**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