

**ORDINANCE NUMBER ___ SUPPLEMENTAL
CONCERNING A TAX ABATEMENT AGREEMENT AMONG
THE CITY OF STAMFORD AND GLENBROOK ROAD ELDERLY HOUSING
CORPORATION AND THE HOUSING AUTHORITY OF THE CITY OF STAMFORD
FOR 44 BELOW-MARKET UNITS LOCATED AT
GLENBROOK MANOR, 10 GLENBROOK ROAD, STAMFORD, CT**

WHEREAS, the City is empowered to grant real property tax abatements for rental units 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 8-125 of the Connecticut General Statutes, which requires that such abatements be passed by an ordinance; and

WHEREAS, the City is empowered to grant real property tax abatements for rental units 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 8-125 of the Connecticut General Statutes, which requires that such abatements be passed by an ordinance; and

WHEREAS, the Housing Authority of the City of Stamford d/b/a Charter Oak Communities ["COC"] has ground leased the land located at 100 Glenbrook Road to the Glenbrook Road Elderly Housing Corporation ["the Corporation"], which shall make and own improvements during a thirty-year affordability period that shall consist of a forty four unit rental housing complex known as "Glenbrook Manor" ["the Property"], and

WHEREAS, all forty four units shall be restricted to households of low- and moderate-income persons and families ["Below-Market Units"]; and

WHEREAS, a proposed agreement provides for an abatement of one hundred percent of real property taxes assessed on the thirty Below-Market Units for a period of thirty (30) years in a manner and under such terms as are more particularly described in the proposed agreement, which is incorporated herein and made a part hereof; 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- or moderate-income persons and families;

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-seven 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.

Effective Date. This Ordinance shall take effect upon enactment.

Randall M. Skigen, President, and Annie M. Summerville, Clerk, do hereby certify that the foregoing Ordinance was _____ by a machine vote of _____ by the 29th Board of Representatives at the Meeting held on _____.

Randall M. Skigen, President

Annie M. Summerville, Clerk

C: Mayor David R. Martin
Kathryn Emmett, Director of Legal Affairs
William Forker, Tax Collector

**TAX ABATEMENT AGREEMENT
BETWEEN THE CITY OF STAMFORD AND
GLENBROOK ROAD ELDERLY HOUSING CORPORATION AND
HOUSING AUTHORITY OF THE CITY OF STAMFORD**

This AGREEMENT made this ___ day of _____, 2017, ("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 Glenbrook Road Elderly Housing Corporation ("the Corporation"), a non-profit corporation 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 (owner of the land and all improvements), and the Housing Authority of the City of Stamford d/b/a Charter Oak Communities ("COC"), (sponsor of the Corporation) (the Authority") acting herein by Vincent J. Tufo, Executive Director & CEO, together the "Owners".

WITNESSETH

WHEREAS, the Corporation has owned and operated a forty four (44) unit affordable rental complex for seniors known as Glenbrook Manor since 1975, which property is more particularly described in Schedule A hereto and made a part hereof. For purposes of this Agreement, "Property" shall mean the land described in Schedule "A" and the buildings or improvements hereafter located thereon. The Authority shall be the sponsor 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; All forty four (44) units are subsidized under a Section 8 Housing Assistance Payments (HAP) contract between the Corporation and the U.S. Department of Housing and Urban Development (HUD). Residents pay 30% of their adjusted income toward rent and utilities with the balance of operating revenue paid through the HAP subsidy. It is the intent of the Corporation and the Authority to continue the affordability of the property for at least thirty (30) years from the date of this Agreement, subject to the availability of HAP subsidy or other sources of funding; and

WHEREAS, the Corporation shall use the forty four (44) 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; and

WHEREAS, the Corporation is operating the Property under agreements with HUD and the Connecticut Housing Finance Authority (CHFA) which require continuing affordability of the Below Market Units and has agreed to operate the Below-Market Units as a low and moderate income rental housing project; and

WHEREAS, the Corporation and the Authority are planning the recapitalization of the Property to facilitate its renovation and improvement, which recapitalization will likely require the sale of the improvements to a limited partnership consisting of a General Partner controlled by the Authority and a Limited Partner providing cash equity in return for Low-Income Housing Tax Credits, and transfer of land title to the Authority which will lease the land to the Limited Partnership under a 98 year ground lease; 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 four 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 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 1st and terminating on June 30th of the immediately following year, the Corporation agrees, warrants and represents that it will pay the City ten percent (10%) of the Corporation's "Shelter Rent" received for the forty four (44) Below Market Units at the Property, in exchange for the City's abatement of one hundred percent (100%) of real property taxes assessed on the forty four (44) Below Market Rate Units at the Property provided that the Corporation satisfies all of the further terms and conditions set forth in this Agreement. In the event that the City receives a PILOT Grant from the State of Connecticut for the Property, the parties shall negotiate an amendment to this Agreement establishing distribution of PILOT funds to the respective parties.**
- 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 persons or families.**
- 3. The Corporation agrees, warrants and represents 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 Corporation further agrees, warrants and represents that monies equal to the amount of taxes so abated, throughout the entire term of this Agreement, and any extensions thereto, shall be used to fund long-term debt service in support of a mortgage loan providing funds to be used to implement major repairs and capital improvements intended to ensure the ongoing viability of the Property as an affordable housing resource, and any portions of the abated amount not so utilized shall be expended directly to defray the cost of repairs or capital improvements. The financial records and annual independent audits of the Corporation shall identify amounts expended for debt service and shall also identify amounts expended directly for repairs and capital improvements during each fiscal year.

- 4. The tax abatement described herein shall be effective as of the date of execution of this Agreement by the Mayor of 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 Corporation 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 Corporation is 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 Corporation in writing prior to the expiration of each term.**
- 6. Any amount payable by the Corporation 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 Corporation agrees, warrants and represents that it 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 Corporation 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 30th day of June of every calendar year, the Corporation 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 Pilot payments and the social services payments made. The Corporation further agrees, warrants and represents that it shall provide the City on or before May 25th of each calendar year with a certification prepared by said independent certified public accountant that verifies the total amount of Shelter Rent for the forty four (44) below-Market Rate Units. In addition, the Corporation 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 Corporation 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 Corporation reasonably demonstrates the necessity for any such extension(s).
11. This Agreement shall continue in effect throughout its initial term, and any extensions, in the event of sale of the land and/or improvements by the current or subsequent owners so long as the affordability requirements and other provisions of the Agreement are met.
12. Notwithstanding anything contained in this Agreement to the contrary, the rights of the City against the Corporation shall be satisfied solely and exclusively out of the assets

consisting of (i) the real property of Glenbrook Manor, and (ii) any income or proceeds arising from the operation or sale of Glenbrook Manor.

13. 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.
14. 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.
15. Any statutory reference contained herein shall include any and all amendments thereto and replacements thereof.
16. 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
888 Washington Boulevard
Stamford, CT 06904-2152

With a copy to:

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

To the Corporation:

Glenbrook Road Elderly Housing Corporation
40 Clinton Avenue, Suite 101
Stamford, CT 06901

To COC:

Charter Oak Communities
22 Clinton Avenue
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

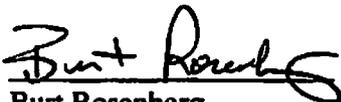
PARK 215 LIMITED PARTNERSHIP

By: _____
Vincent J. Tufo
President, Glenbrook Road Elderly Housing
Corporation

**HOUSING AUTHORITY OF THE CITY OF
STAMFORD**

By: _____
Vincent J. Tufo
Executive Director & CEO

Approved as to Form:


Burt Rosenberg
Asst. Corporation Counsel
