

**ORDINANCE NUMBER 1191 SUPPLEMENTAL  
CONCERNING A TAX ABATEMENT AGREEMENT AMONG THE CITY  
OF STAMFORD AND 992 SUMMER STREET DEVELOPMENT  
LIMITED PARTNERSHIP AND INSPIRICA, INCORPORATED AND THE  
HOUSING AUTHORITY OF THE CITY OF STAMFORD FOR 48  
BELOW-MARKET UNITS LOCATED AT 992 SUMMER STREET,  
STAMFORD, CT**

**WHEREAS**, the City is empowered to grant real property tax abatements for rental units used for low- and moderate-income persons or families under Chapter 220 of the Stamford Charter and Code of Ordinances, in accordance with the powers granted by Section 8-215 of the Connecticut General Statutes, which require that such abatements be passed by an ordinance; and

**WHEREAS**, Inspirica, Incorporated ("Inspirica") has ground leased the land located at 992 Summer Street, Stamford, CT to a partnership called 992 Summer Street Development Limited Partnership (the "Partnership:"), which shall construct and own improvements during a thirty-year affordability period that shall consist of a forty eight unit rental housing complex known as "Summer Place" (the "Property"); and

**WHEREAS**, all forty eight units in the Property shall be restricted to households of low- and moderate-income persons and families ("Below-Market Units"); and

**WHEREAS**, the proposed agreement provides for an abatement of one hundred percent of real property taxes assessed on the forty eight Below-Market Units for a thirty (30) year period in a manner and under such terms that are more particularly described in said proposed agreement, which is incorporated herein and made a part hereof; and

**WHEREAS**, the Housing Authority of the City of Stamford d/b/a Charter Oak Communities ("COC") owns and operates Edward Czescik Homes, a State Elderly Program development serving low and moderate income households which is to be demolished and replaced by the Summer Place development; and

**WHEREAS**, it is in the best interests of the City to support initiatives to increase or preserve affordable rental housing in Stamford for low- and moderate-income persons and families; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF STAMFORD THAT:**

1. The City hereby grants an abatement of one hundred percent (100%) of all real property taxes assessed by the City against the forty eight Below-Market Units in accordance with the terms of the proposed tax abatement agreement, which is incorporated herein by reference as though fully set forth herein, and further complies with all of the terms and conditions set forth in said agreement.
2. The Mayor of the City of Stamford is hereby authorized and empowered to act for and on behalf of the City of Stamford, to execute and deliver all documents he deems necessary or desirable.

This ordinance shall take effect upon enactment.


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Randall M. Skigen, President, and Annie M. Summerville, Clerk, do hereby certify that the foregoing Ordinance was approved on the Consent Agenda by the 29<sup>th</sup> Board of Representatives at the Regular Board Meeting held on June 1, 2015.

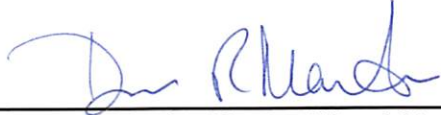
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\_\_\_\_\_  
Randall M. Skigen, President

Dated this 3<sup>rd</sup> day of June, 2015

  
\_\_\_\_\_  
Annie M. Summerville, Clerk

Dated this 8<sup>th</sup> day of June, 2015



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David R. Martin, Mayor, City of Stamford  
Dated this 10 day of June, 2015

EFFECTIVE DATE: June 20, 2015

cc: Mayor David R. Martin  
Michael Handler, Director of Administration  
Jim Hricay, Director of OPM  
Ernie Orgera, Director of Operations  
Thomas Madden, Director of Economic Development  
Kathryn Emmett, Esq., Law Department  
Ted Jankowski, Director of Public Safety, Health & Welfare  
Donna Loglisci, Town Clerk  
William Forker, Director of Assessment and Collection

**TAX ABATEMENT AGREEMENT  
BETWEEN THE CITY OF STAMFORD AND  
992 SUMMER STREET DEVELOPMENT LIMITED PARTNERSHIP AND  
HOUSING AUTHORITY OF THE CITY OF STAMFORD AND INSPIRICA, INC.**

This AGREEMENT made this \_\_\_ day of \_\_\_\_\_, 2015, ("Agreement") between THE CITY OF STAMFORD (the "City"), a municipal corporation organized and existing under the laws of the State of Connecticut and located in the County of Fairfield in said State, acting herein by David R. Martin, its Mayor, hereunto authorized, and 992 Summer Street Development Limited Partnership ("the Partnership"), a limited partnership organized and existing under the laws of the State of Connecticut and located at 40 Clinton Avenue, Suite 101, Stamford, Connecticut, 06901, acting herein by Vincent J. Tufo, President of 992 Summer Street Housing Corporation, Co-General Partner of the Partnership (owner of the improvements and lessor of the Property, as hereinafter defined), and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities ("COC") ("the Authority"), acting herein by Vincent J. Tufo, Executive Director & CEO, and Inspirica, Inc., (owner of the land), acting herein by Jason Shaplen, Executive Director, and 992 Summer Street LLC, a limited liability company organized and existing under the laws of the State of Connecticut, Co-General Partner of the Partnership, together the "Owners".

**WITNESSETH**

WHEREAS, Inspirica, Inc. ("Inspirica") has ground leased the land located at 992 Summer Street, Stamford, CT (the "Property"), to the Partnership, which shall construct and own improvements during a 30-year affordability period that shall consist of a forty eight (48) unit rental housing complex, known as "Summer Place" ("SP"), which Property is as more particularly described in Schedule A hereto and made a part hereof. All forty eight (48) units shall be restricted to households of low- and moderate-income (the "Below-Market Units"). For purposes of this Agreement, "Property" shall mean the land described in Schedule "A" and the buildings or improvements now existing or hereafter located thereon. The Authority and Inspirica shall be the sponsors for this project and shall ensure, by various agreements that the Below-Market Units be used for low- and moderate-income residents in accordance with the terms of this Agreement;

WHEREAS, the Authority has operated the apartment complex known as Czescik Homes as a low-and moderate-income housing development in accordance with the regulatory restrictions imposed by the State of Connecticut Department of Housing and the Connecticut Housing Finance Authority for the State Elderly Program, in its role as owner and property manager of Czescik Homes; and

WHEREAS, Czescik Homes is to be replaced by Summer Place because Czescik Homes is located in the flood zone of the Mill River and has been awarded funds for a replacement development to be located outside of the flood zone, and because Czescik Homes is an older, functionally obsolete development, and

**WHEREAS, Inspirica is ground leasing the Property to the Partnership to facilitate the improvement of the Property with a forty eight (48) unit (all Below Market Units) rental development to serve as a sustainable affordable housing resource to replace Czescik Homes and to serve current residents of Czescik Homes and other current and future low- and moderate-income residents; and**

**WHEREAS, the Partnership shall use the forty eight (48) Below-Market Units on the Property for the housing of low- and moderate-income persons or families, which are defined for purposes herein as having annual household incomes at or below 60% of the Area Median Income in conformance with the Low Income Housing Tax Credit ("LIHTC") program as administered by the Connecticut Housing Finance Authority ("CHFA") in accordance with Section 42 of the Internal Revenue Code, with priority during initial lease-up given to residents of Czescik Homes; and**

**WHEREAS, the Partnership is funding the construction of the improvements at the Property in part from loans made from financing or banking institutions and from its own equity contributions and has agreed to operate the Below-Market Units as a low and moderate income rental housing project; and**

**WHEREAS, under the terms of the loans to be made by JP Morgan Chase Bank, N.A. ("Chase"), the first mortgage lender, to the Partnership the loan obligations to Chase shall be secured by a first mortgage on the improvements constructed on the leasehold interest to the Property; and**

**WHEREAS, the City is empowered to grant a real property tax abatement for rental units used for low- and moderate-income persons or families under Chapter 220 of the Stamford Charter and Code of Ordinances, in accordance with the powers granted by Sections 8-215 of the Connecticut General Statutes, as amended; and**

**WHEREAS, the Owners are requesting that the City grant their request for an abatement of one hundred percent (100%) of all real property taxes assessed on the forty eight (48) Below Market Units at the Property, as such taxes may vary from year to year, for the purpose(s) described herein as such abatement is more particularly described in this Agreement provided the Owners satisfy the further terms and conditions set forth herein; and**

**WHEREAS, the City's Tax Abatement Committee has made a recommendation that such request be granted by the City; and**

**WHEREAS, the City is willing to grant such an abatement to the Owners in accordance with the terms and conditions set forth in this Agreement;**

**NOW THEREFORE, in consideration of the mutual undertaking herein contained and other valuable consideration, the parties hereby agree as follows:**

- 1. Each fiscal year, commencing on July 1<sup>st</sup> and terminating on June 30<sup>th</sup> of the immediately following year, the Partnership agrees, warrants and represents that it will**

pay the City ten percent (10%) of the Partnership's "Shelter Rent," as defined in Form HUD-52481, Section 1(c) attached hereto as Exhibit A, received for the forty eight (48) Below Market Rate Units at the Property, in exchange for the City's abatement of one hundred percent (100%) of real property taxes assessed on the forty eight (48) Below Market Rate Units at the Property provided that the Partnership satisfies all of the further terms and conditions set forth in this Agreement except however that such payment described herein shall be modified by (a) and (b) below as applicable:

(a) In any fiscal year during which the City receives a tax abatement grant and/or a Pilot Grant for the property and the tax abatement grant and/or Pilot is equivalent to or exceeds ten percent (10%) of the Partnership's Shelter Rent for the forty eight (48) Below Market Rate Units at the property, the City shall retain said tax abatement grant and/or Pilot in full and grant an abatement of one hundred percent (100%) of all real property taxes assessed on the forty eight Below Market Units at the Property, as such taxes may vary from year to year, for the purpose(s) described herein.

(b) In any fiscal year during which the City receives a tax abatement grant and/or Pilot Grant that is less than ten percent (10%) of the Partnership's Shelter Rent for the forty eight (48) Below Market Rate Units at the Property, then provided the Partnership pays the City and complies with the further terms and conditions of this Agreement, the City shall reimburse the Partnership for the amount received which is beyond the combined 10% Shelter Rent and tax abatement grant and/or Pilot Grant payment. For purposes of this Agreement, "Shelter Rent" is the total of rents paid by all Below Market Units tenants (excluding all other income of such Project), less the amount paid for utility services by the Partnership.

2. The term of this Agreement shall be for a period of thirty years commencing on the effective date of this Agreement and terminating thirty years therefrom. The City may, in its discretion, extend the term of this Agreement as provided herein, which discretion shall not be unreasonably withheld provided that the Property is being occupied by low and moderate income housing persons or families.
3. The Owners agree, warrant and represent that monies equal to the amount of such taxes so abated shall be used exclusively for any one or more of the following purposes: to reduce rents below the level which would be achieved in the absence of such abatement, or to improve the quality and design of such housing, or to effect occupancy of such housing by persons and families of varying income levels within limits approved by the City, or to provide necessary related facilities or services in such housing.

Notwithstanding anything herein to the contrary, the Partnership further agrees, warrants and represents that it shall open and maintain, throughout the entire term of this Agreement, and any extensions thereto, a separate Social Services Reserve Account ("Account"), which account shall be to cover the costs of providing social services and support to tenants who reside in the Below Market Units and for no other tenants whatsoever. In the event of the occurrence of section numbered 1(b) above, any and all monies retained by the Partnership that were intended and earmarked for remitting

payment to the City equivalent to ten percent (10%) of the Shelter Rent shall be immediately deposited into the Account by the Partnership. Any and all funds in said Account shall be used for social services and support to said tenants and for no other purpose whatsoever.

4. The tax abatement described herein shall be effective as of the date of final adoption of this Agreement by the City of Stamford ("effective date") and shall continue thereafter until terminated as provided herein. Further, the annual payments described in paragraph numbered one above shall be paid to the City in the same manner and same timeframes as real property taxes are paid within the City. Any payment that is more than thirty (30) days late shall accrue interest at the same rate and in the same manner as delinquent real property taxes as provided for in Sec. 12-146 of the Connecticut General Statutes, as may be amended from time to time.
5. This Agreement shall terminate immediately upon the occurrence:
  - a. At any time when such Below-Market Units are not used as housing rented solely to low- or moderate-income persons or families in compliance with Section 42 of the Internal Revenue Code.
  - b. At any time when the Partnership fails to use the monies described in Section 3 above for the purposes so described in said section.
  - c. In the sole discretion of the City, at any time when the Owners are in breach of this Agreement and has not cured such breach within 60 days (or 30 days in the event of a payment default) after written notice thereof from the City.
  - d. Thirty years from the effective date of this Agreement. Notwithstanding the foregoing, this Agreement may be extended by the City, in its discretion, which shall not be unreasonably withheld, for two (2) additional, successive term(s) of thirty years (30) each, and thereafter one additional eight (8) year period, not to exceed ninety-eight (98) years in total, by notifying the Owners in writing prior to the expiration of each term.
6. Any amount payable by the Partnership in accordance with this Agreement above shall be adjusted on a pro rata basis for any fiscal year during which the tax abatement is in effect for less than the entirety of such fiscal year, or the tax abatement hereunder is terminated, such that the amount owed will be equal to the product of (a) the per annum amount otherwise due under this Agreement, and (b) the quotient obtained by dividing the number of days during which the tax abatement was operative, by 365.
7. The Owners agree, warrant and represent that they shall comply with all applicable federal, state and local laws, rules, regulations, ordinances, charters, statutes, codes, orders, policies and procedures relating to the Property.
8. For so long as this Agreement shall remain in full force and effect, the Partnership agrees (i) to make all financial books and records available to the Tax Abatement Committee and the Board of Representatives of the City or to any person duly, selected, hired or

engaged by said Committee and/or Board for the review, inspection, audit and reproduction of any documentation or portion thereof, and (ii) to maintain such books and records in accordance with generally accepted accounting principles. On or before the 30<sup>th</sup> day of June of every calendar year, the Partnership agrees, warrants and represents that, unless otherwise agreed by the City, it shall provide the City with a comprehensive, annual financial statement, inclusive of the standard HUD form, prepared by an independent, certified public accountant, regarding the Property. The audit shall include a reporting on the accounting of expenditures earmarked for tax abatement grant and/or Pilot payments and the social services payments made. The Partnership further agrees, warrants and represents that it shall provide the City on or before May 25<sup>th</sup> of each calendar year with a certification prepared by said independent certified public accountant that verifies the total amount of Shelter Rent for the sixty (60) below-Market Rate Units. In addition, the Partnership will submit to the Tax Abatement Committee, each calendar year, a copy of its Owner's Certification of Continuing Low-Income Housing Tax Credit ("LIHTC") Compliance, which is the form of certification that it has submitted to the CHFA for the purpose of attesting that the occupancy of the Below Market Units has been restricted low- and moderate-income households. The Tax Abatement Committee may, at its discretion, utilize this form of certification in determining that the Partnership is in compliance with this Agreement.

9. In the event this Agreement is terminated as provided herein, all monies due and owing to the City shall be immediately due and payable to the City upon written demand and the abatement of taxes shall terminate on the date calculated in section 5 above.
10. The Tax Abatement Committee may, by majority vote, extend any of the audit report deadlines set forth in this Agreement, if the Partnership reasonably demonstrates the necessity for any such extension(s).
11. Notwithstanding anything contained in this Agreement to the contrary, the rights of the City against the Owners shall be satisfied solely and exclusively out of the assets consisting of (i) the real property of SP, and (ii) any income or proceeds arising from the operation or sale of SP.
12. The Agreement constitutes the entire contract between the parties hereto, and no oral statements or promises and no understanding not embodied in this writing shall be valid or binding. Any modification of this Agreement shall be in writing and executed with the same formality as this Agreement.
13. This Agreement shall be governed by the laws of the State of Connecticut. It is agreed by the parties that if any party commences suit, action or any other legal proceeding against the other, the venue shall be the Superior Court for the Judicial District of Stamford/Norwalk at Stamford.
14. Any statutory reference contained herein shall include any and all amendments thereto and replacements thereof.

15. Any notice required under this Agreement shall be given to the respective parties as follows:

To the City of Stamford:

Director of Administration  
City of Stamford  
608 Washington Boulevard  
Stamford, CT 06904-2152

With a copy to:

Director of Legal Affairs and Corporation Counsel  
City of Stamford  
Office of Legal Affairs  
608 Washington Boulevard  
Stamford, CT 06904-2152

To the Partnership:

992 Summer Street Development Limited Partnership  
40 Clinton Avenue, Suite 101  
Stamford, CT 06901

To COC:

Charter Oak Communities  
22 Clinton Avenue  
Stamford, CT 06901

To Inspirica:

141 Franklin Street  
Stamford, CT 06901

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IN WITNESS WHEREOF, we have hereunto set our hands and seals the day and year above written.

Signed, Sealed and Delivered  
In the Presence of:

CITY OF STAMFORD

\_\_\_\_\_  
\_\_\_\_\_

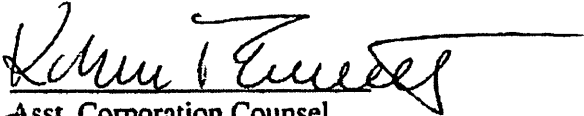
By: \_\_\_\_\_  
David R. Martin  
Its Mayor, Duly Authorized

992 SUMMER STREET DEVELOPMENT  
LIMITED PARTNERSHIP

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Vincent J. Tufo  
President, 992 Summer Street Housing  
Corporation, General Partner of 992  
Summer Street Development Limited  
Partnership

Approved as to Form:

  
Asst. Corporation Counsel

**HOUSING AUTHORITY OF THE CITY OF  
STAMFORD**

By: \_\_\_\_\_  
\_\_\_\_\_

**Vincent J. Tufo  
Executive Director & CEO**

\_\_\_\_\_  
**INSPIRICA, INC.**

By: \_\_\_\_\_

**Jason Shaplen  
Executive Director**

**EXHIBIT A**

Form HUD-52481. This form has been prepared by the Department of Housing and Urban Development for use by a Local Authority as a guide in drafting agreements providing for local cooperation, as required by the Housing Act of 1937, and by regulations of the Department.

Page 1  
Nov. 1968

#### COOPERATION AGREEMENT

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 196\_\_\_\_, by and between \_\_\_\_\_ (herein called the "Local Authority") and \_\_\_\_\_ 1/ (herein called the "Municipality"), witnesseth:

In consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows:

1. Whenever used in this Agreement:

(a) The term "Project" shall mean any low-rent housing hereafter developed as an entity by the Local Authority with financial assistance of the United States of America acting through the Secretary of Housing and Urban Development (herein called the "Government"); excluding, however, any low-rent housing project covered by any contract for loans and annual contributions entered into between the Local Authority and the Government, or its predecessor agencies, prior to the date of this Agreement.

(b) The term "Taxing Body" shall mean the State or any political subdivision or taxing unit thereof in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.

(c) The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and nondwelling rents (excluding all other income of such Project), less the cost to the Local Authority of all dwelling and nondwelling utilities.

(d) The term "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

2. The Local Authority shall endeavor (a) to secure a contract or contracts with the Government for loans and annual contributions covering one or more Projects

comprising approximately \_\_\_\_\_ 2/ units of low-rent housing and (b) to develop and administer such Project or Projects, each of which shall be located within the corporate limits of the Municipality. The obligations of the parties hereto shall apply to each such Project.

3. (a) Under the constitution and statutes of the \_\_\_\_\_

of \_\_\_\_\_, 3/ all Projects are exempt from all real and personal property taxes /and special assessments/ 4/ levied or imposed by any Taxing Body. With respect to any Project, so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Municipality agrees that it will not levy or impose any real or personal property taxes /or special assessments/ 4/ upon such Project or upon the Local Authority with respect thereto. During such period, the Local Authority shall make annual payments (herein called