

**AFFORDABILITY PLAN FOR BELOW MARKET RATE (BMR) DWELLING
UNITS AT 750 SUMMER STREET**

PREPARED BY:

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Stamford, CT 06907

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INTRODUCTION

RMS 750 Summer Street, LLC submits this Affordability Plan to the City of Stamford for management of Below Market Rate (BMR) Dwelling Units at 750 Summer Street, Stamford, Connecticut.

This Plan is intended to implement the land use approvals issued by the City of Stamford for 750 Summer Street development under Section 10-H of the Zoning Regulations, and to comply with the Affordable Housing Guidelines ("Guidelines") approved by the Zoning Board on October 1, 2001, attached hereto as Exhibit A, and with the federal and state fair housing laws, 42 U.S.C. §§ 3601 et seq., and Conn. Gen. Stat. §§ 46-64c et seq.

Several additional provisions of this Affordability Plan governing only the initial leasing of BMR units at 750 Summer Street are stated in Exhibit D, attached. Any applicant who seeks occupancy during the initial leasing of BMR units should review Exhibit D.

EXHIBITS

- A. Affordable Housing Guidelines, adopted October 1, 2001 and subsequently modified
- B. HUD Income
- C. 750 Summer Street BMR Unit Designations
- D. Procedures and Timetables for Initial Leasing of BMR Units
- E. Qualification Standards for Prospective Residents
- F. Stamford Zoning Regulations
- G. Regulations of CT State Agencies 8-37ee-3—et. Seq. Affirmative Fair Housing Marketing Guidelines

I. Homes Designated as Below Market Rate (BMR) Dwelling Units

3 of the 58 units at 750 Summer Street will be designated as Below Market Rate (BMR) Dwelling Units, as defined in Article III, Section 7.4 of the Stamford Zoning Regulations and the Affordable Housing Guidelines ("Guidelines"). The specific units designated as BMR Dwelling Units are set forth in Exhibit C attached hereto.

II. Affordability Period

The required minimum percentage of BMR Dwelling Units shall be maintained for as long as the building exists.

III. Construction and Dispersion

The BMR Dwelling Units shall be built and offered for rental as they are constructed. The proposed designation of BMR Dwelling Units is identified in Exhibit C. The BMR Dwelling Units shall be offered in roughly pro-rata amounts as market rate units are offered throughout the building.

IV.

enforcement powers stated in Section XIV of this Plan. RMS 750 Summer Street, LLC hereby represents that its staff has the experience necessary to administer this Plan and to carry out all duties set forth in Section IV of the Guidelines. The role of Affordable Housing Manager may be transferred or assigned by RMS 750 Summer Street, LLC to another entity, provided that such entity has the experience and qualifications to administer this Plan, and provided that RMS 750 Summer Street, LLC provides timely written notice to and receives prior written approval from the City.

V. Reporting Requirements

It is acknowledged by RMS 750 Summer Street, LLC that the BMR Dwelling Unit program, as implemented by the Guidelines, constitutes an important public policy program of the City of Stamford, and therefore requires reporting to City agencies and officials as necessary to ensure proper implementation and compliance. Therefore, following completion of the reporting requirements for the initial leasing period set forth in Exhibit D, RMS 750 Summer Street, LLC, as Affordable Housing Manager, shall, no later than January 31 of each year, file with the Zoning Board, the City's Planning Department, the Stamford Community Development Office, and the Office of the Mayor, the following information, accurate as of the report date:

- A. Total number of units available for occupancy, with unit vacancies listed.
- B. Total number of units occupied.
- C. Total number of BMR Dwelling Units available for occupancy, with unit vacancies listed.
- D. Total number of BMR Dwelling Units occupied.
- E. The total income reported by the tenant household during the application or recertification process and certified by RMS 750 Summer Street, LLC as satisfying the BMR Dwelling Unit program criteria; the total number of persons occupying the unit; the occupation of each adult resident of the unit, as reported during the application or recertification process; and the gross and net rent, utility allowance, and any mandatory fees paid for the current occupancy of the unit. Such information shall be reported without inclusion of or reference to the names of the occupants. The receipt, handling, custody, access to, and storage of application materials and household income information shall be subject to the enforcement and inspection provisions set forth in Section XIV of this Plan.
- F. A summary, without names, addresses, or other identifying information, of reasons given in writing by the Affordable Housing Manager for the rejection of any household after completion of an application package, or for dismissal from the waiting list.
- G. The total number of persons/households on the Waiting List, reported by preference category and unit size qualification.

VI. Affirmative Fair Housing Marketing Plan

The availability of the BMR Units at 750 Summer Street shall be publicized using the State regulations for affirmative fair housing marketing programs as guidelines (Schedule G). The purpose of such efforts shall be to apprise residents of municipalities of relatively high concentrations of minority populations of the availability of such units. Notices of initial availability of units shall be provided, at a minimum, by advertising at least two times in a newspaper of general circulation in such identified municipalities. The AHM shall also provide such notices to the Zoning Board. Such notices shall include a description of the available BMR Units, the eligibility criteria for potential renters, the maximum rental price (as hereinafter defined), and the availability of application forms and additional information.

Using the above-referenced State regulations as guidelines, dissemination of information about available affordable and market rate units shall include:

- A. Analyzing census, Connecticut Department of Economic and Community Development city profiles, and other data to identify racial and ethnic groups least likely to apply based on representation in Stamford's population, including Asian Pacific, Black, Hispanic, and Native American populations.

- B. Announcements/advertisements in publications and other media that will reach minority populations, including newspapers, such as the Stamford Advocate or radio stations serving Stamford and other cities and towns in the metropolitan statistical area and regional planning area, and advertisements or flyers likely to be viewed on public transportation or public highway areas.
- C. Announcements to social service agencies and other community contacts serving low-income minority families (such as churches, civil rights organizations, the housing authority and other housing authorities in nearby cities and towns, legal services organizations, etc.).
- D. Assistance to minority applicants in processing applications.
- E. Marketing efforts in geographic area of high minority concentrations within the housing market area and metropolitan statistical area.
- F. Beginning affirmative marketing efforts prior to general marketing of units, and repeating again during initial marketing and at 50 percent completion.

VII. Tenant Eligibility

Maximum and minimum income limits and eligibility of families or households to rent a BMR Dwelling Unit of particular bedroom size at 750 Summer Street shall be determined in accordance with the Guidelines, Sections VI and VII.

VIII. Application Process

A family or household ("Applicant") seeking to rent one of the BMR Dwelling Units must complete an application to determine eligibility. The application form and process shall comply with the Fair Housing Acts.

A. Application Form

The application form shall be provided by the Affordable Housing Manager and shall include forms and notices substantially in the form set forth in Exhibit E. In general, income for purposes of determining an Applicant's qualification shall include the Applicant family's total anticipated income from all sources for the twelve (12) month period following the date the application is submitted ("Application Date"). If the Applicant's financial disclosures indicate that the Applicant may experience a significant change in the Applicant's future income during the twelve (12) month period, the Affordable Housing Manager shall not consider this change unless there is a reasonable assurance that the change will in fact occur. In determining what is and is not to be included in the definition of family annual income, the Affordable Housing Manager shall use the criteria set forth in Section VII of the Guidelines, and for items not covered by the Guidelines, may refer to or seek guidance from 24 Code of Fed. Regs. § 5.609, as amended.

B. Applicant Interview

The Affordable Housing Manager shall interview an Applicant upon submission of the completed application. Specifically, the Affordable Housing Manager shall, during the interview, undertake the following:

1. Review with the Applicant all the information provided on the application.
2. Explain to the Applicant the requirements for eligibility, verification procedures, and the penalties for supplying false information.
3. Verify that all sources of family income and family assets have been listed in the application. Make clear that the term "family" includes all individuals who are to occupy the home, and that no relationship by blood or marriage is required.

4. Require the Applicant to sign the necessary release forms to be used in verifying income. Inform the Applicant of what verification and documentation must be provided before the application is deemed complete.
5. Inform the Applicant that a decision as to eligibility cannot be made until all items on the application have been verified.
6. Review with the Applicant the process and restrictions regarding re-certification and renewal.

C. Verification of Applicant's Income

Where it is evident from the income certification form provided by the Applicant that the Applicant is not eligible, additional verification procedures shall not be necessary. However, if the Applicant appears to be eligible, the Affordable Housing Manager shall require verification of the Applicant's reported income.

D. Application Fee

RMS 750 Summer Street, LLC will charge an application fee of \$50 for the purpose of covering its administrative expenses in processing applications for first time occupancy, including payments for the use of third-party credit reporting services. No application fee shall be charged for recertification, renewal, or in-building relocation of an existing tenant.

IX. Prioritization of Applicants

Applicants shall be served on a first-come, first-served basis. The waiting list shall be exhausted before the Affordable Housing Manager makes a BMR Dwelling Unit available to the general public.

X. Maximum Rental Price

Calculation of the maximum rental price ("Maximum Rental Price") for a BMR Unit, so as to satisfy the BMR Unit Regulations, shall be determined, maintained, and updated annually when the AMI and Utility Allowances are published by the AHM. Such calculation shall utilize the median household income statistics of the SMSA, as in effect on the day a rental application is accepted by the AHM. The AHM may make such adjustments to calculation factors, except those expressly dictated by the BMR Unit Regulations or published data sources, as are necessary to achieve the goals of the BMR Unit Program. The criteria for pricing one bedroom BMR Units shall be the SMSA median income for families of one and one-half persons; two bedroom BMR Units shall be priced based on the SMSA median income for families of three persons; and three bedroom BMR Units shall be priced based on the SMSA median income for families of four and one-half persons. Using the 2014 data as an example, the Maximum Rental Price shall be calculated as follows:

<u>EXAMPLE OF CALCULATION OF RENTAL PRICE FOR TWO BEDROOM RENTAL FOR FAMILY EARNING LESS THAN 50 PERCENT OF THE AREA MEDIAN INCOME</u>	<u>SAMPLE COMPUTATIONS BASED ON FY 2014 DATA</u>
1. Median family income for the Stamford Standard Metropolitan Statistical Area (SMSA):	\$125,100
2. Determine the adjusted income for a household of 3.0 persons by calculating 90 percent of Item 1:	\$112,590
3. Calculate 50% percent of Item 2:	\$56,295
4. Calculate 30 percent of Item 3, representing the maximum portion of a family's income that may be used for housing:	\$16,888
5. Divide Item 4 by 12 to determine the maximum monthly outlay:	\$1,407
6. Section 8 utility allowance, as determined by the Stamford Housing Authority for a 2 bedroom:	\$151

7. Subtract utility allowance (Item 6) from maximum housing expense (Item 5) to determine maximum rent: \$1,256

XI. Required and Optional Services and Amenities

Rents for BMR Dwelling Units shall be net rents that shall include all amenities that are provided free of charge or are bundled as a mandatory package for tenants in market-rate units. Amenities included in such net rent at 750 Summer Street shall include one parking space; access to the amenity area; but shall not include telephone, cable TV, internet service or other telecommunications services.

RMS Companies, LLC, as Affordable Housing Manager, may establish other fees for optional or discretionary services such as internet services, in-house television services, a non-refundable and monthly pet fee, storage fee, and additional parking space fee.

XII. Principal Residence

BMR Dwelling Units shall be occupied only as an Applicant's/Tenant's principal residence. Subleasing of BMR Dwelling Units shall be prohibited, and such prohibition shall be stated in the lease or lease rider.

XIII. Change of Income or Qualifying Status of Tenant of Rental Unit

If a BMR Dwelling Unit is rented, in the event that a BMR Dwelling Unit Tenant's income changes so as to exceed the qualifying maximum, or if the Tenant otherwise becomes disqualified, the procedures set forth in the Guidelines, Section XIII, shall be followed.

XIV. Enforcement

A violation of this Affordability Plan shall not result in a forfeiture of title, but the Stamford Zoning Board shall otherwise retain all enforcement powers granted by the General Statutes or any Special Act, which powers include, but are not limited to, the authority, at any reasonable time, to inspect the property and to examine the books and records of the BMR Dwelling Unit program to determine compliance of BMR Dwelling Units with the applicable regulations, the Guidelines, and this Plan. RMS 750 Summer Street, LLC agrees to collect and maintain all books, records, files, and information necessary to permit the City or the Zoning Board to determine compliance with the Guidelines or this Plan. The City Zoning Enforcement Officer and the Director of Public Safety, Health and Welfare shall be permitted to inspect the property and examine all books, records, application forms, waiting lists, and rent rolls of the BMR Dwelling Unit program, including the household income information provided by Applicants or Tenants, provided that all such applicant and tenant information shall be confidential and shall not be deemed a public record, subject to disclosure under the Freedom of Information Act. Notwithstanding the zoning enforcement powers possessed by the Stamford Zoning Board under the Stamford Zoning Regulations, and subject to any contract or agreement providing otherwise, the City of Stamford and the Stamford Zoning Board retain all rights to pursue all legal and/or equitable remedies available to them and to assert any and all claims and causes of action against any person, firm, corporation, or other legal entity arising from the administration of this Plan.

**EXHIBIT A
Guidelines for the Management of BMR Dwelling Units**

As of October 1, 2001

I. Introduction

In order to promote the development of housing affordable to persons and families of low and moderate income, the Zoning Board of the City of Stamford (the Zoning Board or Zoning), as a condition of development, may require developers of market rate rental housing units to set-aside Below Market Rate units within their developments, or to provide Below Market Rate units at another site.

II. General Intent

In compliance with applicable law including, but not limited to, the Connecticut and Federal Fair Housing Acts, these Guidelines set forth standardized compliance procedures for developing and managing all Below Market Rate rental units (BMR) required to have been built as a condition of development in Stamford. Should any section of these Guidelines be invalidated, such invalidated section shall be deemed severable, and the remaining Guidelines shall remain in effect.

Notwithstanding the fact that individual developments can be subject to project-specific conditions, the following general principles shall apply to all BMR's that fall within the jurisdiction of these Guidelines.

- BMR units shall not be materially different from market rate units in the same development in terms of size, amenities, services, utilities, maintenance standards or any other aspect that will materially affect the value of the unit to a tenant, except as specified in these Guidelines;
- Prior to receiving a Certificate of Occupancy, the owner of any development subject to a BMR requirement as a condition of development must record an Affordability Plan approved by the Zoning Board on the Stamford Land Records.

III. Affordability Plans

No Affordability Plan will be approved unless, at a minimum, it:

- Identifies the BMR units;
- Evidences that BMR units have been distributed throughout the development;
- Designates an entity responsible BMR Management, as defined herein;
- Notwithstanding the foregoing, the Affordability Plan shall acknowledge the City's intent and right to designate an Affordable Housing Manager (AHM), either an individual or organization, to manage a citywide BMR program and shall state the owner's agreement to pay reasonable compensation to the AHM and to fully delegate BMR Management to the AHM, including such additional activities as required to ensure an orderly transition;
- Describes any credit and reference standards employed in tenant selection and certifies that these standards will be uniform with respect to market rate and BMR applicants;
- Describes any site-specific requirements that may impact the management of BMR units; and
- States a commitment to provide affordable housing in compliance with these Guidelines, the zoning regulations, and the ordinances of the City of Stamford, as each may be amended from time to time.

IV. BMR Management

For the purposes of these Guidelines, BMR Management shall include the following activities as specified in these Guidelines:

- Marketing the availability of BMR units to the public if there are not sufficient applicants on a waiting list to fill anticipated vacancies;
- Accepting applications from the public for BMR dwelling units;
- Determining the eligibility of those applicants;
- Implementing tenant-selection preferences;
- Maintaining waiting lists for BMR units;
- Selecting eligible tenants for BMR units;
- Performing annual recertification of tenant eligibility;
- Ensuring that rents are set in accordance with these Guidelines;
- Ensuring that amenities are provided in accordance with these Guidelines;
- Implementing procedures for changes in tenant circumstances;
- Monitoring owner compliance with these Guidelines and the approved Affordability Plan;
- Providing at least annual reports of activities, program compliance, and program finances as requested by the Zoning Board.

The Zoning Board may appoint an Affordable Housing Manager (AHM) to implement these Guidelines. In the event that no AHM has been appointed, the entity designated in the approved Affordability Plan will be responsible for BMR Management. Oversight of the abovementioned activities will be undertaken by the Director of Public Safety, Health and Welfare.

V. Applications

Applications shall be accepted from the public for BMR housing units except if the waiting list for any particular size unit cannot reasonably be expected to be housed within 2 years.

An application shall be complete once it contains sufficient documentation to verify preferences and income eligibility, provided that a reasonable opportunity will be provided to applicants to produce additional documentation.

In the event that a prospective applicant is unable to apply because a waiting list is closed, information will be provided about how the next opening of the waiting list will be publicized and any other relevant information about the application process.

VI. Eligibility – Household Size

Eligibility for each class of BMR units shall be based on household size or other factors. Typical eligibility will be as follows:

- A household consisting of two or fewer individuals may be eligible for a one-bedroom BMR unit.
- A household consisting of three or four persons may be eligible for a two-bedroom BMR unit.
- A household consisting of four or more persons may be eligible for a three-bedroom BMR unit.

No household shall occupy a BMR unit with more bedrooms than the household has numbers. For example, a household consisting of two individuals shall not be eligible to occupy a BMR unit with more than 2 bedrooms.

Notwithstanding these general Guidelines, any documented special needs of household members, any particular household configuration, and income-eligibility may be considered by the AHM when determining the appropriate class of BMR unit.

VII. Eligibility – Income

Eligibility at the time of application, at the time of initial leasing, and during occupancy of any BMR unit shall be determined based on the most current statistics of Area Median Income (AMI) for the Stamford Standard Metropolitan Statistical Area (SMSA) as published and periodically revised by the U.S. Department of Housing and Urban Development (HUD).

Income limits (Maximum): The income of a household at the time of initial occupancy in a BMR unit shall not exceed the AMI, adjusted for household size, times the affordability percentage specified in the zoning regulations and the Affordability Plan. If no income limits are specified in the applicable zoning regulations, the HUD Low-Income standard, as annually published by that agency, shall be used. The income of an applicant household seeking to be placed on the waiting list for a BMR unit shall not exceed the AMI, adjusted for household size, times 60%.

Minimum income: The income of a household at the time of initial occupancy must be at least 2.5 times the annual rent

Gross Income means the total annual income from all sources of all members of the household except income received by a family household member (other than the head of household or spouse) who is under 18 years old or a full-time student of any age. Income includes but is not limited to compensation for employment services,

interest, dividends, rent, pension benefits, government benefits, unemployment compensation, welfare payments, disability income, support payments, and return-on-assets income as defined below.

Return-on-Assets Income shall include the dollar amount resulting from multiplying the value of the net household assets by 10% after excluding the first \$5,000 in assets.

Net Household Assets means the total value of equity in real property, including gains from the sale of real property, savings and other forms of capital investment of all household members, but not including equity in a business operation where that business operation is the principal means of support of the household, amounts in an irrevocable trust fund or the value of personal property (e.g., car, furniture, etc.)

For holders of Section 8 Vouchers or certificates or other similar instrument of governmental housing subsidy, or in the case of project-based Section 8, minimum income will be calculated based on the Net Rent less the amount of assistance provided under the relevant program.

The appendix to these Guidelines shows income limits and sample rents. This appendix will be updated at least annually by the Director of Public Safety, Health & Welfare.

VIII. Preferences

In determining eligibility of applicants for placement in BMR units, any preferences or other criteria included in the Zoning Regulations for the relevant zoning district, or any special exception or other conditional approval by the Zoning Board, shall be implemented.

IX. Waiting List

At the time of initial leasing of BMR units, or when an insufficient number of applicants is available on an existing waiting list, an affirmative marketing effort should be undertaken to publicize the availability of BMR units, the process for application, and the waiting list system.

If there are more eligible applicants for any class of BMR units (i.e. one-bedroom) than there are units, a waiting list for that class shall be established. The AHM may utilize a lottery or time-of-application system to determine waiting list order. Eligible applicants shall be placed on the waiting list for the appropriate class of apartment and shall be ordered by the results of a lottery or time-of-application system.

An applicant may refuse an available appropriate BMR unit one time and remain on the waiting list. Upon a second refusal, the applicant will be removed from the waiting list. Applicants shall be notified of their options with regard to refusing a unit at the time that a unit is offered.

Based on the annual determination of eligibility, ineligible applicants shall be removed from the waiting list. Such applicants shall be notified by certified mail at least 5 working days prior to such removal.

X. Credit and Reference Checks

Prior to occupancy in a BMR unit, an eligible applicant may be required by the owner to meet specific credit and reference standards, as included in the Affordability Plan for the relevant development and approved by the Zoning Board.

XI. Rents

The monthly net rents charged for BMR units shall be calculated as follows: The BMR rent for a one-bedroom BMR unit shall be based on the AMI adjusted for a household size of 1.5 (75% of AMI). The BMR rent for a two-bedroom BMR unit shall be based on the AMI adjusted for a household size of 3 (90% of AMI). The BMR rent for a three-bedroom BMR unit shall be based on the AMI adjusted for a household size of 4.5 (104% of AMI). The monthly gross rent shall be equal to the appropriate AMI, times the affordability level of the BMR unit, divided by twelve, multiplied by 0.3. If any utilities are separately billed throughout the development, a utility allowance must be deducted from the gross rent to determine the net rent. Utility allowances shall be the Section 8 utility

allowances determined annually by the Housing Authority of the City of Stamford. A schedule of BMR rents shall be made available by the City of Stamford and updated regularly.

XII. Amenities

Rents for BMR units are net rents that include all amenities, whether provided free of charge or bundled in a mandatory package, including one parking space, but not including telephone, cable television, or other telecommunications services.

XIII. Changes in Tenant Circumstances

In the event that a tenant’s income increases beyond the income limit for the BMR unit, based on annual recertification of income, the following restrictions shall apply:

- If a tenant’s income exceeds the income limit for the BMR unit by less than 10 percentage points (i.e. a tenant at 59% of AMI in a BMR unit designated for a household at 50% of AMI), no restrictions shall apply.
- If a tenant’s income exceeds the income limit for the BMR unit by 10 percentage points or more but still has income below 80% of the Area Median Income (i.e. a tenant at 60% to 79% of AMI in a BMR unit designated for a household at 50% of AMI), The tenant will be able to occupy the unit for no more than one year following the recertification. However, if the tenant’s income remains below 50% of AMI (i.e. in the case of a tenant with income at 45% of AMI in a BMR unit designated for a household at 25% of AMI), the tenant shall be permitted to remain in the unit until a BMR unit at the appropriate affordability level is available.
- If a tenant’s income exceeds 80% of the AMI at an annual recertification, that tenant Shall be notified in writing that they will no longer be eligible to occupy BMR unit and that within 90 days after such recertification, the tenant must vacate the unit.

If a tenant in a BMR unit experiences an increase in household size, they may be placed at the top of the waiting list for an appropriate sized BMR unit.

XIV. Annual Rent Changes

At the annual income recertification for each tenant, the rent for each BMR unit will be set based on the latest rents set by the City of Stamford and utility allowances released by HACs.

XV. Security Deposits

Tenants in BMR units shall be responsible for paying security deposits. Owners of BMR units shall not charge more than 2-times the monthly rent for the BMR unit as a security deposit. The AHM shall advise all applicants on the waiting lists of this requirement.

Appendix

Sample Income Guidelines and Below Market Rents: effective September, 2001

Unit size:	1 BR	1 BR	2 BR	2 BR	3 BR	3 BR
Household size:	1	2	3	4	4	5
25% of AMI						
Maximum Income:	19,215	21,960	24,705	27,450	27,450	29,646
Minimum income:	13,152	13,152	15,368	15,368	17,262	17,262
50% of AMI						
Maximum Income:	38,430	43,920	49,410	54,900	54,900	59,292

Minimum income:	31,868	31,868	37,827	37,827	43,215	43,215
60% of AMI						
Maximum income:	46,116	52,704	59,292	65,880	65,880	71,150
Minimum income:	39,355	39,355	46,811	46,811	53,596	53,596
HUD Low-Income*						
Maximum income:	43,200	49,350	55,500	61,700	61,700	66,600
Minimum income:	31,868	31,868	37,827	37,827	43,215	43,215
Affordable Net Rents	1 BR	2 BR	3 BR			
25%	362	423	475			
50%	876	1,040	1,188			
60%	1,082	1,287	1,474			
Utility Allowance	153	195	239			

Note: The US Department of Housing and Urban Development (HUD) provides updates to area median income estimates each spring. Utility allowances are calculated based on a schedule determined by the Housing Authority of the City of Stamford and updated annually.

HUD Allowances for Tenant-Furnished Utilities (3/2014)				
Utility	Provider	Type	Cost	
			1 Bdrm	2 Bdrm
Heating	Tenant	Gas	\$31	\$39
Cooking	Tenant	Gas	\$8	\$11
Other Electric/Lighting	Tenant		\$43	\$51
Air conditioning	Tenant		\$7	\$9
Water Heating	Tenant	Electric	\$32	\$41
Water and Sewer	Landlord		-	-
Trash Collection	Landlord		-	-
Range/Microwave	Landlord		-	-
Refrigerator	Landlord		-	-
Total			\$121	\$151
BMR Rent			\$1,052	\$1,256

NOTE: The US Department of Housing and Urban Development (HUD) provides updates to area median income estimates each spring. Utility allowances are calculated based on a schedule determined by the Housing Authority of the City of Stamford and updated annually.

EXHIBIT B HUD INCOME DEFINITIONS

1. Annual income shall be calculated with reference to 24 C.F.R. § 5.609, and includes, but is not limited to, the following:
 - a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services;
 - b. The net income from operations of a business or profession, before any capital expenditures but including any allowance for depreciation expense;
 - c. Interest, dividends, and other net income of any kind from real or personal property;
 - d. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, or other similar types of periodic payments;

* The HUD Low-Income standard shall be used to determine maximum income for tenants in BMR units developed in the PD zoning district.

- e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;
- f. Welfare assistance. If the welfare assistance payments include an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance to be included as income consists of the following:
 - (1) The amount of the allowance exclusive of the amounts designated for shelter or utilities, plus
 - (2) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities;
- g. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing with the Applicant (e.g. periodic gifts from family members, churches, or other sponsored group, even if the gifts are designated as rental or other assistance);
- h. All regular pay, special pay and allowances of a member of the armed forces;
- i. Any assets not earning a verifiable income shall have an imputed interest income using a current average annual savings interest rate.

2. Excluded from the definition of family annual income are the following:

- a. Income from employment of children under the age of 18;
- b. Payments received for the care of foster children;
- c. Lump-sum additions to family assets, such as inheritances, insurance payments, capital gains and settlement for personal or property losses;
- d. Amounts received that are specifically for, or in reimbursement of, the cost of medical expense for any family member;
- e. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran in connection with education costs;
- f. Amounts received under training programs funded by HUD;
- g. Food stamps; and
- h. Temporary, nonrecurring or sporadic income (including gifts that are not regular or periodic).

3. Net family assets for purposes of imputing annual income include the following:

- a. Cash held in savings and checking accounts, safety deposit boxes, etc.;
- b. The current market value of a trust for which any household member has an interest;
- c. The current market value, less any outstanding loan balances of any rental property or other capital investment;
- d. The current market value of all stocks, bonds, treasury bills, certificates of deposit and money market funds;
- e. The current value of any individual retirement, 401K or Keogh account;
- f. The cash value of a retirement or pension fund which the family member can withdraw without terminating employment or retiring;
- g. Any lump-sum receipts not otherwise included in income (i.e., inheritances, capital gains, one-time lottery winnings, and settlement on insurance claims);
- h. The current market value of any personal property held for investment (i.e., gems, jewelry, coin collections); and
- i. Assets disposed of within two (2) years before the Application Date, but only to the extent consideration received w

- d. Assets which are part of an active business, not including rental properties; and
- e. Assets that are not accessible to the Applicant and provide no income to the Applicant.

EXHIBIT C
750 Summer Street BMR Dwelling Unit Designations

Unit Type	BMR Dwelling Units	Unit Designations
1BR	2	306, 405
2BR	1	202

EXHIBIT D
**Procedures and Timetables for Initial Leasing of
 BMR Dwelling Units at 750 Summer Street**

1. The "Initial Leasing Period" for 750 Summer Street, for the purposes of this Exhibit and Plan, shall be from the date that this Plan is approved through the completion of initial occupancy for all 3 BMR Dwelling Units or 180 days from the start of the Initial Leasing Period, whichever is later.

2. Notices of the availability of BMR Dwelling Units for initial leasing shall comply with Section VI of the Plan. However, RMS 750 Summer Street, LLC may select initial Tenants from the waitlist of applicant Tenants for The Moderne BMR apartments at 163 Franklin Street, Stamford, CT, 06901.

3. During the Initial Leasing Period of the BMR Dwelling Units, if any category of applicants for tenancy in BMR Units, including those applicants who are subject to preferences as set forth in the Guidelines and this Plan, is oversubscribed (i.e., the number of applicants exceeds the number of available units), the Affordable Housing Manager ("AHM") shall conduct a lottery among all applicants who have completed a preliminary application package. Any such lottery shall be preceded by reasonable notice with respect to the deadlines for receipt of applications, eligibility for the lottery, the timing of the lottery, the timing of notice of lottery results, and post-lottery deadlines and obligations. As set forth below, a separate lottery shall be held for each preference class after completed, preliminary application packages have been sorted based on household size, applicant preference, and qualification for each unit/bedroom size of BMR Unit. Those not selected in a lottery will be assigned to the waiting list in accordance with Section IX of the Guidelines.

4. The following procedures and timetables have been/shall be used for the Initial Leasing Period:
- a. Notice of BMR Dwelling Unit availability will be advertised in the Stamford Advocate within 5 business days of the issuance of a certification of occupancy ("C.O.").
 - b. Applicants will be permitted to obtain application packages immediately.
 - c. The initial application period will run for two (2) weeks from the initial date of advertisement of the BMR Dwelling Units.
 - d. If there are more applications than available BMR units, the AHM shall oversee a lottery to choose applicants.
 - e. Lottery-chosen applicants shall be notified by telephone and in writing within two (2) business days.
 - f. Those not chosen in the lottery shall be placed on the waiting list, based on lottery results, and notified in writing of their position on the wait list for an apartment at 750 Summer

Street within ten (10) business days of the lottery or acceptance of this Affordability Plan, whichever is later.

- g. AHM personnel shall make at least three (3) efforts to contact lottery-chosen applicants by telephone over a period of two (2) business days, using the information stated in the preliminary application package, before contacting the next household on the waiting list.
- h. Lottery-chosen applicants shall be required to file a completed application package, with \$50 application fee within two (2) business days of receiving notification of lottery selection, and all supporting documentation within three (3) business days thereafter. All applications will be governed by rules and qualification standards stated in the application package and this Plan.
- i. A household whose completed application package is certified by the AHM as satisfying all rules and qualification standards shall execute all lease paperwork within ten (10) business days of being offered a lease, and shall pay the Security Deposit and shall become rent responsible within thirty (30) calendar days from being offered a lease.
- j. Households who are selected through the lottery for tenancy and who file a completed application package which is rejected shall be provided a written statement of reasons for such rejection within three (3) business days of such rejection. Rejected applicants shall be granted three (3) business days to address or correct the reason for rejection before RMS resorts to the next lottery or wait list position.

5. Reporting Requirements. During the Initial Leasing Period, on or before the last business day of each month, the AHM shall file, with the agencies and officials listed in Section V of the Plan, the information stated in Subsections A through F of that Section, as follows:

- a. Total number of units available for occupancy, with unit vacancies listed.
- b. Total number of units occupied.
- c. Total number of BMR Dwelling Units available for occupancy, with unit vacancies listed.
- d. Total number of BMR Dwelling Units occupied.
- e. The total income reported by the tenant household during the application process and certified by the AHM as satisfying the BMR Unit program criteria; the total number of persons occupying the unit; the occupation of each adult resident of the unit, as reported during the application or recertification process; and the gross and net rent, utility allowance, and any mandatory fees paid for the current occupancy of the unit. Such information shall be reported without inclusion of or reference to the names of the occupants. The receipt, handling, custody, access to, and storage of application materials and household income information shall be subject to the enforcement and inspection provisions set forth in Section XIV of this Plan.
- f. A summary, without names, addresses, or other identifying information, of reasons given in writing by the AHM for the rejection of any household after completion of an application package, or for dismissal from the waiting list.
- g. The total number of persons/households on the Waiting List, reported by preference category and unit size qualification.

	HUD Area Median Income	\$125,100		Effective Date		12/18/2013			
	Income Limits	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Initial Leasing	50%	\$43,785	\$50,040	\$56,295	\$62,550	\$67,554	\$72,558	\$77,562	\$82,566
Recertification	60%	\$52,542	\$60,048	\$67,554	\$75,060	\$81,065	\$87,070	\$93,074	\$99,079
Recertification	80%	\$70,056	\$80,064	\$90,072	\$100,080	\$108,086	\$116,093	\$124,099	\$132,106

Income Limits may be rounded to the nearest \$50

Maximum Rent Limits		50%	Studio	1 Bedroom	2 Bedroom	3 Bedroom
		Maximum Gross Rents	\$985	\$1,173	\$1,407	\$1,626
Apartment, High Rise	3/1/2014	Less Utility Allowances		\$121	\$151	
Duplex, Townhouse, Garden Apt.		Less Utility Allowances				
Single Family Detached		Less Utility Allowances				
		Max. Allowable Rents	\$985	\$1,052	\$1,256	\$1,626

EXHIBIT E Qualification Standards for Prospective Residents

RMS 750 Summer Street, LLC is pledged to the letter and the spirit of the U.S. Policy for the achievement of Equal Housing Opportunity throughout the nation. It is the policy of RMS 750 Summer Street, LLC to adhere to the Fair Housing Act, which prohibits discriminatory housing practices, based on color, religion, sex, handicap, familial status, national origin or any other basis protected by applicable state, Federal or local fair housing laws.

Rental Criteria:

Applications

Each person that will occupy the apartment who is 18 years old or older must complete an application and sign the lease. Each applicant that is 18 years of age or older, and not a full time student who can be claimed as a dependent on the primary applicant's tax return, will be qualified by RMS 750 Summer Street, LLC in accordance with these qualification standards. Applications are to be completed in full. Applications containing untrue, incorrect or misleading information will be declined. Each application is evaluated with a scoring method that weighs the indicators of future rent payment performance. The score is based on statistical analysis of prior renters' indicators and subsequent payment performance. Based on the score, we may choose to accept or decline an applicant, or seek additional requirements for approving the lease. These additional requirements include an additional Security Deposit or a Guarantor.

A fee of \$50.00 per application will be due prior to processing any application.

NOTE: The following **MUST** accompany **ALL** applications:

- The three (3) most recent original pay stubs or Leave and Earnings Statement. In the case of new employment, a signed offer letter on company letterhead stating Applicant's income may be substituted. Copies to be maintained in resident file. Employment must begin within 30 days of the lease start date.
- A valid driver's license, age of majority card, military ID or state issued Photo ID card (view and document only).
- All applicants in the United States on a VISA must list the number on the Application for Residency.

- Emancipated minors presenting court appointed documentation are eligible to qualify as long as they meet the noted criteria.

Credit History

- Credit reports will be run on each applicant and will be considered in the overall credit worthiness of the application. Unsatisfactory credit history can disqualify an applicant from renting an apartment home at this community. An unsatisfactory credit report is one that reflects past or current bad debts, late payments or unpaid bills, liens, judgments or bankruptcies. If an applicant is declined for poor credit history, the applicant will be given the name, address and telephone number of the credit reporting agency that provided the report. An applicant declined for unsatisfactory credit is encouraged to obtain a copy of the credit report from the credit reporting agency.
- Applicants who meet all other qualifying criteria but do not have credit, maybe required to pay an additional Security Deposit or re-qualify with a Guarantor.

Rent/Mortgage Payment History

Applicants must have a verifiable rental/mortgage history. Any legal proceedings/ judgments/ evictions/skips may result in a declined application. Guarantors cannot be a substitute for this requirement.

Employment History

- Applicants must have verifiable employment and/or income history. In the case of new employment, applicant must present a signed offer letter on company letterhead stating income. Employment must begin within 30 days of the lease start date.
- Self-employed applicants must provide the most current annual tax return (submission of 1099's only is not sufficient) or a notarized statement from a Certified Public Accountant or attorney indicating the amount of anticipated annual income.
- Unemployed applicants must provide documentation regarding sources of income, e.g. – social security, pension, savings, interest, or provide a guarantor/ co-signer that meets the Guarantor qualifying standards. Copies of all documentation will be retained in the lease file.

Income Requirements

- Gross monthly household income must be sufficient to cover the rent and other typical household obligations. Household income of less than 2.5 times the annual rent is automatically considered insufficient. For savings to be considered in lieu of income, applicant may provide a current savings account statement showing proof of at least 2.5 times the annual rent.
- Official documentation must be submitted to support the following, and any other, sources of additional income you wish us to consider:

- | | | | |
|----------------------------|-----------------------------|--------------------|-----------|
| *Investment Account | *Dividends | *Child Support | *Interest |
| *Retirement Income/Savings | *Military Housing Allowance | *Trust Fund Income | *Alimony |

Conviction Information

The application of any person who has been convicted or plead guilty or "no contest" to a misdemeanor or felony involving sexual misconduct shall be declined.

- The application of any person who has been determined to have criminal conviction or current indictment for possession, sale, manufacture or distribution of controlled substances, prostitution, theft, burglary, felony, fraud, or for any crimes involving firearms, weapons, or crimes against persons or property will be denied residency and occupancy.

Guarantors/ co-signers cannot be a substitute for this requirement.

Nothing set forth in these Qualification Standards should be construed to be a guaranty by RMS 750 Summer Street, LLC that residents of this community have not been convicted or plead guilty or "no contest" to any misdemeanor or felony involving sexual misconduct.

Guarantors/Increased Security Deposits

- Guarantors may be permitted based on the applicants' score. Guarantors' gross annual income or savings must be at least six (6) times the annual rent of the apartment being applied for. Guarantors must meet all other qualification standards listed. All lease-associated paperwork signed by Guarantor must be notarized if not signed at the Leasing Information Center in the presence of an RMS 750 Summer Street, LLC office associate.
- Increased Security Deposits may be permitted based on the score. The increased Security Deposit will be equivalent to one (1) month's rent unless otherwise dictated by law.
- A Guarantor may be permitted in lieu of an increased Security Deposit based on the above criteria for Guarantors.
- A fee of \$50.00 per application will be due prior to processing any Guarantor application.

Roommates

Each Resident and Guarantor is jointly and severally (fully) responsible for the entire rental payment as well as all community rules and policies. Management will not refund any part of a Security Deposit until the apartment is vacated by all leaseholders.

Affordable Housing Program/Below Market Rent Programs

Applicants for the Affordable Housing Program/Below Market Rent Program (if applicable at this community) must be qualified based on the governing authority's income classifications. The income ranges are derived from the maximum low/moderate income. Please reference the Affordable Housing Rent/Income Guidelines to determine eligibility. Affordable Housing Program/Below Market Rent Program guidelines supersede these Qualification Standards.

Occupancy Guidelines

Governed by state, city, and local ordinances. In the absence of any more stringent requirements by the aforementioned agencies, the standard occupancy guidelines will be a maximum of two (2) residents per bedroom. Residents under the age of 18 months will not be considered in the occupancy guidelines. An occupant will be considered a resident and must be listed on the lease agreement if they reside at the premises more than 50 percent of the time.

**EXHIBIT F
REGULATIONS OF CONNECTICUT**

February 7, 2013

SECTION 7.4 – BELOW MARKET RATE DWELLING UNITS

A. FINDINGS

It is the public purpose and policy of the City of Stamford, the Southwestern Regional Planning Agency and the State of Connecticut to achieve a diverse and balanced community with housing available for households of all income levels. Economic diversity fosters social and environmental conditions that protect and enhance the social fabric of the City and are beneficial to the health, safety and welfare of its residents and to the environmental quality and economy of the region.

The Stamford Master Plan 2002 has documented a growing affordability gap between the supply of housing and the demand for housing. This affordability gap is driven by several broad trends including the fact that home sale prices have grown as fast or faster than household earnings, that rents in newer apartment developments are well out of reach of most low and moderate income households, and that the limited inventory of affordable market-

rate apartments and condos coupled with the inventory of assisted housing units is inadequate to meet the demand for affordable housing.

A significant cause of this affordability gap and crisis in the availability of a diversity of housing opportunities is the rapid increase in employment in the City. Employment in Stamford increased by 8,000 jobs between 1980 and 1990 and is projected to add 9,000 more jobs by the year 2000 and an additional 7,700 jobs by the year 2010. The Master Plan establishes the goal of providing decent, affordable housing for all of the residents of Stamford, whatever their economic conditions. To address the continuing loss of affordable housing, coupled with the increasing affordability gap and growing housing demand, the City of Stamford has established the goal of producing a minimum of 8,000 affordable housing units, in addition to what is currently available.

The Master Plan recommends, as a key element of a coordinated housing strategy, that the City's Zoning Regulations incorporate a mandatory inclusionary housing requirement, with appropriate incentives, consistent with established planning principles and contextual development.

The inclusionary housing program defined herein is necessary to provide continuing housing opportunities for low and moderate income households and working people. It is necessary to help maintain a diverse housing stock and to allow working people to have better access to jobs and upgrade their economic status. The regional trend toward increasing housing prices will, without intervention, result in inadequate supplies of affordable housing and will negatively impact the ability of local employers to attract and maintain an adequate work force. Because remaining opportunity for new residential development within the city is limited, it is essential that a reasonable proportion of new development be devoted to housing that is affordable to low and moderate income residents and working people.

Therefore, to implement the policies of the Master Plan, it is essential that new residential development contain housing opportunities for households of low and moderate income, and that the City provide a regulatory and incentive framework that ensures development of an adequate supply and mix of new housing to meet the future housing needs of all income segments of the community.

B. AUTHORITY

These regulations are enacted under the authority of the Charter of the City of Stamford and Section 8-2(i) of the Connecticut General Statutes.

C. STANDARDS

The purpose of this section is to establish uniform definitions, standards and procedures to apply in all cases where Below Market Rate (BMR) Dwelling Units are required under the terms of these Regulations. Standards for the level of affordability and the number of required BMR units and other special standards are established separately by zoning district and are stated elsewhere in these Regulations.

1.) The term "Below Market Rate Dwelling Unit" (BMR) shall be defined to be a dwelling unit restricted as to sale or rent based on the most current statistics of median family income for the Stamford Standard Metropolitan Statistical Area (SMSA) as published and periodically revised by the U.S. Dept. of Housing and Urban Development. The criteria for pricing one-bedroom BMR units shall be the SMSA median income for families of one and one-half; two-bedroom BMR units shall be priced based on the SMSA median income for families of three persons; and three-bedroom BMR units shall be priced based on the SMSA median income for families of four and one-half persons. BMR units offered for sale shall be limited to a selling price that is affordable to a purchaser with an income not exceeding the criteria family income, according to unit type as set forth above, based on industry-standard mortgage underwriting guidelines, and based on prevailing interest rates and a ten percent (10%) down payment. BMR units offered for rent shall be restricted to a maximum annual rent, inclusive of all basic utilities except telephone, not to exceed 30% of the criteria family income, according to unit type as set forth above. Rental restrictions shall remain in full force and effect for so long as the building or development exists, and shall be administered in accordance with written guidelines as adopted and periodically revised by the Zoning Board. BMR units offered for sale shall remain subject to resale controls for so long as the building or development exists, and shall not exceed a resale price equal to the current BMR sale price for a comparable unit, as set forth above. The allowable resale price may be reduced if the physical conditions reflect abnormal wear and tear due to neglect, abuse or insufficient maintenance. BMR sale and resale requirements shall be administered in accordance with written guidelines as adopted and periodically revised by the Zoning Board, with suitable restrictive covenants in deeds, running with the land and senior to all financing instruments, to carry out and effectuate these obligations.

ELIGIBLE FAMILY INCOME LIMITS - YEAR 2011

FAMILY SIZE

AFFORDABILITY one two three four five six

25% of Median \$22,155 \$25,320 \$28,485 \$31,650 \$34,182 \$36,714

50% of Median \$44,310 \$50,640 \$56,970 \$63,300 \$68,364 \$73,428

60% of Median \$53,172 \$60,768 \$68,364 \$75,960 \$82,036 \$88,114

2.) Below Market Rate Dwelling Units shall be designed, constructed, sold or rented, managed and controlled as to resale in accordance with such other necessary written administrative policies, definitions and guidelines as officially adopted by the Zoning Board and/or the City of Stamford, as amended from time to time. When located within the development, such BMR units shall be constructed with floor area, finishes and amenities comparable to the market rate units within the development, and shall be reasonably distributed throughout the project and provided in a mix of unit types, as determined by the Zoning Board, provided that the average floor area of BMR units shall be comparable to the average floor area of the market rate units within the development. The Board, in its sole discretion, may approve a different number of BMR units provided that the total floor area of BMR units approved by the Board is comparable to the total floor area of the BMR units which would otherwise be required pursuant to these Regulations.

3.) Management Plan. A proposal to establish BMR units shall be accompanied by a management plan ("Affordability Plan"), subject to approval of the Zoning Board, providing all of the necessary information and documentation to ensure the construction and continued operation of affordable housing, including the following:

- i) the person or organization responsible for administering the plan, including the application procedures and screening criteria to determine the income eligibility of applicants, and reporting and enforcement mechanisms;
- ii) affirmative fair marketing procedures governing the sale or rental of the BMR units;
- iii) proposed sale or rental prices of BMR units and the basis for their determination;
- iv) identification and timetable for the completion and even distribution of the BMR units among the market-rate units in the development; and
- v) other information as may be required by the Zoning Board.

The Affordability Plan shall encourage the participation of families with Section 8 vouchers and use of other local, State and/or federal programs and initiatives to further write down the affordability of BMR units to families earning less than fifty percent (50%) of the Stamford SMSA median income or to increase the number of BMR units within the project.

4.) Alternative Methods of Compliance: Pursuant to an application for Special Exception, the Zoning Board in its sole discretion may approve alternative methods of satisfying a BMR requirement, including but not limited to the dedication of vacant land, the construction of BMR units on another site, the acquisition and enforcement of rental/sales price restrictions on existing dwelling units, or the payment of an appropriate in-lieu housing fee. Any such proposal shall demonstrate to the satisfaction of the Zoning Board that the alternative method(s) is desirable and will further affordable housing opportunities in the City to a greater extent than the provision of on-site BMR units, either through the production of a greater number of affordable housing units and/or larger bedroom size units and/or units for families below the required targeted income brackets.

(a) Land Dedication: a BMR requirement may be satisfied by the dedication of land within the City in-lieu of providing affordable housing on-site. The value of land to be dedicated February 7, 2013 shall be determined by an independent appraiser, at the cost of the developer, who shall be selected from a list of certified appraisers provided by the City, or by such alternative means of valuation mutually acceptable to the developer and the City. The land to be dedicated shall have a value equal or greater than the fee-in-lieu contribution that would otherwise be required to satisfy the BMR requirement. In addition, the land must be of suitable character and location, and zoned to allow construction of a number of dwelling units equal or greater than the number of BMR units being satisfied.

(b) Dedication of Existing Units: a BMR requirement may be satisfied by restricting the rental or sale price of existing dwelling units within the City, through covenants, contractual arrangements, or resale restrictions, the form and content of which are acceptable to the Zoning Board. The restriction of such existing units must result in the creation of units that are equivalent in value, quality, and size as compared to the on-site BMR units that would otherwise be constructed.

(c) Off-Site Construction of BMR Units: a BMR requirement may be satisfied through the off-site construction or substantial rehabilitation of BMR dwelling units within the City of Stamford, subject to the following standards: (i) the location, architectural design and siting of such units shall be subject to approval by the Zoning Board; (ii) such

units shall not serve to displace existing affordable housing units; (iii) off-site BMR units shall be generally consistent with all applicable standards of this section, including but not limited to, value, quality and size of on-site units that would otherwise be constructed; (iv) the Board shall condition the issuance of certificates of occupancy for the development project with the completion of the off-site affordable units and/or establish other reasonable performance conditions necessary to insure that the off-site BMR units will be built in a timely manner. (d) Fee-in Lieu Payment: a BMR requirement may be satisfied, in whole or in part, through the payment of a "fee-in-lieu" cash contribution to a City of Stamford fund, or other approved non-profit or for-profit organization dedicated to affordable housing initiatives. Notwithstanding any other provisions of this Section 7.4 to the contrary, the cash contribution shall be determined based on the number of BMR units otherwise required to be constructed on-site and the current SMSA median household income for a family of four persons, and the following criteria for each of three required affordable income ranges: BMR units affordable at the 25% of SMSA family income level shall require a cash contribution not less than 240% of the SMSA median income; BMR units affordable at the 50% of SMSA median family income level shall require a cash contribution not less than 145% of the SMSA median income; and BMR units affordable at the 60% of SMSA median family income level shall require a cash contribution not less than 110% of the SMSA median income. Where the contribution is targeted to assist an identified off-site project providing affordable housing, the Board shall condition the issuance of certificates of occupancy for the development project with the completion of the off-site affordable units and/or establish other reasonable performance conditions necessary to insure that the off-site BMR units will be built in a timely manner. (205-11) (209-08)

CALCULATION OF CASH PAYMENT, 50% AMI – YEAR 2011

2011 Median Income, Family of Four = \$126,600

Cash Payment = 145% x \$126,600 = \$183,570

e) Other Equivalent Actions: a BMR requirement may be satisfied through other in-lieu contributions and efforts that, in the discretion of the Zoning Board, are judged to have a value that is equal or greater than the "fee-in-lieu" cash contribution otherwise required and will further the affordable housing goals and purposes of this section. (203-08)

(f) The Zoning Board may approve on-site or off-site BMR units at affordability levels ranging from 25% to 80% of the Area Median Income (AMI), in order to increase the opportunity and range of family incomes served by the BMR program. Subject to approval by the Board, the number of required BMR units affordable at 50% AMI may be substituted using the following approximate ratios (209-09):

One (1) BMR unit at 25% AMI equals 1.70 units at 50% AMI

One (1) BMR unit at 60% AMI equals 0.75 units at 50% AMI; and

One (1) BMR unit at 80% AMI equals 0.40 units at 50% AMI.

**EXHIBIT G
REGULATIONS OF CONNECTICUT
STATE AGENCIES §§ 8-37ee-300 et. seq.
AFFIRMATIVE FAIR HOUSING MARKETING GUIDELINES**

**REGULATIONS OF CONNECTICUT STATE AGENCIES
TITLE 8. HOUSING
DEPARTMENT OF HOUSING
(1)
AFFIRMATIVE FAIR HOUSING MARKETING AND
SELECTION PROCEDURES MANUAL**

The Connecticut Regulations titles are current with material published in Conn.L.J. through 2/1/05.

Sec. 8-37ee-300. General information

(a) This manual should be used in conjunction with the Fair Housing regulations under Section 8-37ee-1 through Section 8-37ee-17 of the Regulations of Connecticut State Agencies, and the instructions accompanying the Affirmative Fair Housing Market Form included in this manual.

(b) The purpose of this manual is to assist recipients of state financial assistance from the department in understanding what shall be required of them, as well as to further implement the provisions of Section 8-37ee-1 through Section 8-37ee-17 of the Regulations of Connecticut State Agencies.

(c) The Affirmative Fair Housing Marketing Plan shall be submitted on the form, and in the manner, prescribed by the department. The plan shall include all of the techniques which recipients intend to employ to assure that marketing is broad-based and that prospective buyers and/or renters of varied income groups, including persons with physical disabilities would feel welcome to apply. At least twenty percent (20%) of the units shall be promoted to the "least likely to apply" group.

Sec. 8-37ee-301. Definitions

All terms defined in Section 8-37ee-1 of the Regulations of Connecticut State Agencies shall have the meanings set forth there.

The following apply to Section 8-37ee-300 through Section 8-37ee-314 of the Regulations of Connecticut State Agencies:

(1) "Least likely to apply" means those persons who, in the main, do not live in the area of the development because of racial or ethnic patterns, perceived community attitudes, price or other factor, and thus need additional outreach to inform them of their opportunity to live in the development. In predominantly white areas, these shall be minority groups; in predominantly minority areas, these shall be white groups.

(2) "Recipient" means a person, organization or individual who applies or may receive state financial assistance from the department.

(3) "Resident" means a person, including an applicant, living or working in the municipality in which the housing is located. Durational residency requirements are not permitted.

Sec. 8-37ee-302. Affirmative fair housing marketing process

(a) Assessing Affirmative Marketing Needs

Recipient plans shall identify the group(s) "least likely to apply" to the housing through the submission of relevant demographic data. Data may be derived from the U.S. Census, municipal sources, regional planning agencies, civil rights groups, fair housing officers, social service agencies, and like organizations. Source documentation shall be clearly identified.

(b) Affirmative Marketing Outreach

(1) Mechanisms--Recipients' plans shall determine and identify the most appropriate outreach mechanisms which should include: newspaper, radio, television, and other media advertisements as well as flyers and announcements to social service agencies and other organizations with the desire and capacity to inform potential applicants of the availability of housing. These mechanisms or organizations shall represent those most likely to be read, heard, seen by, or in contact with applicants least likely to apply.

(2) Locale--Recipients' plans shall provide for the dissemination of information at a minimum in (a) the largest city located in the nearest Primary Metropolitan Statistical Area or Areas or Metropolitan Statistical Area or Areas, (b) the regional planning area, and (c) any other areas which are likely to contain high minority populations and where public transportation or public highways and/or job availability make it likely that minorities might wish to move where the development is located.

(3) Time frame--Recipients' plans shall identify the time frame, duration, and frequency of the materials to be announced or distributed. At a minimum affirmative fair housing marketing shall begin prior to general

marketing. There shall be at least three (3) documented efforts with updated materials as necessary: the first at the beginning of construction; the second at approximately 50 percent completion; and the final, six to eight weeks prior to completion.

(4) Notice of Intent to Begin Marketing--Recipients are required to give notice to the department no later than 60 days prior to engaging in sales or rental marketing activities.

(5) Prominence--Recipients' plans shall provide that any materials shall be prominently displayed or appear where they are most likely to be read or seen, e.g. not in the "legal notices" section of the paper but in more prominent ads.

(6) Content--Recipients' plans shall identify the content of the materials to be used which at a minimum shall: (a) identify the location of the housing; (b) provide a narrative description of the housing; (c) identify when the application process shall begin and end; (d) be neutral in the sense of encouraging all potentially eligible applicants to apply; (e) include a contact person and telephone number; (f) display the fair housing logo and clearly state the owner's commitment to Fair Housing and non-discrimination; (g) where relevant, be provided in both English and Spanish; (h) where there is any advertising depicting persons, depict persons of both sexes and persons of majority and minority groups; (i) describe the application and selection process as stated in Section 8-37ee-304 and Section 8-37ee-305 of these regulations; and (j) include the fair housing policy st

- (2) Fair housing requirements;
- (3) When applicants may be rejected; and
- (4) Procedures for selecting applicants from the waiting list(s).

(b) At a minimum, the following factors shall be used to screen applicants:

- (1) demonstrated ability to pay rent on time;
- (2) housekeeping habits based on visits to the applicant's current residence;
- (3) comments from former landlords; endorsement from at least two is preferred; and
- (4) Credit checks may be obtained. These may be useful when no rental payment history is available. A

lack of credit history, as opposed to a poor credit history, is not sufficient grounds to reject an applicant. Recipients should try to obtain all credit checks, landlord and personal references and so forth before the interview so that if negative information is received the applicant shall be given the opportunity to explain the circumstances.

(c) Recipients shall also prepare one Occupant Selection List which shall be subdivided by the number of units available and bedroom size. The following guidelines shall be used to determine minimum and maximum housing capacity:

Bedroom Size	Minimum	Maximum
00 (single room occupancy)	1	1
0 (efficiency unit)	1	1
1	1	2
2	2	4
3	3	6
4	5	8

Sec. 8-37ee-305. Selection methodology

(a) For purposes of fairness and equity the department allows either a point system or a purely random lottery selection method. However, if there is a tie score under the point system method and there is a limited number of units available for persons with the same point score, the random selection method or first come, first serve (chronological order) shall be used in conjunction with the point system to select which applicant gets the unit.

(b) Point System Selection Method

(1) Point systems may be altered by the Commissioner to comply with fair housing goals. Where a program dictates other kinds of requirements, e.g. limited equity cooperatives may look for participants willing to put in sweat equity, points for such neutral categories may be added with the approval of the Commissioner.

(A) Calculation of Points--The applicant receives the full point score or none; subjective practical scoring is not allowed. Where department program requirements mandate selection criteria such as age, income, etc., applicants shall first meet that standard. Where an applicant does not meet the program requirements, the applicant may be rejected without further analysis.

(2) The following is the Department's approved point system that recipients shall use.

POINT SYSTEM METHOD

- (i) SUBSTANDARD HOUSING 25 point maximum
- condemned or verified serious housing code violations 25 points
- inadequate heating,

	plumbing, or cooking facilities	20 points
(ii)	LIVING SITUATION	25 point maximum
	living in documented physically or emotionally abusive situation	25 points
	living in a shelter or transitional housing	25 points
	living in temporary housing with others because of conditions beyond applicant's control (condemnation, foreclosure, fire, loss of job, etc.)	20 points
	living in overcrowded conditions in own housing unit (e.g. 1.5 persons per room)	15 points
(iii)	INCOME/RENT RATIO	15 point maximum
	currently paying more than 50% of income for rent or housing	15 points
	currently paying between 31-50% of income for rent/housing	10 points
(iv)	(OPTIONAL) RESIDENT OR LEAST LIKELY TO APPLY APPLICANT	10 points

(a) If this resident selection category is used, the 10 points shall be awarded to both residents and least likely to apply applicants. However, if the owner chooses, more points may be awarded to the least likely to apply applicants (e.g. 15, 20, 25 points, etc.).

(3) Points shall be added up for each applicant. The department recommends that the recipient create a pool of candidates with the highest score and which exceed the number of available units by bedroom size by at least three times. Applicants shall be selected by a lottery.

(4) If the number of applicants does not exceed the number of available units by bedroom size by at least three times applicants may be selected on a first come first serve basis.

(c) Random Selection Method--Lottery

If recipients select the random selection method the factors they shall use in determining selection shall include:

- (1) Determining the income eligibility of all applicants;
- (2) Pre-screening/interviewing for credit worthiness and other reasonable common rental or ownership criteria; and for verification of applicant information.
- (3) Putting all applicants with favorable interviews, that is, having no ground for disqualification based on subsection (e) of this section, back in the pool and choosing by a lottery system.

(d) Interview or Home Visit

- (1) Ideally all applicants meeting income guidelines should be interviewed. When a large number of applicants apply, recipients may conduct interviews and/or home visits with only those who meet the minimum threshold point score, so long as the number of interviewees significantly exceeds the number of available units.
- (2) The interview should be used for purposes of verifying and clarifying information in the application as well as exploring the ability and willingness of the applicant to meet financial commitments and to assume the other responsibilities of tenancy or ownership. Points should not be added or subtracted as a result of the home visit and interview unless information on the application was erroneous.

(e) Grounds for disqualification

- (1) Applicants may be disqualified from final selection upon documentary verification of any of the following: (A) the applicant or any member of the applicant's household has a history of disturbing neighbors, destroying property, or living or housekeeping habits which would substantially interfere with the health, safety, or peaceful enjoyment of other residents; (B) the applicant has a history of rental nonpayment within the past 12 months without reasonable justification (justification might be: substandard housing, loss of a job, etc.); (C) the applicant has knowingly falsified information in the application process; or (D) the applicant cannot demonstrate an ability to pay the base rent.
- (2) Applicants deemed ineligible, for whatever reason(s), shall be notified in writing, before the final selection, of the reason(s) for rejection and their right to appeal within ten days of the rejection. Recipients should inform applicants that an appeal should be made immediately to assure their return to the applicant pool if they prevail. An impartial hearing officer shall be chosen by the recipient who shall issue a written opinion within five days of the hearing. All appeals should be heard within five days of the request.
- (3) Applicants still aggrieved shall be informed of their right to appeal the decision of the hearing officer to the department's affirmative action office. Such appeal shall be made in writing, and brought within ten days of the adverse decision.
- (4) Recipients shall keep the following materials on file for at least three years: (1) application; (2) initial rejection notice; (3) any applicant reply; (4) the recipient's final response; and (5) all interview and verified information on which the rejection was based.

Sec. 8-37ee-306. Insufficient number of least likely to apply applicants

- (a) If the Affirmative Action Office finds, at any stage, that there is an insufficient amount of least likely to apply candidates due to a lack of good faith affirmative fair marketing it shall have the right to require additional outreach until such time as a sufficient effort has been expended or a sufficient number of applicants is available. Such additional outreach may delay the occupancy of units.
- (b) Where the department determines that good faith efforts have been made to recruit applicants who are least likely to apply and there is still an insufficient number of eligible applicants, recipients shall be given permission to rent or sell units to other eligible applicants.
- (c) The department's determination of the owner's good faith efforts shall include, but not be limited to: substantiating that the outreach which it stated in its Affirmative Fair Housing Marketing Plan was actually completed; that such efforts met time and durational requirements; that the marketing approach was amended or enhanced when found deficient; and that there were particular local, regional, and/or market reasons for the failure of the Affirmative Fair Housing Marketing Plan to attract a sufficient pool of applicants who are least likely to apply. The owner shall develop and maintain adequate documentation in a manner prescribed by the department of its good faith efforts.

Sec. 8-37ee-307. Post occupancy requirements

(a) Following the initial lease-up or sales, recipients shall continue to affirmatively market to those least likely to apply for the life of the mortgage, assistance agreement or regulatory agreement, whichever is longer. Recipients shall make every good faith effort to maintain a racially and economically integrated housing development.

(b) Recipients should schedule application periods as in the initial lease-up or sales at reasonable intervals. Such application periods shall have a deadline and new applicants shall be chosen as in the initial selection system. Prospective applicants shall only be considered during this application period. Where point systems are used, new applicants with higher points may not displace previous waiting list applicants unless the waiting lists have been reviewed and updated.

(c) The department shall require annual updates on whether recipient affirmative fair marketing goals have been met and whether recipients have been able to sustain their goals. Upon review of the information the department may require remedial action where it is deemed necessary. Records of all affirmative fair marketing, tenant selection, and waiting lists should be retained for at least five years or as set forth in the Assistance or Regulatory Agreement with the Department.

(d) Recipients may be monitored on a yearly basis for compliance with the fair housing requirements stated herein and may be subject to random on site monitoring.

Sec. 8-37ee-308. [Reserved.]

Sec. 8-37ee-309. Recipient training

Prior to any disbursement of financial assistance recipients shall be required to attend a seminar on implementing the department's Fair Housing regulations. Recipients are encouraged to attend other fair housing forums and participate in fair housing events. All recipient employees and agents shall be informed, in writing, and orally, of fair housing requirements.

Sec. 8-37ee-310. Affirmative marketing for other grantees

Recipients who are not producing housing shall affirmatively market their programs so that a broad range of majority and minority beneficiaries are encouraged to apply for whatever assistance is provided. Outreach should comply with the Affirmative Fair Housing Marketing Plan Guidelines.

Sec. 8-37ee-311. Fair housing policy statement and publicity

(a) Any recipient, including but not limited to sponsors of housing, technical assistance organizations, and subcontractors, shall adopt a fair housing statement prior to the receipt of department funds which shall include the following:

(1) Recipient's commitment to promote Fair Housing choice and not to discriminate against any person as prohibited in General Statutes 46a-64c as amended. Protected classes include: race, creed, color, national origin, ancestry, sex, marital status, age, lawful source of income, familial status, physical or mental disability, or sexual orientation. The provisions of 46a-64c should be specifically included in the pledge.

(2) Recipient's commitment to promote racial and economic integration in any housing developed or supported with department funds being sought or recipient's commitment to seek beneficiaries from all racial and ethnic groups as well as the physically and mentally handicapped and families with children, and to seek a broad range of income eligible beneficiaries, whichever provision is relevant to the kinds of services provided by the grantee.

(3) Identifies the person assigned Fair Housing responsibilities by name, position, address, and telephone.

(4) Includes a discrimination complaint procedure which shall be disseminated to applicants and posted.

(5) Is revised as needed.

- (6) States how the policy shall be disseminated.
- (7) Is signed by the Board President, CEO, or other comparable party.

(b) Before dissemination the policy shall be approved by the department. The policy shall be prominently posted in the recipient's offices and also on the site where building or rehabilitation is taking place.

(c) Recipients shall prominently display in all offices, in printed materials, and on housing sites fair housing posters and/or the fair housing logo which may be obtained from the department's affirmative action office.

Sec. 8-37ee-312. Modification of requirements

(a) Where another program funding requires stricter fair housing requirements, upon approval of the department those shall be followed.

(b) Where federal sources are also funding the housing, federal fair housing requirements, as well as these shall be adhered to.

(c) Where the department is funding minor rehabilitation, these requirements may be adjusted as determined by the department.

Sec. 8-37ee-314. Fair housing compliance for existing state assisted units

(a) Each owner of five or more state assisted housing units shall develop an affirmative fair housing marketing plan for each such development as described in Section 8-37ee-302, and selection procedures as described in Section 8-37ee-304 of these regulations.

(b) Each owner of state assisted housing shall evaluate its waiting list for each development to determine whether or not the waiting list provides for racial and economic diversity as required by Public Act 91-362.

(c) If there are either insufficient families who are least likely to apply on the list or near the top of the list such that they might be housed within the next year, then the units shall be affirmatively fair marketed.

(d) Eligible applicants currently on the waiting list may not be removed from such list unless duly purged. However, once any additions are to be made to the list, all requirements of this manual shall apply to the new applicants.

(e) Owners of currently assisted state housing shall be expected to comply with all other requirements of this manual within a reasonable time after its effective date and, at a maximum, within one year of such date.

**AFFIRMATIVE FAIR HOUSING MARKETING PLAN
TIME FRAMES/PHASES**

For recipient's convenience, please find below, an outline of the Affirmative Fair Housing Marketing Plan time frames/phases.

PRE-APPLICATION/APPLICATION PHASE

(a) A pre-application briefing is held at the department before the application for funding is submitted.

(b) The affirmative fair housing marketing plan (plan) and selection procedures (procedures) are submitted with the funding application. They are reviewed and approved or returned for resubmission. They shall be approved before the final application is approved by the department.

(c) Any modifications made to the plan and/or procedures shall be submitted for approval.

MARKETING PHASE

(a) 60 days prior to affirmative fair housing marketing (which shall begin prior to general marketing), a Notification of Intent to Begin Marketing shall be submitted to the department.

(b) The plan and procedures are reviewed and a preoccupancy conference may be scheduled.

(c) Affirmative fair housing marketing begins at the start of construction.

- (d) A second such marketing effort takes place at 50 percent completion.
- (e) Final fair housing marketing occurs 6-8 weeks prior to completion.
- (f) If inadequate numbers of "least likely to apply" candidates are applying, recipients should reassess outreach mechanisms.

APPLICATION PHASE

- (a) The time for receipt of all applications shall extend for at least 90 days.
- (b) Reports to the department regarding racial and economic make-up shall be submitted:

- (1) After the application period ends
- (2) After pre-screening is completed
- (3) After final selection

POST OCCUPANCY PHASE

- (a) Affirmative fair housing marketing and selection procedures shall be continued for the life of the project.
- (b) Yearly updates on meeting and sustaining goals shall be required.
- (c) The department may randomly monitor housing to assure continuing compliance.
- (d) If at any time the department determines that there are insufficient "least likely to apply" applicants or occupants due to the lack of a good faith effort on the part of the recipient, further outreach and/or a Compliance Meeting may be required.



Reviewed by:

City of Stamford Land Use Bureau

Morgan F. [Signature] (Sign)

5-14-14 (Date)

