

## Proposed Text Amendment to the Westport Zoning Regulations

*Amend §24A-18 – General Business District/Saugatuck (GBD/S), Affordability Requirement and Plan – by adding:*

### 24A-18.1 Alternative Methods of Compliance

Notwithstanding the above, the Commission in its sole discretion may approve alternative methods of satisfying an affordability requirement, including but not limited to: (a) the payment of a fee-in-lieu of constructing affordable units on-site; (b) the construction of affordable units on another site; or (c) the acquisition and establishment of rental/sales price restrictions on existing non-affordable dwelling units. Any such proposal shall demonstrate to the satisfaction of the Commission that the alternative method(s) is desirable and will further affordable housing opportunities in the Town to a greater extent than the provision of on-site affordable units, through the production of a greater number of affordable housing units and/or units for families below the C.G.S. §8-30g required targeted income brackets. Any C.G.S. §8-30g application in the General Business District/Saugatuck must provide all affordable units on-site, and may not elect to use any of the alternative methods of compliance.

- a. Fee-in-Lieu: An applicant may elect, or the Commission may require the applicant, to pay a fee-in-lieu of constructing some or all of the required affordable housing units on-site, provided:
- (i) that units not provided on-site shall be used to determine the amount of the fee-in-lieu; and
  - (ii) that the Planning and Zoning Commission makes a finding that the funds are appropriately linked to the establishment of an equivalent number of off-site affordable units pursuant to C.G.S. §8-30g, with all fractional units rounded up.

Units provided on-site shall be deducted in full from the total required units to determine a fee-in-lieu. Such fee shall take the form of a one-time cash contribution to a housing trust fund, to be administered by the Town of Westport, to be used for constructing, rehabilitating, or repairing housing in Westport that is affordable to persons and families of low and moderate income who meet the income limits in C.G.S. §8-30g. Said funds shall be paid prior to the issuance of the Zoning Permit. The cash contribution to be provided shall be calculated based on 225% of the most recently published Standard Metropolitan Statistical Area (SMSA) Median Family Income for a Family of Four encompassing Westport, as published by the U.S. Department of Housing and Urban Development (HUD).

Example:

#### **I. On-site:**

20% requirement for 27 units = 5.4, or 5 affordable units required

Total Units = 27 on-site

#### **II. Fee-in-Lieu**

20% requirement for 27 units = 5.4, or 6 affordable units required

Total Units = 27 + 6 fee-in-lieu units

SMSA income family of four (2008) = \$117,800 x 225% = \$265,050 fee per unit

6 x \$265,050 = \$1,590,300

Fee must yield a minimum of 6 off-site C.G.S. §8-30g compliant units.

- b. Off-Site Construction of Affordable Units: an affordability requirement may be satisfied through the off-site construction or substantial rehabilitation of affordable dwelling units within the Town, subject to the following standards: (i) the location, architectural design and siting of such units shall be subject to approval by the Commission; (ii) such units shall not serve to displace existing deed restricted affordable housing units; and (iii) the Commission may 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 affordable will be built in a timely manner. Units need not be constructed by the applicant. The Commission may approve a cooperative agreement where units are built by another developer, provided the Commission approves the location and other details related to the creation of these off-site units.
  
- c. Dedication of Existing Non-Affordable Units: an affordability requirement may be satisfied by restricting the rental or sale price of existing non-affordable dwelling units within the Town, through covenants, contractual arrangements, or resale restrictions, provided the location of the units and the form and content of the restrictions are acceptable to the Commission.