**FISCAL IMPACT STATEMENT**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **DATE:** | | | | | |  | | **5/27/2021** | | | | | | | | | | | |
| **FROM (Dept.):** | | | | | |  | | **City Plan Department, Executive Director** | | | | | | | | | | | |
| **CONTACT:** | | | | | |  | | **Aicha Woods** | | | | | | | **PHONE** | | **203-946-6380** | | |
| **SUBMISSION ITEM (Title of Legislation):** | | | | | | | | | | | | |  | | | | | |
| RE: PETITION FOR AN ORDINANCE TEXT and MAP AMENDMENT TO THE NEW HAVEN ZONING ORDINANCE TO REQUIRE AND INCENTIVIZE THE INCLUSION OF AFFORDABLE HOUSING UNITS IN MARKET RATE DEVELOPMENT | | | | | | | | | | | | | | | | | | |
| **List Cost:** | | |  | **n.a.** | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | | | | |
|  | | | | |  | | | | | **GENERAL** | | **SPECIAL** | | **BOND** | | **CAPITAL/LINE ITEM/DEPT/ACT/OBJ CODE** | | |
| **A. Personnel** | | | | | |  | | | |  | |  | |  | |  | |  |
|  | **1. Initial start up** | | | | | | | |  | **0** | | **0** | | **0** | |  | |  |
|  | **2. One-time** | | | | | | | |  | **TBD** | | **TBD** | | **TBD** | | **Staff time to develop IZ Manual + Affordable Housing Trust Fund (AHTF)** | | |
|  | **3. Annual** | | | | | | | |  | **TBD** | | **TBD** | | **TBD** | | **Third Party contractor or Staff time required for administration of tenant marketing and placement.** | | |
| **B. Non-personnel** | | | | | |  | | | |  | |  | |  | |  | | |
|  | **1. Initial start up** | | | | | | | |  | **0** | | **0** | | **0** | |  | | |
|  | **2. One-time** | | | | | | | |  | **TBD** | | **TBD** | | **TBD** | | **Consultant support on IZ Manual+ Affordable Housing Trust Fund (AHTF)** | | |
|  | **3. Annual** | | | | | | | |  | **0** | | **0** | | **0** | |  | | |
| **List Revenues:** | | | | | **Will this item result in any revenues for the City? If Yes, please list amount and type.** | | | | | | | | | | | | | |
|  | | | | |  | | | | |  |  | | |  | |  | |  |
| **NO** | | | | |  | |  | | | |  | | |  | |  | |  |
| **YES** | | | | | **X** | | **In Lieu fee to AHTF , add to Grand List with increased density and FAR** | | | |  | | |  | |  | |  |
|  | | | | |  | | | | |  |  | | |  | |  | |  |
| **1. One-time** | | | | | | | |  |  | | |  | |  | |  |
| **2. Annual** | | | | | | | |  |  | | |  | |  | |  |

**Other Comments: (see below)**

Proposed Tax Abatement levels:

* **Core Submarket**
  + **Cost to City per affordable unit for 30% abatement (over full 10 year term of abatement):** $70K - $80K
* **Strong Submarket**
  + **Cost to City per affordable unit for 5% Abatement (over full 10 years term of abatement):** $30K

**Gap funding (private funding)**

* Note: Rent Reduction is a gap that subsidized by developer/owner that otherwise would seek public funding. Rent reduction is based on a comparison between market rent and AMI pricing.
* **Strong Submarket**
  + **Rent Reduction per unit over 30 Years (assumed useful life of property for analysis purposes):**
    - 50% AMI unit: $414K - $486K (private project cost)
    - 80% AMI unit $288K - $360K (private project cost)
* **Core Submarket**
  + **Rent Reduction per unit over 30 Years (assumed useful life of property for analysis purposes):**
    - 50% AMI unit:$324K - $360K (private project cost)

Potential Revenue to City via in Lieu fees (through Affordable Housing Trust Fund)

**In-Lieu Fee**

* **Core Submarket** : $210,000-$225,000 per unit
* **Strong Submarket**: $168,000-$176,000 per unit