

Note: Draft Posted for 4/3/24 PZC
Special Meeting Only - Not Approved
By Commission or Counsel



HOUSING AFFORDABILITY PLAN

Application of 550-554 Berlin Turnpike Associates, LLC,

Submitted to the Berlin Planning and Zoning Commission

April 1, 2024

1. Applicability

This Housing Affordability Plan is prepared to be in conformance with Section 8-30g of the Connecticut General Statutes, as a component of the application of 550-554 Berlin Turnpike Associates, LLC, for a multi-family affordable housing development under Connecticut General Statutes Section 8-30g, et seq., and the Stipulation for Judgement agreed upon by 550-554 Berlin Turnpike Associates, LLC and Planning and Zoning Commission, Town of Berlin.

2. Property Description

The property is located on the west side of the Berlin Turnpike, north of the intersection of Woodlawn Road as described within the “Existing Conditions Plan” prepared by Harry E. Cole & Son, Engineers, submitted in conjunction with this application.

The project will consist of two buildings; Building 1 three stories with 54 units and Building 2, with 4 stories and 39 units, as described below.

Building 1

	1 Bedroom	2 Bedroom	Total
1 st floor	18	4	22
2 nd floor	18	4	22
3 rd floor	18	4	22
Building Total	54	12	66

Building 2

	1 Bedroom	2 Bedroom	Total
1 st floor	6	2	8
2 nd floor	8	2	10
3 rd floor	9	2	11
4 th floor	8	2	10
Building Total	31	8	39

3. Homes Designated for Affordable Housing Units

The affordable units shall be available for rental in accordance with all provisions of the requirements herein and as required by State Statute.

A total of twenty percent (20%) of the total units or 21 units within the community will be designated as Affordable Housing Units which shall be deed-restricted to be affordable to and occupied by households earning 80 percent or less of the area median income for Berlin, as determined and reported by the United States Department of Housing and Urban Development (HUD). The Affordable Housing Units shall be maintained as affordable for a period of ninety-nine (99) years. This period shall begin on the date of conveyance for each Affordable Housing Unit from the Developer or its successors or assigns to an eligible purchaser or date of the initial lease, as hereinafter defined.

4. Distribution of Affordability Units

The affordable housing units will be located within each of the buildings as described in the chart below, as well as the marked floorplans included within Schedule C.

	One-Bedroom		Two-Bedroom	
	Market	Affordable	Market	Affordable
Building 1				
1 st floor	16	2	2	2
2 nd floor	16	2	2	2
3 rd floor	16	2	2	2
Building Total I	48	6	6	6
Building 2				
1 st floor	5	1	0	1
2 nd floor	7	1	1	1
3 rd floor	7	2	1	1
4 th floor	7	1	1	1
Building Total	26	5	4	4
Project Total	74	11	10	10

5. Sequence of Construction

All units shall be constructed and made available upon the completion of each building. The affordable units will be made available for tenancy at the same time as the market rate units.

The phasing is based on each individual building as determined by the issuance of Certificates of Occupancy. Nothing shall prohibit the developer from designating more affordable units before the construction of the market rate units.

6. Nature of Construction

The affordable units shall be indistinguishable from the market units. Although final building plans have not been produced, the unit design is expected to adhere to the Schematic Design as submitted within the application materials.

7. Entity Responsible for Administering and Compliance

The Entity responsible for Administration and Compliance of administering the Affordability Plan shall be selected by the developer, with notification to the Town of Berlin Planning and Zoning Commission. shall. The administrators shall have the responsibility for:

- (A) Ensuring that households applying for affordable units qualify within applicable maximum income limits.
- (B) Assuring the accuracy of sale or resale prices or rents, and providing documentation where necessary to buyers, sellers, lessors, lessees, and financing institutions.
- (C) Maintaining minimum percentages in a set-aside development.
- (D) Reporting compliance to the municipality; and
- (E) Executing the affirmative fair housing marketing plan.

8. Prioritization of Applicants for Initial Occupancy of Affordable Housing Units

If the number of qualified applicants exceeds the number of Affordable Units, after publication of the Notice of Initial Rental, as described in Section 9, the Administrator shall establish a list of qualified applicants. Those applicants who meet the criteria of “least likely to apply” as defined by in the Connecticut Agency Regulations 8-37ee, all of which meet the income criteria described herein, shall be given first preference in the purchase of the Affordable Housing Units. If the number of applicants which meet the criteria exceeds the number of available Affordable Housing Units, the Administrator shall be based upon a “first come, first served” basis.

9. Affirmative Housing Marketing Plan

The sales of the Affordable Housing Units shall be done in compliance with an Affirmative Housing Marketing Plan that is in conformance with Section 8-37ee of the Department of Economic and Community Development Housing Regulations.

The developer shall provide notice of sale or rental of each of the Affordable Housing Units in accordance with the Affirmative Housing Marketing Plan. The Administrator shall also provide such notice to the Commission. Such notice shall include a description of the available affordable homes, the eligibility criteria for the purchasers, the maximum sales price or monthly rental costs as hereinafter defined and the availability of application forms and additional information. All such notices shall comply with the Fair Housing Act, 42 U.S.C. 3601 et. seq, and the Connecticut Fair Housing Act Connecticut General Statutes 46a-64b, 64c.

The plan shall include the following:

- (A) Analyzing census and other data to identify racial and ethnic groups least represented in the population.
- (B) Announcements/advertisements in publications and other media that will reach minority populations.
- (C) Announcements to social service agencies and other community contacts serving low-income minority families in the region (including churches, civil rights organizations, housing authorities, and legal services organizations).
- (D) Assistance to minority applicants in processing applications.
- (E) Marketing efforts in geographic area of high minority concentrations within the housing market area.
- (F) Beginning marketing efforts prior to general marketing of units, and repeating again during initial marketing, at fifty percent (50%) completion, and thereafter at reasonable period intervals with respect to resales or re-rentals; and
- (G) Collection of basic racial and ethnic information for all residents and persons on the wait list for the development.

The specific marketing strategy shall be reviewed annually in accordance with results and available information to assure its effectiveness. A written copy of the annual review shall be submitted to the Town of Berlin.

10. Income Eligibility

The income eligibility requirements are based upon the lower of the median family income of families within the State of Connecticut and the Hartford – East Hartford – West Hartford Metropolitan area. They shall be adjusted annually as the estimated income is updated by the Department of Housing of the State of Connecticut. The data for 2023 will be utilized within this plan as examples of the calculations of income and household costs.

2023 Median Family Income	
State of Connecticut ¹	\$112,600
Hartford-West Hartford-East Hartford HMFA ²	\$112,700

As it is slightly lower, the State median income will be used in these calculations.

11. Initial Occupancy of Eligibility of Affordable Housing Units

The Affordable Housing Units, which shall encompass not less than 30% of the total number of units, (32,) shall be rented to families whose income is less than 80% or 60% of the area or statewide median income, whichever is less, as described above. The area and statewide median income shall be as determined by the U.S. Department of Housing and Urban Development as prescribed by the State of Connecticut Department of Housing.

¹ Department of Housing and Urban Development; FY 2022 Median Family Incomes for States, Metropolitan and Nonmetropolitan Portions of States

² Department of Housing, State of Connecticut, Development Program Income Limits based on HUD Median Incomes

In situations where the income information indicates that the applicant is ineligible for an affordable unit, no additional actions are required. However, if the applicant is eligible, the Administrator shall issue a pre-certification letter, which indicates to the Applicant and Developer or seller of the property that the Applicant is income eligible, subject to the verification of the information provided in the Application.

If applicable, the Applicant shall provide the documentation listed on Schedules A and B of the Plan, to the administrator. The Administrator may require any additional relevant information or clarifications.

12. Maximum Monthly Housing Payments Eligibility

Calculation of eligibility for occupancy in an Affordable Housing unit, shall be in accordance with the requirements of Section 8-30g of the Connecticut General statutes, and shall require the proposed owner to meet the following criteria:

- Maximum monthly household income adjusted for unit/family size.
- A maximum purchase price or rental cost that does not exceed the maximum rental cost for an affordable home as calculated under Connecticut General Statutes 8-30g and as described as follows within an example of a calculation for the purchase of a two-bedroom unit.

13. Affordable Rental Units

Examples of Calculation of Income Eligibility for Rent @ 80% of Median Family Income

One-Bedroom Rental @ 80%	
(1) Determine lower of area: Hartford – East Hartford –West Hartford Metro Area or statewide Median Income for a family of four.	\$ 112,600
(2) Determine the adjusted income for a household of 3 persons by calculating 75% of Item 1	\$ 84,450
(3) Calculate 80% of Item 2 to determine maximum Annual Household Income to Qualify	\$ 67,560
(4) Calculate 30 percent of Item 3 representing the maximum portion of a family's income that may be used for housing	\$ 20,268
(5) Divide Item 4 by twelve to determine the Maximum Monthly Housing Payment	\$ 1,689
(6) Determine the fair market rent for a unit with the same number of bedrooms as published by the US Department of Housing and Urban Development.	\$ 1,207
(7) Multiply fair market rent by 120%	\$ 1,448
(8) Maximum monthly housing payment is the less of Steps (5) and (7)	\$ 1,488
(9) Tenant paid costs, including heat and electricity costs ³	\$ 151
(10) Maximum monthly rent is tenant paid costs, (9) subtracted from maximum monthly housing payment, (8).	\$ 1,337

³ CONNECTICUT DEPARTMENT OF HOUSING
Section 8 Housing Choice Voucher Program Utility Allowance Schedule
for the period 07/01/2023 - 06/30/2024

Two Bedroom Rental @ 80%	
(1) Determine lower of area: Hartford – East Hartford – West Hartford Metro Area or statewide Median Income for a family of four.	\$ 112,600
(2) Determine the adjusted income for a household of 3 persons by calculating 90% of Item 1	\$ 101,340
(3) Calculate 80% of Item 2 to determine maximum Annual Household Income to Qualify	\$ 81,072
(4) Calculate 30 percent of Item 3 representing the maximum portion of a family's income that may be used for housing	\$ 24,322
(5) Divide Item 4 by twelve to determine the Maximum Monthly Housing Payment	\$ 2,027
(6) Determine the fair market rent for a unit with the same number of bedrooms as published by the US Department of Housing and Urban Development.	\$ 1,499
(7) Multiply fair market rent by 120%	\$ 1,799
(8) Maximum monthly housing payment is the less of Steps (5) and (7).	\$ 1,799
(9) Tenant paid costs, including heat and utility costs ⁴	\$ 255
(10) Maximum monthly rent is tenant paid costs, (9) subtracted from maximum monthly housing payment, (8).	\$ 1,544

14. Enforcement

The requirements of this Plan shall be included within deed restrictions to be placed upon each of the Affordable Housing Units. This shall include, but not be limited to income limits, occupancy requirements and sales price.

⁴ CONNECTICUT DEPARTMENT OF HOUSING
Section 8 Housing Choice Voucher Program Utility Allowance Schedule
for the period 07/01/2022 - 06/30/2023

SCHEDULE A

DEFINITIONS AND ELEMENTS OF ANNUAL FAMILY INCOME

- 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, and other similar types of periodic payments;
 - 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 or grant 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 organizations or 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, except combat pay as in 2.h, below;

- 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 items identified in 24 C.F.R. § 5309(c), including the following
 - a Income from employment of children (including foster children) under the age of 18;
 - b Payments received for the care of foster children or foster adults;
 - c Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
 - d Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
 - e The full amount of scholarships paid directly to the student or to the educational institution (subject to 24 C.F.R. § 5.609(b)(9)).
 - f Amounts received under training programs funded by HUD;
 - g Income of a live in aide, as defined in 24 C.F.R. § 5.403;
 - h The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
 - i Temporary, nonrecurring or sporadic income (including gifts that are not regular or periodic);
 - j. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
 - k Earnings in excess of \$480 for each full time student 18 years old or older (excluding the head of household and spouse);
 - l Adoption assistance payments in excess of \$480 per adopted child;
 - m Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts;
 - n Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

- o Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; and
 - p Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits.
- 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, 401 K 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 (e.g., inheritances, capital gains, one time lottery winnings, and settlement on insurance claims);
 - h The current market value of any personal property held for investment (e.g., gems, jewelry, coin collections); and
 - i Assets disposed of within two (2) years before the Application Date, but only to the extent consideration received was less than the fair market value of the asset at the time it was sold.
- 4 Net family assets do not include the following
- a Necessary personal property (clothing, furniture, cars, etc.);
 - b Vehicles equipped for handicapped individuals;
 - c Life insurance policies;
 - 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.

SCHEDULE B

DOCUMENTATION OF INCOME

The following documents shall be provided, where applicable, to the Administrator to determine income eligibility

1 Employment Income.

Verification forms must request the employer to specify the frequency of pay, the effective date of the last pay increase, and the probability and effective date of any increase during the next twelve (12) months. Acceptable forms of verification (of which at least one must be included in the Applicant file) include

- (a) An employment verification form completed by the employer.
- (b) Check stubs or earnings statement showing Applicant's gross pay per pay period and frequency of pay.
- (c) W 2 forms if the Applicant has had the same job for at least two years and pay increases can be accurately projected.
- (d) Notarized statements, affidavits or income tax returns signed by the Applicant describing self employment and amount of income, or income from tips and other gratuities.

Social Security, Pensions, Supplementary Security Income, Disability Income.

- (a) Benefit verification form completed by agency providing the benefits.
- (b) Award or benefit notification letters prepared and signed by the authorizing agency. (Since checks or bank deposit slips show only net amounts remaining after deducting SSI or Medicare, they may be used only when award letter cannot be obtained.)
- (c) If a local Social Security Administration ("SSA") office refuses to provide written verification, the Administrator should meet with the SSA office supervisor. If the supervisor refuses to complete the verification forms in a timely manner, the Administrator may accept a check or automatic deposit slip as interim verification of Social Security or SSI benefits as long as any Medicare or state health insurance withholdings are included in the annual income.

3 . Unemployment Compensation.

- (a) Verification form completed by the unemployment compensation agency.

- (b) Records from unemployment office stating payment dates and amounts.

4 Government Assistance.

- (a) All Government Assistance Programs. Agency's written statements as to type and amount of government assistance the Applicant is now receiving, including but not limited to assistance under the federal Section 8 program, and any changes in such assistance expected during the next twelve (12) months.
- (b) Additional Information for "As paid" Programs Agency's written schedule or statement that describes how the "as paid" system works, the maximum amount the Applicant may receive for shelter and utilities and, if applicable, any factors used to ratably reduce the Applicant's grant.

5 Alimony or Child Support Payments.

- (a) Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- (b) A letter from the person paying the support.
- (c) Copy of latest check. The date, amount, and number of the check must be documented.
- (d) Applicant's notarized statement or affidavit of amount received or that support payments are not being received and the likelihood of support payments being received in the future.

6 Net Income from a Business.

The following documents show income for the prior years. The Administrator must consult with Applicant and use this data to estimate income for the next twelve (12) months.

- (a) IRS Tax Return, Form 1040, including any
Schedule C (Small Business)
Schedule E (Rental Property Income)
Schedule F (Farm Income)
- (b) An accountant's calculation of depreciation expense, computed using straight line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
- (c) Audited or unaudited financial statement(s) of the business.

- (d) A copy of a recent loan application listing income derived from the business during the previous twelve (12) months.
- (e) Applicant's notarized statement or affidavit as to net income realized from the business during previous years.

7 Recurring Gifts.

- (a) Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value of gifts.
- (b) Applicant's notarized statement or affidavit that provides the information above.

8 Scholarships, Grants, and Veterans Administration Benefits for Education.

- (a) Benefactor's written confirmation of amount of assistance, and educational institution's written confirmation of expected cost of the student's tuition, fees, books and equipment for the next twelve (12) months. To the extent the amount of assistance received is less than or equal to actual educational costs, the assistance payments will be excluded from the Applicant's gross income. Any excess will be included in income.
- (b) Copies of latest benefit checks, if benefits are paid directly to student. Copies of canceled check or receipts for tuition, fees, books, and equipment, if such income and expenses are not expected to change for the next twelve (12) months.
- (c) Lease and receipts or bills for rent and utility costs paid by students living away from home.

9 Family Assets Currently Held.

For non liquid assets, collect enough information to determine the current cash value (i.e. the net amount the Applicant would receive if the asset were converted to cash).

- (a) Verification forms, letters, or documents from a financial institution, broker, etc.
- (b) Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- (c) Quotes from a stock broker or realty agent as to net amount Applicant would receive if Applicant liquidated securities or real estate.
- (d) Real estate tax statements if tax authority uses approximate market value.
- (e) Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.

- (f) Appraisals of personal property held as an investment.
 - (g) Applicant's notarized statements or signed affidavits describing assets or verifying the amount of cash held at the Applicant's home or in safe deposit boxes.
- 10 Assets Disposed of for Less Than Fair Market Value ("FMV") During Two Years Preceding Lease Begin Date.
- (a) Applicant's certification as to whether it has disposed of assets for less than FMV during the two (2) years preceding the Lease Begin Date.
 - (b) If the Applicant states that it did dispose of assets for less than FMV, then a written statement by the Applicant must include the following
 - (i) A list of all assets disposed of for less than FMV;
 - (ii) The date Applicant disposed of the assets;
 - (iii) The amount the Applicant received; and
 - (iv) The market value to the asset(s) at the time of disposition.
- 11 Savings Account Interest Income and Dividends.
- (a) Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.
 - (b) Broker's quarterly statements showing value of stocks or bonds and the earnings credited the Applicant.
 - (c) If an IRS Form 1099 is accepted from the financial institution for prior year earnings, the Administrator must adjust the information to project earnings expected for the next twelve (12) months.
- 12 Rental Income from Property Owned by Applicant.
- The following, adjusted for changes expected during the next twelve (12) months, may be used
- (a) IRS Form 1040 with Schedule E (Rental Income).
 - (b) Copies of latest rent checks, leases, or utility bills.
 - (c) Documentation of applicants income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable expenses, maintenance and utilities, bank statements, and other expenses.

- (d) Lessee's written statement identifying monthly payments due the Applicant and Applicant's affidavit as to net income realized.

13 Full Time Student Status.

- (a) Written verification from the registrar's office or appropriate school official.
- (b) School records indicating enrollment for sufficient number of credits to be considered a full time student by the school.

SCHEDULE C

DESIGNATION OF AFFORDABLE UNITS

Affordable housing units are identified on the attached floorplans with a blue octagon.



NOTES

REVISIONS

OWNER:
550-554 BERLIN TURNPIKE ASSOC, LLC

BUILDER:

SUBMITTAL / CML ENGINEER:

ARCHITECT:
JANKE ARCHITECTURE
500 CORTLAND AVENUE
BRIDGEVILLE, PA 15006

PHASE:
SCHEMATIC
DESIGN SITE

PROPOSED
MULTI-FAMILY
DEVELOPMENT

PARCEL# 10-2-83-13
522 BERLIN TURNPIKE
BERLIN, CT

DRAWING NAME:

BUILDING ONE
FLOOR PLANS

DO NOT SCALE

JOB # 20-024 FILE NAME: Collins Berlin_202321

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DRAWN BY: ABM/JW/JP DATE: 03.18.24

CHECKED BY: JNU SCALE: AS NOTED

SHEET:



A-1.0



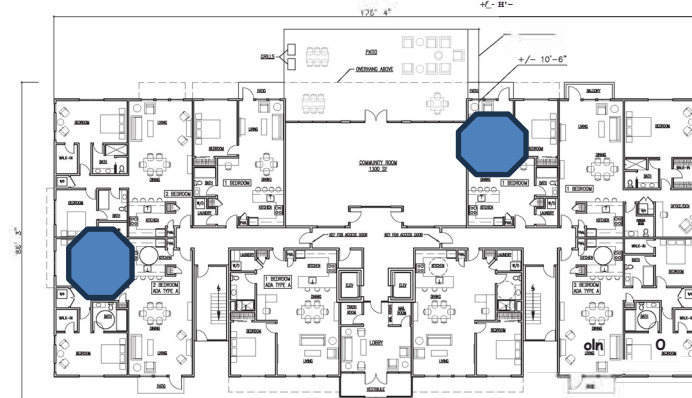
DI :: □ FOURTH FLOOR PLAN



06 :: □ SECOND FLOOR PLAN



G :: □ THIRD FLOOR PLAN



G6 :: □ FIRST FLOOR PLAN

NOTES

REVISIONS

OWNER:
550554 BERLIN TURNPIKE ASSOC. LLC

BUILDER:

MECHANICAL:

STRUCTURAL / CIVIL ENGINEER:

ARCHITECT:
JAHNKE ARCHITECTURE

522 WARRENTON AVENUE
CROFTON, CT 06460

08/17/24
SCHEMATIC
DESIGN SITE

**PROPOSED
MULTI-FAMILY
DEVELOPMENT**

PARCEL# 10-2-83-13
522 BERLIN TURNPIKE
BERLIN, CT

**BUILDING
TWO FLOOR
PLANS**

JOB #: 20-024 FILE NAME: Collins Berlin_022321
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DRAWN BY: ADM/JNU/VP DATE: 03.18.24
CHECKED BY: JNU SCALE: AS NOTED



SHEET
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