

**MINUTES OF THE AFFORDABLE HOUSING TRUST
FUND BOARD OF TRUSTEES REGULAR MEETING ON
TUESDAY, MAY 9, 2023, AT 6:30 PM THROUGH A
WEB AND PHONE MEETING**

Present for the Affordable Housing Trust Fund Board of Trustees: Ralph Blessing (Chair), Sharona Cowan, Frances Lane, Rob Roqueta, and David Stein.

Present for staff: Emily Gordon, Director of Housing and Community Development.

Chairman Blessing called the meeting to order at 6:38pm.

Chairman Blessing stated that this meeting is being conducted through “Zoom” video conference. He then gave instructions on how the meeting will be run and described the meeting information and access via weblink or dial-in instructions could be found on the meeting agenda posted on the City of Stamford’s website.

An overview of the planned meeting agenda was then provided.

1. Approval of February 14, 2023 Minutes

Mr. Stein moved that the Board approve drafted minutes from the February 14, 2023 meeting. Ms. Cowan seconded this motion which carried 4-0-1 (Blessing, Cowan, Roqueta & Stein) with one abstention (Ms. Lane).

2. Balance of the Affordable Housing Trust Fund

The City is currently switching over to a new ERP system.

The Zoning Board approved a project (68 Seaview Ave) which includes a \$2.3 million fee-in-lieu payment that will be due when the project applies for a building permit.

\$2,448,859.82 is currently in the Affordable Housing Trust Fund Account (\$1,439,484.95 in Linkage and \$1,009,374.87 in Zoning/Fee-in-Lieu).

The Board previously allocated \$375,000 to Pacific House and \$1,350,000 to the Housing Development Fund (totaling \$1,725,000), leaving \$723,859.82 unallocated in the account.

The City Budgets, set to be approved on May 9th, would provide an additional \$691,781 of Linkage Fees.

When \$3,000,000 or more is in the account the Board would issue a Notice of Funds Available (NOFA).

When funds are being paid out to projects staff will prioritize spending the most restrictive funds (Zoning/Fee-in-Lieu) first if the project is eligible, and the most flexible funds last (Linkage).

3. Presentation and Discussion on Changes to the Below Market Rate Program Zoning Regulations

The Zoning Board is looking into increasing BMR requirements and making Fee-in-Lieu a more attractive option for developers.

The BMR Homeownership program has been a challenge over the years:

- The market does not produce homeownership units because primarily rental units are built.
- As currently structured the BMR program creates “second rate” homeownership because re-sale price is capped
- The program is difficult to administer and has seen a number of defaults and foreclosures
- There is a question of whether it is cost effective in comparison to the rental program
- Homeownership is not necessarily right for everyone

Questions to be answered:

- Do we need a BMR Homeownership Program?
- If yes, does it need to be changed and how should it be changed?

Options to consider:

- Remove the resale value cap for new units (completely, gradually, or using a shared appreciation model)
- Give up the homeownership program and create other incentives (e.g. down payment assistance)

General discussion:

- While BMR ownership units are equivalent to market-rate units (size, finishes, etc.), the sale of the unit is capped.
- Do we want to focus on subsidizing a unit (deed restriction on a specific unit) or subsidizing a family (such as down payment assistance, which is not linked to any particular unit)?
- What amount are we looking to subsidize any particular family (down payment assistance is a relatively small amount but subsidizing a deed restricted unit is very expensive)?
- The BMR ownership program is generally seen as important even if it is not perfect.
- There is concern about removing the sale restrictions and how much value goes to a single family.
- If the program was eliminated moving forward the City would still need to administer the units moving forward or create a system to phase them out.
- There are very few starter homeowner options for families in Stamford.
- The BMR program also provides homeowners an option for prorated taxes and HOA fees.
- Are the rates of foreclosure in the BMR program or other program statistics in-line with the general market?

- Do the maximum sale price formulas need to be adjusted?

Questions remaining:

- How are the BMR foreclosure rates different from the general market?
- What is the value of a homeownership program compared to a rental program?
- How does a BMR homeowner benefit from the current appreciation policy?

There is a preference for keeping a BMR homeownership program and some sort of resale cap in order to maintain affordability for future buyers.

4. Workshop on Diversity, Equity and Inclusion (DEI)

Carmen Hughes, IDEAS (Inclusion, Diversity, Equity, & Accessibility Strategies) Officer for the City of Stamford, led an interactive discussion on Diversity, Equity and Inclusion to equip Board members and staff with strategies to ensure a more inclusive and productive working environment.

5. Old Business

None.

6. New Business

None.

ADJOURNMENT

Ms. Cowan called for adjournment of the meeting at 8:36pm, seconded by Mr. Stein and carried on a vote of 5 to 0 (Blessing, Cowan, Lane, Roqueta & Stein).

NOTE: These proceedings were recorded on video and are available for viewing through the City of Stamford's web page – www.stamfordct.gov.