, non-conforming illegal units in the R-6 Zone, which could be resolved by granting an affordable housing option and incentive as enforcement relief to the non-conforming use.</p> <p>The regulations should contain a Buy-Out Provision (“BOP”) that would allow a developer, with Town approval, to satisfy the Requirement by making a qualifying contribution to a housing trust fund managed by the CDP (see Action Item 3-8). The amount of the BOP should be equal to the average total development cost of proposed units multiplied by the number of Required Units. The BOP would be limited to 50% of</p>

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	<p>the required affordable units.</p> <p>There should be no Transfer Development Rights (“TDR”) (i.e., the ability to satisfy the Requirement by providing the required units in another zoned area) incorporated into the zoning regulations. The reason for precluding TDR is that the outcome of development and its effects on neighborhoods would be uncertain and possibly unfair to existing neighborhoods.</p> <p>The Town’s affordable housing policy should preserve the character of existing residential neighborhoods. Any allowed affordable housing development should be reasonably consistent with the neighborhood’s character.</p> <p>The Town should encourage small sites of affordable housing unit development and avoid structures inconsistent with neighborhood character. The Town should encourage affordable housing development only in areas with adequate existing Town infrastructure resources.</p> <p>The Requirement should be implemented by changes expanding the Town’s existing 6-110 regulations to accommodate the Town’s affordable housing objectives (see Affordable Housing Objectives), and unique housing market and area income levels. Certain existing regulations (e.g., the Small Unit Zone and the Neighborhood zone) should be adjusted to eliminate provisions inconsistent or redundant with the revised Reg. 6-110 (g) regulations.</p> <p>Reg. 6-110 (g) should be expanded to accommodate the Town’s desired priorities for affordable housing occupancy, and to mitigate limiting State and Federal regulations.</p> <p>Under 6-110 (g) the Town could set expanded qualifying income limits and occupancy requirements different from State and Federal requirements.</p>
<p>3-12: Encourage affordable and moderate income housing in areas served by transit.</p>	<p>After examining this issue, the HTF believes that its recommendation to provide affordable housing incentives through a revised Town zoning regulation 6-110 (g)</p>

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	accomplishes this recommendation (See Action Item 3-11).
3-13: Review BZR Section 6-110(g) Moderate Income Housing section to determine if incentives and restrictions are adequate to encourage development of moderate cost housing.	See Action Item 3-11 .
3-14: The Board of Selectmen should consider establishing a housing section within the current Community Development Office.	See Action Items 3-8 and 3-20 .
3.15: Develop partnerships between and among social service agencies to expand “age in place.”	<p>Commission on Aging (COA) should maintain a liaison with Southwestern Connecticut Agency on Aging (SWCAA) to monitor the impact of funding reductions in maintaining seniors in the least restrictive environment.</p> <p>COA should initiate meetings with Senior Provider Network (SPN) non-profit and for-profit community-based care providers to identify and address barriers to Greenwich seniors aging in place.</p> <p>COA should initiate meetings with SPN non-profit and for-profit community-based care providers to prepare for the increase in Baby Boomers aging into the service network.</p> <p>COA should continue to effectively communicate senior services to seniors, their family members and their professional advisers and doctors.</p>
3.16: Update [broaden] the range of housing choices available.	<p>The Town of Greenwich should encourage the development of more housing appropriate for the elderly.</p> <p>The Commission on Aging should:</p> <ul style="list-style-type: none"> • Maintain and update a record of the inventory of senior housing by type with wait times on the respective waiting lists. • Study the Continuing Care Retirement Community zone to determine if it meets

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	<p>current and future senior affordable housing needs.</p> <ul style="list-style-type: none"> • Encourage HATG efforts to improve and expand its existing senior housing inventory. <p>The HATG should:</p> <ul style="list-style-type: none"> • Investigate expanding current housing stock on existing properties. • Investigate development of affordable Assisted Living developments. • Investigate services in existing housing developments so that seniors may age in place.
<p>3.17: Upgrade the various elderly housing developments as needed.</p>	<p>The HATG should continue to request Community Development Block Grant (CDBG) funding and to explore additional resources to provide for capital needs for Elderly Housing.</p>
<p>3.18: Promote the use of elderly accessory apartments and review the current Building Zone Regulations to provide more flexibility for creation or conversion.</p>	<p>See Action Item 3-9.</p>
<p>3.19: Consider revising existing Building Zone Regulations to allow, or require affordable and moderate income housing where appropriate in areas served by transit (bus routes and train stations).</p>	<p>See Action Item 3-12.</p>
<p>3-20: Develop a strategy for housing enforcement.</p>	<p>Compliance with, accountability for, and enforcement of, the Town’s affordable housing policy should be a Town priority and responsibility. The Town should authorize an employee position to ensure such compliance and enforcement, the cost of which should be offset by non-tax revenues including, but not be limited to, the CDP housing trust fund, or new developer fees.</p> <p>The Town should require owners of affordable housing rental units to certify annually</p>

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	compliance with health and building codes.
3-21: Review the BZR to determine if the desired housing types and patterns are being properly addressed for Town needs.	See Action Item 3-11 .
Affordable Housing Objectives (Preserving Greenwich's unique neighborhoods and villages, and residential and open-space character.)	See Action Item 3-11 .
Affordable Housing Objectives (Provide attractive, affordable housing options to meet the needs of the Town's elderly, moderate-income workforce, and other residents challenged to find affordable Greenwich housing.)	<p>The Town's affordable housing policy should encourage varying demographics (differing income levels and age groups) Town-wide. In its discretion, the Town should encourage such diversity within each affordable housing development.</p> <p>The Town's affordable housing policy should give priority to seniors, people with special needs, those serving the town's workforce needs, including first responders and essential service providers, and then all other Town residents. We anticipate that many of the Town's 8-30 (g) goals will be met by implementing these priorities.</p>

**2011 INCOME LIMITS
AREA MEDIAN INCOME (STAMFORD-NORWALK)**

Effective as of 05/31/2011

Stamford-Norwalk, CT Household Median Family Income = \$126,600.

AREA LOW-INCOME LIMITS AND MAXIMUM RENTS
Low-Income Households (80% of Area Median Income) = \$101,280

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON
INCOME	\$70,900	\$81,020	\$91,150	\$101,280	\$109,380	\$117,480
RENT	\$1,770	\$2,030	\$2,280	\$2,530	\$2,730	\$2,940

MODERATE-INCOME FAMILY DWELLING UNITS (MID)
Maximum Income Limits, Sale Price and Rent Amounts
Greenwich Building Zone Regulations 6-110(g)
Recommendations – 12/27/11

TO QUALIFY AS MODERATE INCOME FAMILIES:

Current Income Limits are determined by multiples of median annual Town (Municipal and Board of Ed) wages:
 As of 06/30/2011, the median annual Town wages = \$68,602

1 Person Family	(1.2 x \$68,602) =	\$82,322 maximum household income
2–3 Person Family	(1.5 x \$68,602) =	\$102,903 maximum household income
4–5 Person Family	(1.8 x \$68,602) =	\$123,484 maximum household income
6 Person Family	(1.9 x \$68,602) =	\$130,344 maximum household income

Recommended Income Limits – based on Area Median Income

Current Area Median Income for a family of four is \$126,600

Based on the above, Area Median Income, for different size households is:

1 Person:	\$88,620
2 Persons:	\$101,280
3 Persons:	\$113,940

HUD Defines “Moderate Income” as Households earning 80% of the Area Median Income. We suggest using 100% of the area median to set the income limits for Greenwich Moderate Income Dwelling Units, recognizing that Greenwich housing costs are among the highest in the region.

Recommended Income Limits: The following changes are proposed:

1 Person Family	\$88,620 maximum household income (70% of 4 person)
2 Person Family	\$101,280 maximum household income (80% of 4 person)
3 Person Family	\$113,940 maximum household income (90% of 4 person)
4 Person Family	\$126,600 maximum household income (established by HUD)
5 Person Family	\$136,728 maximum household income (8% over 4 person)

GUIDELINES FOR MAXIMUM RENT AND SALES PRICE (NEW UNITS ONLY)

Current Calculation: Rent = 2% of median annual Town (Municipal & Board of Ed) wages

Maximum Rent = 2% of \$68,602 = \$1,372 (regardless of the size of the unit)

Recommendation:

Adjust maximum rent calculation to match HUD’s 80% of Area Median Income Guideline and adjust numbers to reflect # of BR in unit:

1 BR	(80% of \$88,620 = \$70,896)	2% of 70,896 =	\$1,418 maximum rent
2 BR	(80% of \$101,239 = \$81,024)	2.5% of \$81,024 =	\$2,026 maximum rent
3 BR	(80% of \$113,900 = \$91,152)	2.75% of \$91,152 =	\$2,507 maximum rent

Current Calculation: Initial Sale = 4 x median annual Town (Municipal & Board of Ed) wages
 Maximum Sale = 4 x \$68,602 = \$274,408 (regardless of the size of the unit)

Recommendation:

Adjust maximum initial sales price calculation to consider # of BR in unit. Base the initial sales price on the area median income:

1 BR	(3 x \$88,620) =	\$265,860 maximum sales price (new unit)
2 BR	(3.5 x \$101,280) =	\$354,480 maximum sales price (new unit)
3 BR	(3.7 x \$113,940) =	\$421,578 maximum sales price (new unit)

GUIDELINES FOR MAXIMUM RESALE PRICE

Current Calculation: the resale price shall not exceed the original purchase price increased at the rate of 0.5% per month, non-compounded.

Example - Unit purchased for \$100,000. Purchaser lives in unit for ten years and then decides to move on. In this example, maximum resale price under current rule is \$100,000 increased by .5% x 120 months = \$160,000

Recommendation:

Use same calculation as maximum initial sales price in order to keep units affordable and in line with the area median income:

Adjust maximum sales price calculation to consider # of BR in unit. Keep the original calculation to keep the units affordable to the target population:

1 BD	(3 x \$88,620) =	\$265,860
2 BD	(3.5 x \$101,280) =	\$354,480
3 BD	(3.7 x \$113,940) =	\$421,578

Under this recommendation, sales prices go up in conjunction with area median income. This recommendation keeps the sales prices tied to affordability for the target populations as opposed to the current guidelines which are tied to appreciating real estate values, regardless of what happens with wages. Under this new recommendation, there is a disincentive to stay in the moderate income dwelling for an extended period of time, as the property will appreciate in value at a rate that is likely to be much lower than the rate of appreciation on market rate housing.

POTENTIAL IMPACT OF PROPOSED REGULATIONS:

Under the current regulations, a new Moderate Income Dwelling unit could have been purchased for a maximum of \$182,212 (4 x \$45,553 – median town wage) in June of 2000. Under the proposed regulation, tied to area median income, the unit would have been sold originally, in June of 2000, for a maximum of \$215,040 (3 x \$71,680 – area median income for one person). Under the current regulations, this unit could have been resold in June of 2010 for a maximum of \$291,539 (original price increased by 120 months x .5 per month = 60%). This unit, under the proposed new regulations could have been resold in June of 2010 for a maximum of \$263,970 (3 x \$87,990 – median income for one person). **See examples illustrated in chart that follows:**

	Purchase Price (2000)	Maximum Resale (2010)
Current Regulations:	\$182,212	\$291,539
Proposed Regulations:	\$215,040	\$263,970

	Purchase Price (1996)	Maximum Resale (2011)
Current Regulations:	\$177,148	\$336,581
Proposed Regulations:	\$174,090	\$265,860

From June of 1996 through June of 2011, median town wages (municipal and Board of Education) have increased from \$44,287 to \$68,602, an increase of 55% - which is the same percentage that the maximum initial sale price of a new moderate income dwelling increased (from \$177,148 to \$274,408), in accordance with the existing regulations. However, the maximum resale price of an existing moderate income dwelling went up 90% (from \$177,148 to \$336,581 – 180 months x .5). Though the intention of these regulations was and is to keep these units affordable to people earning median town wages, in fact, the 90% increase puts the maximum resale level at \$60,000 over the amount considered affordable to the target population and \$60,000 over the maximum allowable sale price of a new unit. See **additional illustrations and comparisons in chart that follows:**

	1996	2011	Dollars Inc.	Perc. Inc.
Town Median Wages	\$44,287	\$68,602	\$24,315	55%
Initial Sale Price under 6-110(g)	\$177,148	\$274,408	\$97,260	55%
Resale under current 6-110(g)	\$177,148	\$336,581	\$159,433	90%
Area Median Income (1 person)	\$58,030	\$88,620	\$30,590	52.7%
Initial Sale Price Proposed	\$174,090	\$265,860	\$91,770	52.7%
Resale Proposed	\$174,090	\$265,860	\$91,770	52.7%
Resale Price based on Inflation	\$174,090	\$251,016	\$76,926	44.2%

The proposal to set both initial maximum sales price and maximum resale prices in line with the Area Median Income (which is derived by HUD), ensures that these units will be affordable to the target population in perpetuity. It also means that the purchase of a Moderate Income Dwelling is a good move for someone seeking a place to live in Greenwich, but it is not a great investment when compared with the potential earnings on market rate real estate. The resale value of the Moderate Income Dwelling should not decrease over time, and using 1996-2011 as an example, the increased value did exceed the rate of inflation (52.7% versus 44.2%), but the increased value is significantly less than the increase under the current regulations.

It is important to note, however, that if you use a different period (2000 to 2010) as an example, the increased value actually trails the rate of inflation. Using the first example above (top of this page), the price (both initial and resale) under the proposed regulations goes from \$215,040 to \$263,970, an increase of 22.7%. However, in that time period, the rate of inflation change was actually 26.6%, which would have increased the value of the unit from \$215,040 to \$272,303. This occurred because there were two years within this ten year time period, (2002 to 2003 and 2006 to 2007) in which the area median family income actually declined. The shifting percentages may prove to be a positive incentive, encouraging unit owners to take advantage of the opportunity when they truly need it, but also encouraging them to move on when their income increases to the point at which they might be able to enter the typical real estate market, making their unit available for resale to provide needed assistance for another moderate income individual or family.