

Sale of 35 Crescent Street (formerly Glenbrook Community Center)

Frequently Asked Questions

Financial Questions

1. Why did the City select this proposal?

The City issued a Request for Proposals (RFP) 18 months ago. Three proposals were received. The reasons for choosing this one included:

- All units are affordable (1 proposal had market rate units)
- Moderate densities (other two proposals added more units, proportionally less parking)
- Cash payment and no tax abatement (one proposal had \$1 sale price and 100% tax abatement)
- Experience of the developer

2. Why is the City willing to sell this property for less than its perceived value?

The City is adhering to its commitment outlined in the RFP. The proposal selected met the criteria and committed to ensuring that all units developed were affordable.

The offering price is \$5,961,240. This includes the cash payment of \$700,000 and the cash equivalency of \$5,261,240 (paid through the 51 affordable housing units). The price will be calculated as a combination of cash remuneration to the City plus a cash equivalency for proposed BMR units. BMR Units will be valued as follows:

- 25% AMI: \$350 per square foot (Measured as net square footage per BMR unit)
- 30% AMI: \$273 per square foot
- 35% AMI: \$250 per square foot
- 40% AMI: \$227 per square foot
- 45% AMI: \$201 per square foot
- 50% AMI: \$175 per square foot
- 60% AMI: \$122 per square foot
- 65% AMI: \$105 per square foot
- 80% AMI: \$70 per square foot

A copy of the number and mix of units is attached which reflects the cash equivalency of \$5,261,240.

It is important to note that increasing the sale price of the property could result in the loss of affordable units. The developer would need to charge higher rents to cover the construction and maintenance costs.

3. How much did the City invest in the Glenbrook Community Center?

Over a 15-year period, the City invested \$445,000 in addition to utilities.

4. Did the City consider keeping the property as a community center?

Yes, the City explored the option of keeping this building a community space. We offered our community partners the opportunity to tour the space and to apply for the RFP. Unfortunately, we received feedback that the site was not the right fit or unsuitable for the organizations due to the work and resources needed to correct deficiencies.

5. What happens if the developer does not provide the number of affordable housing units as outlined in the contract?

If the developer fails to provide the affordable housing units as outlined in their proposal, they would be in breach of the contract. This would lead to financial consequences.

Please note that the developer was chosen based on their proven track record in affordable housing development.

6. What happens if the developer is unable to keep the rents affordable?

See response above.

7. Once the contract is signed, how will the developer be held accountable?

Since this is an affordable housing development, there would be oversight from the City, State and other housing-related entities. Annual evaluations are required to ensure that rent guidelines are followed. If the terms are violated, the contract would be in breach and there would be financial consequences.

General Questions

1. Does the Glenbrook Neighborhood Association support this project?

Yes, the Glenbrook Neighborhood Association submitted a letter of support to the Mayor's office. This letter has also been shared with the Board of Representatives. See attachment.

2. What makes this housing development project affordable?

Housing units are considered affordable when the housing costs (rent and expected utilities) for a particular unit are 30% or less of an anticipated household's income. Rent is based on the pre-determined affordability level of the unit (using the Area Median Income), not a particular household's income. All 51 units in the proposed development will be considered below market rate or affordable.

3. What is the Below Market Rate Program (BMR)?

The Below Market Rate Program is just ONE type of program and is the primary City of Stamford affordable housing program. The Below Market Rate Program (and related federal government programs) generally considers 80% Area Median Income (AMI) and below affordable.

- The 2022 AMI for the Stamford region is \$180,900 for a four-person family. This project will be required to meet the Below Market Rate Program regulations in Section 7.4 of the Zoning Regulations.

4. What is the Area Median Income?

The Area Median Income (AMI) describes the midpoint of an area's income distribution, where 50 percent of households earn above the median figure while 50 percent earn less than the median. These calculations are determined by the U.S. Department of Housing and Urban Development (HUD) and are used to determine eligibility for housing assistance programs.

5. How many of these units will be affordable?

All 51 units in this development will be affordable/below market rate, at affordability levels ranging between 40% and 80% AMI.

6. What are the typical market rate rents in Glenbrook?

The market rate rent for the Glenbrook neighborhood ranges from \$1,400 to \$4,200. The rents for the proposed development will range from \$1,100 up to \$2,200. This is what makes these apartments below market rate.

Please note that Glenbrook has an aging housing stock. This development will provide additional new high-quality housing.

7. How will eligibility be determined?

Eligibility will be determined by income and household size. These units are for people earning between \$42,000 - \$135,000 (40% - 80% AMI).

See attached Unit Mix & Income Limits document.

8. What is the process for determining who will be selected for the apartments?

This is to be determined. The developers have used a lottery system for other properties they own to ensure that the process is fair.

9. Will Housing Choice (Section 8) Vouchers be allowed?

Yes, Housing Choice (Section 8) Vouchers will be accepted.

10. Will there be apartments for residents with disabilities?

Yes, there will be apartments for residents with disabilities.

11. Can we limit this housing opportunity to only Stamford residents?

No. However, the City is committed to working with the developer to do target outreach to City of Stamford and Stamford Public Schools employees, as well as Glenbrook residents.

12. Is there a plan to include a community space in the new development?

Yes, there will be a community space in the new development. The developers will work with Glenbrook residents to determine how the space will be used.