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# AFFORDABILITY PLAN

## BROOKSIDE APARTMENTS

**July 10, 2020**



**Submitted by Pazz & Construction, LLC**

**to the**

**East Lyme Zoning Commission**

**PREPARED BY:**

**Heller, Heller & McCoy  
736 Norwich-New London Turnpike  
Uncasville, Connecticut 06382**

**DEFINITIONS:**

**“Affordable Unit”** - means a housing unit within the Community that is subject to long-term rent restrictions as set forth in this plan and within the Community that will be constructed to the minimum specifications set forth in **Schedule C** of this Plan. Affordable Units are to be rented.

**“Community”** - means Brookside Apartments an eighty (80) unit multi-family residential project containing a mix of twenty (20) three (3) bedroom multi-family rental units of which three (3) are handicapped accessible (“Type A Units”), twenty (20) two (2) bedroom multi-family residential units with an expanded footprint (20’ x 32’-36’) (“Type B Units”) of which six (6) units are handicapped accessible and forty (40) two (2) bedroom standard units (16’ x 32’) (“Type C Units”) all located on a parcel of land located on the westerly side of North Bride Brook Road in the Town of East Lyme, which real property contains 20.24 acres, more or less, and which is shown and designated on a certain plan entitled “North Bride Brook Multi-Family Development Prepared For Pazz & Construction, LLC Overall Layout Plan N. Bride Brook Road (Assessor’s Map 9, Lot 37-2) East Lyme, CT Sheets 1 of 7 to 7 of 7 Date: 9/25/19 Revision Summary 1/15/20 Per Town Comments & Updated Survey Mapping 6/29/20 Revised Development Layout Revised 6/29/20” prepared by Yantic River Consultants, LLC, 191 Norwich Avenue, Lebanon, Conn 06249 Phone: (860) 367-7264 E-mail: [yanticriver@gmail.com](mailto:yanticriver@gmail.com) web: [www.yanticriverconsultants.com](http://www.yanticriverconsultants.com) (hereinafter the “Plan”). The site development plan was approved by the East Lyme Zoning Commission on \_\_\_\_\_, 2020.

**“Developer”** - means Pazz & Construction, LLC, a Connecticut limited liability company with a mailing address of 21 Darrows Ridge Road, East Lyme, Connecticut 06333, or its successors and assigns.

**“Market Rate Unit”** - means a rental unit within the Community that is not subject to long term rent restrictions.

**“Owner”** means the company that possesses fee simple title to the real property which is the subject of this Affordability Plan and described in the definition of “Community” above.

**“Tenant”** - means the individual or individuals who will rent from an Owner a dwelling unit in the Community.

**I. Units Designated for Affordable Housing.**

Thirty (30%) percent, or six (6) of the Type A Units, thirty (30%) percent or six (6) of the Type B Units, including two (2) of the handicapped accessible Units and thirty (30%) percent, or twelve (12) of the Type A Units in the Community will be designated as affordable housing units, as defined by Connecticut General Statutes §8-30g. The specific Affordable Units designated as Affordable Units are identified in **Schedule B** of this Plan.

**II. Forty (40) Year Period.**

The Affordable Units shall be designated and restricted as affordable for forty (40) years. This affordability period shall be calculated separately for each Affordable Unit, and the period shall begin on the date of initial occupancy of an Affordable Unit by a Tenant from the Developer or its successors or assigns to an eligible Tenant, as hereinafter defined.

**III. Pro-Rata Construction.**

The Affordable Units shall be offered on a pro rata basis as construction proceeds. It is the Developer's intent, therefore, to build and offer for lease two (2) Affordable Type A Units, two (2) Affordable Type B Units and four (4) Affordable Type C Units within the time that eighteen (18) total units in the Community are built and offered for rent. The Developer anticipates a build out and absorption period of five (5) years for the completed Community, based upon its experience with other projects within the East Lyme market.

**IV. Nature of Construction of Affordable Units and Market-Rate Units.**

Within the Community, the Developer shall offer Market Rate Units each of which shall be built in compliance with the minimum specifications, which include square footage, exterior finishes, interior materials, and amenities, set forth in Schedule C of this Plan. The actual model, size and floor plan of the Market Rate Units and the Affordable Units for each of the Type A, Type B and Type C Units shall be selected so that each Affordable Unit shall be comparable in size, quality, and appearance to each Market Rate Unit of the same category.

**V. Entity Responsible for Administration and Compliance.**

This Plan will be administered by Pazz & Construction, LLC, or its designees, successors and assigns ("Administrator"). The Administrator shall submit a status report to the Town of East Lyme Zoning Enforcement Officer (the "ZEO") on compliance with this Plan annually no later than January 31. The Developer or its successors or assigns may appoint a qualified third party to serve as Administrator. Notice of a vacancy in the position of Administrator and of the appointment of a new or successor Administrator shall be reported to the ZEO within five business days of their occurrence. Failure to have a qualified Administrator in place for a period of more than thirty (30) successive days shall be considered a violation of the terms of this Plan and of the Site Plan Approval and shall entitle the Town of East Lyme to obtain any and all appropriate legal or equitable remedies necessary to obtain a qualified Administrator for the Community, to recover any damages it incurs on account of the vacancy in the position, and also including all remedies provided by Connecticut General Statutes §8-12 and Connecticut General Statutes Chapter 126. The Developer shall be responsible for securing and paying all fees, costs and/or other expenses associated with and charged by an Administrator, and for any damages resulting to any person or entity, including the Town of East Lyme, or any of its officers, employees or representatives, on account of the failure to have an Administrator in place at any time or for any violation of the Plan, including violations of this Article V. All obligations and liabilities

of the Developer shall terminate upon the expiration of the forty (40) year period established in Section II of this Plan. The Town of East Lyme may seek remedies hereunder against the Developer. The Town of East Lyme shall be entitled to attorney's fees and costs associated with any action it takes to enforce the terms of this Article V. The requirements of this Article V shall be recited in the lease of each dwelling unit in the Community and shall be incorporated therein and made a part thereof. The Developer will be responsible for all advertising and marketing requirements for the leasing of all Affordable Units in the Community under this Plan.

#### **VI. Notice of Availability of Affordable Units.**

The Developer shall provide notice of the availability of Affordable Units for rent (the "Notice of Availability"). Such notices shall be provided in accordance with the Affirmative Fair Housing Marketing Plan as outlined in Section VIII. The Developer shall also provide such notice to the ZEO. Such notice shall include a description of the available Affordable Unit(s), the eligibility criteria for potential Tenants, the Maximum Rent (as hereinafter defined), and the availability of application forms and additional information. All such notices shall comply with the federal Fair Housing Act, 42 U.S.C. §§3601 et seq. and the Connecticut Fair Housing Act, Connecticut General Statutes §§46a - 64b, 64c (together, the "Fair Housing Acts").

#### **VII. Tenant Eligibility.**

Not less than fifteen percent (15%) (three (3) Type A Units, three (3) Type B Units and six (6) Type C Units) of the dwelling units for rent in the Community shall be rented to persons or families whose income is less than or equal to sixty percent (60%) of the area or statewide median income, whichever is less. The remainder of the Affordable Units for rent (three (3) Type A Units, three (3) Type B Units and six (6) Type C Units) shall be rented to persons or families whose income is less than or equal to eighty percent (80%) of the area or statewide median income, whichever is less. The area and statewide median income shall be as determined by the Department of Housing and Urban Development ("HUD").

#### **VIII. Affirmative Fair Housing Marketing Plan.**

The leasing of both Affordable Units and Market Rate Units in the Community shall be publicized, using State regulations for affirmative fair housing marketing programs as guidelines. The purpose of such efforts shall be to apprise residents of municipalities of relatively high concentrations of minority populations and eligible veterans of the military services of the United States of America of the availability of such units. The Administrator shall have responsibility for compliance with this section. Notices of initial availability of units shall be provided, at a minimum, by advertising at least two times in a newspaper of general circulation in such identified municipalities. The Administrator shall also provide such notices to the ZEO and Town of East Lyme Housing Authority. Such notices shall include a description of the available Affordable Unit(s), the eligibility criteria for potential Tenants, the Maximum Lease Amount (as hereinafter defined), and the availability of application forms and additional information.

Using the above-referenced State regulations as guidelines, dissemination of information about available affordable and market-rate units shall include:

- A. Analyzing census, Connecticut Department of Economic and Community Development town profiles, and other data to identify racial and ethnic groups least likely to apply based on representation in the East Lyme population, including Asian Pacific, Black, Hispanic, and Native American populations.
- B. Announcements/advertisements in publications and other media that will reach minority populations, including newspapers, such as television and radio stations serving East Lyme's Metropolitan Statistical Area and Regional Planning Area, and advertisements or flyers likely to be viewed on public transportation or public highway areas.
- C. Announcements to social service agencies, veteran's organizations providing services to veterans of the military of the United States of America and other community contacts serving low-income minority families (such as churches, civil rights organizations, the housing authority, and other housing authorities in towns represented in East Lyme's Metropolitan Statistical Area and Regional Planning Area, legal services organizations, etc.).
- D. Assistance to minority applicants in processing applications.
- E. Marketing efforts in geographic areas of high minority concentrations within the housing market area and metropolitan statistical area.
- F. Beginning affirmative marketing efforts prior to general marketing for the leasing of units, and repeating again during initial marketing and at fifty (50%) percent completion.

All notices shall comply with the Fair Housing Acts.

#### **IX. Application Process.**

A family or household seeking to lease one of the Affordable Units ("Applicant") must complete an application to determine eligibility. The application form and process shall comply with the Fair Housing Acts.

##### **A. Application Form.**

The application form shall be provided by the Administrator and shall include an income pre-certification eligibility form and an income certification form. In general, income for purposes of determining an Applicant's qualification shall include the Applicant family's total anticipated income from all sources for the twelve (12) month period following the date the application is

submitted (“Application Date”). If the Applicant’s financial disclosures indicate that the Applicant may experience a significant change in the Applicant’s future income during the twelve (12) month period, the Administrator shall not consider this change unless there is a reasonable assurance that the change will in fact occur. The Applicant’s income need not be re-verified after the time of lease commencement. In determining what is and is not to be included in the definition of family annual income, the Administrator shall use the criteria set forth by HUD and listed on **Schedule D** of this Plan.

B. Applicant Interview.

The Administrator shall interview an Applicant upon submission of the completed application. Specifically, the Administrator shall, during the interview, undertake the following:

1. Review with the Applicant all the information provided on the application.
2. Explain to the Applicant the requirements for eligibility, verification procedures, and the penalties for supplying false information.
3. Verify that all sources of family income and family assets have been listed in the application. The term “family” shall be as defined by the Connecticut Agency Regulations, Connecticut General Statutes §8-37ee-1, as amended.
4. Request the Applicant to sign the necessary release forms to be used in verifying income. Inform the Applicant of what verification and documentation must be provided before the application is deemed complete.
5. Inform the Applicant that a certified decision as to eligibility cannot be made until all items on the application have been verified.

C. Verification of Applicant’s Income.

Where it is evident from the income certification form provided by the Applicant that the Applicant is not eligible, additional verification procedures shall not be necessary. However, if the Applicant appears to be eligible, the Administrator shall issue a pre-certification letter. The letter shall indicate to the Applicant and the Administrator that the Applicant is income eligible, subject to the verification of the information provided in the Application. The letter will notify the Applicant that he/she will have thirty (30) days to submit all required documentation.

If applicable, the Applicant shall provide the documentation listed on **Schedule E** of this Plan, to the Administrator. This list is not exclusive, and the Administrator may require any other verification or documentation, as the Administrator deems necessary.

**X. Prioritization of Applicants for Initial Occupancy.**

If, after publication of the Notice of Initial Availability as described in Section VI hereof, the number of qualified Applicants exceeds the number of Affordable Units, then those Applicants who have served in the military services of the United States of America and received an honorable discharge from such military service shall be given priority preference for such available Affordable Unit(s). Thereafter, the Administrator shall establish a list of Applicants, selected by a random lottery of all other eligible Applicants, for the initial leasing of Affordable Units. The initial leasing of Affordable Units will be offered according to the Applicant's lottery ranking. Following the initial leasing of the Affordable Units, if the number of qualified Applicants exceeds the number of available Affordable Units, the Administrator shall establish a priority list of applicants based on a "first come, first served" basis, subject to the applicant's income pre-certification eligibility and the preferences as established in this Section X, provided, however, that any Applicant on the priority list who meets the military service requirements set forth herein shall be elevated to the top of the priority list on a "first come, first served" basis. The Affordable Units will then be offered for lease according to the applicant's numerical listing. In the event the Community is built in phases, the same procedure shall be followed for each phase.

**XI. Maximum Monthly Housing Payment Eligibility.**

Calculation of eligibility for occupancy in an Affordable Unit, so as to satisfy Connecticut General Statutes §8-30g, shall require the proposed occupant to meet two criteria: (1) maximum household income, adjusted for unit/family size; and (2) a maximum monthly housing payment that is less than the amount calculated under Connecticut General Statutes §8-30g, which shall be calculated as provided in Section XII of this Affordability Plan.

**XII. Maximum Monthly Rent.**

Calculation of the maximum monthly rent ("Maximum Rent") for an Affordable Unit, so as to satisfy Connecticut General Statutes §8-30g, shall utilize the lesser of the area median income data or the statewide median income as published by HUD as in effect on the day a lease agreement is entered into by and between the Developer and an affordable Tenant. The Maximum Initial Rent shall be calculated as follows (using the East Lyme Statistical Area median income level of \$94,500.00):

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**Example of Calculation of Maximum Rent for a 3-bedroom dwelling unit (Type A) for a family earning less than 60% of Median Income:**

**Sample computations based on FY 2019 data.**

1. Determine lower of relevant year (2019) area median income for area or statewide median Income, adjusted for family size (family of four (4)) as published by HUD	\$94,500.00
2. Calculate 60% of item 1:	\$56,700.00
3. Calculate 30% of item 2, representing the maximum portion of a family's income that may be used for housing:	\$17,010.00
4. Divide item 3 by twelve (12) to determine the maximum monthly housing expense:	\$1,417.50
5. Compare 100% of HUD fair market rents for the area:	\$1,879.00
6. Use lesser of calculated maximum monthly expense (Item 4) and HUD fair market rent (item 5):	\$1,417.50
7. Determine by reasonable estimate monthly expenses for heat and utility costs, excluding telephone and cable television, but including any fee required for all tenants (tenant responsible for such expenses):	\$300.00
8. Subtract reasonable monthly expenses (item 7) from maximum housing expense (item 6) to determine maximum amount available for rent	\$1,117.50



**Example of Calculation of Maximum Rent for a 2-bedroom dwelling unit (Types B and C) for a family earning less than 60% of Median Income:**

**Sample computations based on FY 2019 data.**

- |   |             |
|---|-------------|
| 1. Determine lower of relevant year (2019) area median income for area or statewide median Income, adjusted for family size (family of four (4)) as published by HUD  | \$94,500.00 |
| 2. Determine the adjusted income for a household of 3 persons by calculating 90% of item 1:   | \$85,050.00 |
| 3. Calculate 60% of item 2:   | \$51,030.00 |
| 4. Calculate 30% of item 3, representing the maximum portion of a family's income that may be used for housing:   | \$15,309.00 |
| 5. Divide item 4 by twelve (12) to determine the maximum monthly housing expense:   | \$1,275.75  |
| 6. Compare 100% of HUD fair market rents for the area:  | \$1,429.00  |
| 7. Use lesser of calculated maximum monthly expense (Item 5) and HUD fair market rent (item 6):   | \$1,275.75  |
| 8. Determine by reasonable estimate monthly expenses for heat and utility costs, excluding telephone and cable television, but including any fee required for all tenants (tenant responsible for such expenses): | \$250.00    |
| 9. Subtract reasonable monthly expenses (item 8) from maximum housing expense (item 7) to determine maximum amount available for rent   | \$1,025.75  |

**Example of Calculation of Maximum Rent for a 3 bedroom dwelling unit (Type A) for a family earning between 60% and 80% of Median Income:**

**Sample computations based on FY 2019 data.**

1. Determine lower of relevant year area median income or statewide median Income adjusted for family size (family of four (4)) as published by HUD	\$94,500.00
2. Calculate 80% of item 1:	\$75,600.00
3. Calculate 30% of item 2, representing the maximum portion of a family's income that may be used for housing:	\$22,680.00
4. Divide item 3 by twelve (12) to determine the maximum monthly housing expense:	\$1,890.00
5. Compare 120% of HUD fair market rents for the area:	\$2,255.00
6. Use lesser of calculated maximum monthly expense (Item 4) and HUD fair market rent (item 5):	\$1,890.00
7. Determine by reasonable estimate monthly expenses for heat and utility costs, excluding telephone and cable television, but including any fee required for all tenants (tenant responsible for such expenses):	\$300.00
8. Subtract reasonable monthly expenses (item 7) from maximum housing expense (item 6) to determine maximum amount available for rent:	\$1,590.00

**Example of Calculation of Maximum Rent for a 2 bedroom dwelling unit (Types B and C) for a family earning between 60% and 80% of Median Income:**

**Sample computations based on FY 2019 data.**

1. Determine lower of relevant year area median income or statewide median Income adjusted for family size (family of four (4)) as published by HUD	\$94,500.00
2. Determine the adjusted income for a household of 3 persons by calculating 90% of item 1:	\$85,050.00
3. Calculate 80% of item 2:	\$68,040.00
4. Calculate 30% of item 3, representing the maximum portion of a family's income that may be used for housing:	\$20,412.00
5. Divide item 4 by twelve (12) to determine the maximum monthly housing expense:	\$1,701.00
6. Compare 120% of HUD fair market rents for the area:	\$1,715.00
7. Use lesser of calculated maximum monthly expense (Item 5) and HUD fair market rent (item 6):	\$1,701.00
8. Determine by reasonable estimate monthly expenses for heat and utility costs, excluding telephone and cable television, but including any fee required for all tenants (tenant responsible for such expenses):	\$250.00
9. Subtract reasonable monthly expenses (item 8) from maximum housing expense (item 7) to determine maximum amount available for rent:	\$1,451.00

**A. Principal Residence.**

Affordable Units that are leased shall be occupied only as a Tenant's principal residence. Subleasing of Affordable Units by a Tenant shall be prohibited.

**B. Requirement to Maintain Condition.**

All Tenants are required to maintain their dwelling units. No Tenant shall destroy, damage or impair the dwelling unit, or commit waste in a dwelling unit. The Developer, its successors and assigns, shall be responsible for maintaining the condition of the Community

and for not allowing the common areas or buildings within the Community to deteriorate. When an Affordable Unit is offered for Lease, the Administrator may cause the Affordable Unit to be inspected.

**C. Enforcement.**

A violation of this Plan or the Deed Restrictions shall not result in a forfeiture of title, but the East Lyme Zoning Commission or its designated agent shall otherwise retain all enforcement powers granted by the Connecticut General Statutes, including § 8-12, which powers include, but are not limited to, the authority, at any reasonable time, to inspect the property and to examine the books and records of the Administrator to determine compliance of Affordable Units with the affordable housing regulations.

**D. Occupancy Restrictions.**

The Occupancy Restrictions contained in **Schedule F** shall be included in each lease of an Affordable Unit during the forty (40) year period in which the affordability program is in place to provide notice of the affordability restrictions. The restrictions contained in this Affordability Plan shall take priority over all mortgage financing provided to the Developer and/or its successors and assigns and any such mortgage utilized to finance the Community shall be strictly subordinate to the terms of the occupancy restrictions contained in Schedule F of this Affordability Plan. No foreclosure of any such mortgage shall terminate the occupancy restrictions contained in said Schedule F.

**E. Lease Restrictions.**

All Tenants of Affordable Units shall be subject to the lease restrictions set forth in Schedule F of this Affordability Plan.

**G. Binding Effect.**

This Affordability Plan shall be binding on the successors and assigns of the Developer.

Executed at Montville, Connecticut this \_\_\_ day of \_\_\_\_\_, 2020.

Signed, Sealed and Delivered  
in the Presence of:

**PAZZ & CONSTRUCTION, LLC**

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

By: \_\_\_\_\_ (L.S.)  
Jason Pazzaglia, its Member



**SCHEDULE A**  
**PROPERTY DESCRIPTION OF BROOKSIDE APARTMENTS**

A certain tract or parcel of land, together with the improvements thereon, situated on the westerly side of North Bride Brook Road a/k/a Bride Brook Road in the Town of East Lyme, County of New London and State of Connecticut and being more particularly shown on a certain map or plan entitled "Title: Limited Property Survey Lot Line Revision Prepared for Pazz & Construction, LLC Location: 90 North Bride Brook Road – Niantic, Connecticut Sheet Number 1 of 1 14036-SUB.dwg Scale: 1 Inch = 60 Ft. Drawn By: RDP Date: August 20, 2017 J. Robert Pfanner & Associates, P.C. Civil Engineers & Land Surveyors 37 Grand Street Niantic, Connecticut 06357 Tel. 860-739-6216 Fax 860-739-0693" which premises is more particularly bounded and described as follows:

Beginning at a point in the westerly line of North Bride Brook Road a/k/a Bride Brook Road as shown on the above referenced plan at the northeasterly corner of the herein described tract and on the dividing line between the herein described tract and land now or formerly Alice T. Welsh as shown on the above referenced plan; thence running South 08°36'21" West for a distance of 181.60 feet to an angle point; thence running South 21°10'21" West for a distance of 74.70 feet to an iron pipe recovered; thence running South 07°21'55" West for a distance of 30.12 feet to the northeasterly corner of Parcel P-1 as shown on the above referenced plan, the last three (3) courses being bounded generally easterly by North Bride Brook Road a/k/a Bride Brook Road; thence running North 85°15'44" West for a distance of 165.44 feet to a point; thence running South 08°13'41" West for a distance of 166.83 feet to a point; thence running South 87°44'06" East for a distance of 153.39 feet to a point, the last three (3) courses being bounded by Parcel P-1 as shown on the above referenced plan; thence running South 07°21'55" West for a distance of 28.43 feet to a point; thence running South 16°45'30" East for a distance of 202.10 feet to a point; thence running South 28°29'10" East for a distance of 4.00 feet to a point; thence running North 86°39'23" West for a distance of 517.28 feet to a point; thence running North 86°38'23" West for a distance of 404.45 feet to a point; thence running North 77°54'44" West for a distance of 406.38 feet to a point; thence running North 32°55'09" West for a distance of 158.03 feet to a point; thence running along the arc of a curve to the left with a radius of 2,620.53 feet, a central angle of 18°52'11" for a distance of 862.05 feet to a point, the last eight (8) courses being bounded by that area shown and designated as "Shaded Area is a Portion of Parcel P-1 to have Easement Granted to Parcel P-2" as shown on the above referenced plan; thence running South 73°00'44" East for a distance of 737.31 feet bounded northeasterly by land now or formerly of John P. Walsh Estate as shown on the above referenced plan to a point; thence running South 73°00'34" East for a distance of 197.80 feet bounded northeasterly by land now or formerly of Alice T. Welsh to the point and place of beginning.

Said premises is conveyed together with an exclusive use easement over and across that portion of Parcel P-1 as shown on the above referenced plan as "Shaded Area is a Portion of Parcel P-1 to have Easement Granted to Parcel P-2", which exclusive easement area is more particularly bounded and described as follows:

Beginning at a point in the westerly line of North Bride Brook Road a/k/a Bride Brook Road

at the northeasterly corner of said easement area and on the dividing line between said easement area and Parcel P-1 as shown on the above referenced plan; thence running South 07°21'55" West bounded southeasterly by North Bride Brook Road a/k/a Bride Brook Road to an iron pipe recovered; thence running South 16°45'30" East for a distance of 197.35 feet bounded northeasterly by North Bride Brook Road a/k/a Bride Brook Road to an angle point; thence running South 28°29'12" East for a distance of 29.43 feet bounded northeasterly by North Bride Brook Road a/k/a Bride Brook Road to an iron pipe recovered; thence running North 86°38'23" West for a distance of 544.26 feet to an iron pipe recovered; thence continuing North 86°38'23" West for a distance of 405.59 feet to an iron pipe recovered, the last two (2) courses being bounded southwesterly by land now or formerly of Margaret Berry Balon as shown on the above referenced plan; thence running North 77°54'44" West for a distance of 640.11 feet bounded southwesterly by land now or formerly of the State of Connecticut to a CHD monument recovered; thence running along the arc of a curve to the left with a radius of 2,605.53 feet, a central angle of 22°37'10" for a distance of 1,028.62 feet bounded westerly by Interstate 95 to a point; thence running South 73°00'44" East for a distance of 15.40 feet bounded northeasterly by land now or formerly of John P. Walsh Estate as shown on the above referenced plan to a point; thence running along the arc of a curve to the right with a radius of 2,620.53 feet, a central angle of 18°52'11" for a distance of 863.05 feet to a point; thence running South 32°55'09" East for a distance of 158.03 feet to a point; thence running South 77°54'44" East for a distance of 406.38 feet to a point; thence running South 86°38'23" East for a distance of 404.45 feet to a point; thence running South 86°38'23" East for a distance of 517.28 feet to a point; thence running North 28°29'10" West for a distance of 4.00 feet to a point; thence running North 16°45'30" West for a distance of 202.10 feet to a point; thence running North 07°21'55" East for a distance of 28.43 feet to a point, the last eight (8) courses being bounded by Parcel P-2 as shown on the above referenced plan; thence running South 82°38'05" East for a distance of 15.00 feet bounded northeasterly by a portion of Parcel P-1 as shown on the above referenced plan to the point and place of beginning of said exclusive easement area.

**SCHEDULE B  
IDENTIFICATION OF AFFORDABLE UNITS**

The following housing units in the Brookside Apartments shall be designated as Affordable Units:

**TYPE A UNITS**

Units A-101, B-110, D-110, E-108, H-101, J-101

Units A-101, D-110, H-101 shall be at the 60% of median income level

Units B-110, E-108, J-101 shall be at the 60% to 80% median income level

**TYPE B UNITS**

Units A-107, B-109, C-102, E-107, H-109, I-102

Units A-107, C-102, H-109 shall be at the 60% of median income level

Units B-109, E-107, I-102 shall be at the 60% to 80% median income level

**TYPE C UNITS**

Units A-105, A-106, B-103, B-105, B-107, C-104, D-103, D-108, F-103, G-106, H-105, J-104

Units A-105, B-103, B-107, D-103, F-103, H-105 shall be at the 60% of median income level

Units A-106, B-105, C-104, D-108, G-106, J-104 shall be at the 60% to 80% median income level

Total: 24 Affordable Units

Affordable Units may be shifted or exchanged as long as they remain interspersed, as is reasonably possible given existing occupied dwelling units at the time of conversion, and not concentrated in particular areas of the site and the 30% ratio is maintained at all times.



**SCHEDULE C**  
**MINIMUM SPECIFICATIONS FOR MARKET-RATE AND AFFORDABLE UNITS**

**Foundation**

- 10" poured concrete walls, 4" poured concrete floors.
- Bituminous waterproof coating on foundation walls below grade.

**Carpentry**

- 2"x6" S.Y.P. pressure treated wood sills and sill sealer on concrete foundation walls.
- 2"x4" D.F. or Hem Fir 16" on center interior wall framing.
- 2"x6" D.F. 16" on center exterior wall framing 1/2" sheathing on exterior walls.
- 2"x10" Douglas fir floor joists at 16" on center.
- 1/2" sheathing on roof.
- 2"x10" wood basement stairs with handrails.
- Main Staircase: poplar riser with oak tread, traditional.
- Tyvar or equivalent building wrap on exterior walls.
- Pressure treated wood deck: 2"x10" joists & 5/4"x6" decking.
- Oak hardwood flooring (one room), 3/8" underlayment under vinyl or tile, 3/8" underlayment under wall to wall carpeting.
- Exterior steps/railings per code.

**Interior Trim Accessories**

- Painted or stained pine casings at doors/windows and baseboard.
- White vinyl coated wire shelf systems.
- All accessories, such as mirrors, medicine cabinets, etc. are included in cabinet allowance.

**Cabinets, Vanities and Counter Tops**

- Standard wood and plywood kitchen cabinets (including laminate countertops and accessories, such as knobs).

**Siding**

- Vinyl.
- Front Shutters Aluminum wrap trim.
- Aluminum gutters and downspouts.

**Roofing**

- 1/2" OSB or CDX roof sheathing.
- GAF architectural shingles (weathered wood) soffit and ridge vents.
- Aluminum flashing and aluminum drip cap.

**Insulation-Fiberglass**

- R-49 in ceiling.
- R-21 in walls.
- R-30 at wood framed floors.
- R-10 at frost wall / slab on grade floors.

**Doors**

- Exterior doors insulated metal 6 panel Masonite.
- Interior door solid, Molded, 1-3/8" thick.

**Windows**

- All vinyl double hung Insulated Glass windows with grills/screens or equivalent Casement in kitchen.

**Drywall**

- 1/2" painted drywall interior 1/2" drywall ceilings.

**Flooring**

- Wall to wall carpet in all rooms except kitchen and bathrooms which shall be vinyl.

**Porch**

- Pressure Treated front porch/steps/deck.

**Heating/Hot Water**

- Oil fired or gas hot water boiler.

**Utilities**

- City sewer, public water, electric and cable television

**Landscaping**

- Rough grade and seed, one time only.
- Concrete walk (From front door to driveway) and (rear slider pad) Crushed stone driveway.

**SCHEDULE D**  
**DEFINITIONS AND ELEMENTS OF ANNUAL FAMILY INCOME**

1. Annual income shall be calculated with reference to 24 C.F.R. §5.609, and includes, but is not limited to, the following:
  - a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services;
  - b. The net income from operations of a business or profession, before any capital expenditures but including any allowance for depreciation expense;
  - c. Interest, dividends, and other net income of any kind from real or personal property;
  - d. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, or other similar types of periodic payments;
  - e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;
  - f. Welfare assistance. If the welfare assistance payments include an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance to be included as income consists of the following:
    - (1) The amount of the allowance exclusive of the amounts designated for shelter or utilities, plus
    - (2) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities;
  - g. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing with the Applicant ( e.g. periodic gifts from family members, churches, or other sponsored group, even if the gifts are designated as rental or other assistance);
  - h. All regular pay, special pay and allowances of a member of the armed forces;
  - i. Any assets not earning a verifiable income shall have an imputed interest income using a current average annual savings interest rate.

2. Excluded from the definition of family annual income are the following:
  - a. Income from employment of children under the age of 18;
  - b. Payments received for the care of foster children;
  - c. Lump-sum additions to family assets, such as inheritances, insurance payments, capital gains and settlement for personal or property losses;
  - d. Amounts received that are specifically for, or in reimbursement of, the cost of medical expense for any family member;
  - e. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran in connection with education costs;
  - f. Amounts received under training programs funded by HUD;
  - g. Food stamps; and
  - h. Temporary, nonrecurring or sporadic income (including gifts that are not regular or periodic).
  
3. Net family assets for purposes of imputing annual income include the following:
  - a. Cash held in savings and checking accounts, safety deposit boxes, etc.;
  - b. The current market value of a trust for which any household member has an interest;
  - c. The current market value, less any outstanding loan balances of any rental property or other capital investment;
  - d. The current market value of all stocks, bonds, treasury bills, certificates of deposit and money market funds;
  - e. The current value of any individual retirement, 401K or Keogh account;
  - f. The cash value of a retirement or pension fund which the family member can withdraw without terminating employment or retiring;
  - g. Any lump-sum receipts not otherwise included in income (i.e., inheritances, capital gains, one-time lottery winnings, and settlement on insurance claims);
  - h. The current market value of any personal property held for investment (i.e.,

gems, jewelry, coin collections); and

- i. Assets disposed of within two (2) years before the Application Date, but only to the extent consideration received was less than the fair market value of the asset at the time it was sold.

4. Net family assets do not include the following:

- a. Necessary personal property (clothing, furniture, cars, etc.);
- b. Vehicles equipped for handicapped individuals;
- c. Life insurance policies;
- d. Assets which are part of an active business, not including rental properties; and
- e. Assets that are not accessible to the Applicant and provide no income to the Applicant.

**SCHEDULE E  
DOCUMENTATION OF INCOME**

The following documents shall be provided, where applicable, to the Administrator to determine income eligibility:

1. Employment Income.

Verification forms must request the employer to specify the frequency of pay, the effective date of the last pay increase, and the probability and effective date of any increase during the next twelve (12) months. Acceptable forms of verification (of which at least one must be included in the Applicant file) include:

- a. An employment verification form completed by the employer.
- b. Check stubs or earnings statement showing Applicant's gross pay per pay period and frequency of pay.
- c. W-2 forms if the Applicant has had the same job for at least two years and pay increases can be accurately projected.
- d. Notarized statements, affidavits or income tax returns signed by the Applicant describing self-employment and amount of income, or income from tips and other gratuities.

2. Social Security, Pensions, Supplementary Security Income, Disability Income.

- a. Benefit verification form completed by agency providing the benefits.
- b. Award or benefit notification letters prepared and signed by the authorizing agency. (Since checks or bank deposit slips show only net amounts remaining after deducting SSI or Medicare, they may be used only when award letter cannot be obtained.)
- c. If a local Social Security Administration ("SSA") office refuses to provide written verification, the Administrator should meet with the SSA office supervisor. If the supervisor refuses to complete the verification forms in a timely manner, the Administrator may accept a check or automatic deposit slip as interim verification of Social Security or SSI benefits as long as any Medicare or state health insurance withholdings are included in the annual income.

3. Unemployment Compensation.

- a. Verification form completed by the unemployment compensation agency.

- b. Records from unemployment office stating payment dates and amounts.

4. Government Assistance.

- a. All Government Assistance Programs. Agency's written statements as to type and amount of assistance Applicant is now receiving, and any changes in assistance expected during the next twelve (12) months.
- b. Additional Information for "As-paid" Programs: Agency's written schedule or statement that describes how the "as-paid" system works, the maximum amount the Applicant may receive for shelter and utilities and, if applicable, any factors used to ratably reduce the Applicant's grant.

5. Alimony or Child Support Payments.

- a. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- b. A letter from the person paying the support.
- c. Copy of latest check. The date, amount, and number of the check must be documented.
- d. Applicant's notarized statement or affidavit of amount received or that support payments are not being received and the likelihood of support payments being received in the future.

6. Net Income from a Business.

The following documents show income for the prior years. The Administrator must consult with Applicant and use this data to estimate income for the next twelve (12) months.

- a. IRS Tax Return, Form 1040, including any:
  - (1) Schedule C (Small Business).
  - (2) Schedule E (Rental Property Income).
  - (3) Schedule F (Farm Income).
- b. An accountant's calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
- c. Audited or unaudited financial statement(s) of the business.

- d. A copy of a recent loan application listing income derived from the business during the previous twelve (12) months.
- e. Applicant's notarized statement or affidavit as to net income realized from the business during previous years.

7. Recurring Gifts.

- a. Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value of gifts.
- b. Applicant's notarized statement or affidavit that provides the information above.

8. Scholarships, Grants, and Veterans Administration Benefits for Education.

- a. Benefactor's written confirmation of amount of assistance, and educational institution's written confirmation of expected cost of the student's tuition, fees, books and equipment for the next twelve (12) months. To the extent the amount of assistance received is less than or equal to actual educational costs, the assistance payments will be excluded from the Applicant's gross income. Any excess will be included in income.
- b. Copies of latest benefit checks, if benefits are paid directly to student. Copies of canceled checks or receipts for tuition, fees, books, and equipment, if such income and expenses are not expected to change for the next twelve (12) months.
- c. Lease and receipts or bills for rent and utility costs paid by students living away from home.

9. Family Assets Currently Held.

For non-liquid assets, collect enough information to determine the current cash value (i.e., the net amount the Applicant would receive if the asset were converted to cash).

- a. Verification forms, letters, or documents from a financial institution, broker, etc.
- b. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- c. Quotes from a stock broker or realty agent as to net amount Applicant would receive if Applicant liquidated securities or real estate.



- d. Real estate tax statements if tax authority uses approximate market value.
- e. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.
- f. Appraisals of personal property held as an investment.
- g. Applicant's notarized statements or signed affidavits describing assets or verifying the amount of cash held at the Applicant's home or in safe deposit boxes.

10. Assets Disposed of for Less Than Fair Market Value ("FMV") During Two Years Preceding Application Date.

- a. Applicant's certification as to whether it has disposed of assets for less than FMV during the two (2) years preceding the Application Date.
- b. If the Applicant states that it did dispose of assets for less than FMV, then a written statement by the Applicant must include the following:
  - (1) A list of all assets disposed of for less than FMV;
  - (2) The date Applicant disposed of the assets;
  - (3) The amount the Applicant received; and
  - (4) The market value to the asset(s) at the time of disposition.

11. Savings Account Interest Income and Dividends.

- a. Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.
- b. Broker's quarterly statements showing value of stocks or bonds and the earnings credited the Applicant.
- c. If an IRS Form 1099 is accepted from the financial institution for prior year earnings, the Administrator must adjust the information to project earnings expected for the next twelve (12) months.

12. Rental Income from Property Owned by Applicant.

The following, adjusted for changes expected during the next twelve (12) months, may be used:

- a. IRS Form 1040 with Schedule E (Rental Income).

- b. Copies of latest rent checks, leases, or utility bills.
- c. Documentation of Applicant's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedule showing monthly interest expense).
- d. Lessee's written statement identifying monthly payments due the Applicant and Applicant's affidavit as to net income realized.

13. Full-Time Student Status.

- a. Written verification from the registrar's office or appropriate school official.
- b. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the school.

14. Honorably Discharged Veterans of the Military Services of the United States of America.

- a. Department of Defense Form 214.

**SCHEDULE F  
RENTAL AGREEMENT RESTRICTIONS**

**TO BE INSERTED IN ALL RENTAL AGREEMENTS FOR UNITS IN BROOKSIDE APARTMENTS:**

Brookside Apartments is a community which has been approved pursuant to Connecticut General Statutes §8-30g. This community contains both market rate apartments as well as apartments which have been determined to be "Affordable" for residents at or below sixty (60%) percent of the lower of the area or statewide median income and residents whose income is between sixty (60%) percent and eighty (80%) percent of the lower of the area or statewide median income. The density of Brookside Apartments has been determined pursuant to Connecticut General Statutes §8-30g and exceeds that otherwise allowed under the East Lyme Zoning Regulations. Brookside Apartments contains eighty (80) dwelling units being developed in phases. The community contains three (3) separate and distinct types of apartment units designated in the community's Affordability Plan as Type A Units, Type B Units and Type C Units. Type A Units are 3-bedroom, 2-bath units. Type B Units are 2-bedroom, 1 ½-bath units with an expanded floor plan. Six (6) Type B Units will be handicapped accessible units. Type C Units are 2-bedroom, 1 ½-bath units. Pursuant to the Affordability Plan for Brookside Apartments, six (6) Type A Units will be designated as Affordable Units, six (6) Type B Units will be designated as Affordable Units and twelve (12) Type C Units will be designated as Affordable Units.

**TO BE INSERTED IN ALL AFFORDABLE UNIT LEASES IN BROOKSIDE APARTMENTS:**

The language below shall be inserted in each lease of an Affordable Unit for the duration of the forty (40) year monthly maximum rental amount restriction period.

The property conveyed hereby is an "affordable housing" unit subject to the requirements of Connecticut General Statutes Section 8-30g. Said dwelling unit is subject to the following restrictions (the "Restrictions"):

**TO BE INSERTED IN A LEASE FOR A SIXTY (60%) PERCENT DWELLING UNIT:**

1. This dwelling unit is an affordable housing dwelling unit within a set aside development as defined in Section 8-30g of the Connecticut General Statutes and in accordance with the applicable regulations for state agencies that were in effect upon the date of the original application for the initial local approval, July 10, 2020, and is therefore subject to a limitation, at the date of commencement of the rental agreement, on the maximum annual income of the household that may lease the unit. These limitations shall be strictly enforced, and may be enforced by the person identified in the Affordability Plan as responsible for the administration of these limitations or the zoning enforcement authority of the Town of East Lyme. For the duration of this covenant or restriction, this dwelling unit shall be leased to a person or family whose annual income does not exceed SIXTY (60%) PERCENT of 'median income' as

defined in subsection 8-30g-1(10) of the Regulations of Connecticut State Agencies, applicable to this unit as specified in an Affordability Plan as on file with the Town of East Lyme Zoning Commission.

**TO BE INSERTED IN A LEASE FOR AN EIGHTY (80%) PERCENT DWELLING UNIT:**

1. This dwelling unit is an affordable housing dwelling unit within a set aside development as defined in Section 8-30g of the Connecticut General Statutes and in accordance with the applicable regulations for state agencies that were in effect upon the date of the original application for the initial local approval, July 10, 2020, and is therefore subject to a limitation, at the date of commencement of the rental agreement, on the maximum annual income of the household that may lease the dwelling unit. These limitations shall be strictly enforced, and may be enforced by the person identified in the Affordability Plan as responsible for the administration of these limitations or the zoning enforcement authority of the Town of East Lyme. For the duration of this covenant or restriction, this dwelling unit may be leased only to persons and families whose annual income does not exceed EIGHTY (80%) PERCENT of 'median income' as defined in subsection 8-30g-1(10) of the Regulations of Connecticut State Agencies, applicable to this unit as specified in an Affordability Plan as on file with the Town of East Lyme Zoning Commission.

**TO BE INSERTED IN ALL AFFORDABLE UNIT LEASES:**

2. In the event that an Affordable Unit becomes vacant, the Owner shall notify the Administrator in writing. The Owner shall pay the Administrator a fee to cover the cost of administering the new lease of the Affordable Unit. The Administrator shall then provide notice of the availability of said dwelling unit for lease. Such notice shall be provided, at a minimum, by advertising at least two times in newspapers of general circulation in the Town of East Lyme. The Owner shall bear the cost of such advertisement. The Administrator shall also provide such notice to the East Lyme Zoning Commission and the Town of East Lyme Zoning Enforcement Officer. Such notice shall include a description of the dwelling unit, the eligibility criteria for potential tenants, the Maximum Rent and the availability of application forms and additional information. All such notices shall comply with the Federal Fair Housing Act, 42 U.S.C. 3601 et seq. and the Connecticut Fair Housing Act, Connecticut General Statutes §§46a-64b, 64c. Said Owner may hire a real estate broker or otherwise individually solicit offers to lease, independent of the Administrator's action, from potential tenants. Said Owner shall inform any potential tenant of the affordability restrictions on the Affordable Unit before any lease is executed by furnishing the potential tenant with a copy of the Affordability Plan. The lease shall contain a provision to the effect that the lease is contingent upon a determination by the Administrator that the potential tenant meets the eligibility criteria set forth in the Affordability Plan. The Administrator shall have thirty (30) days from such notice to determine the eligibility of the potential tenant in accordance with the application process set forth in the Affordability Plan. The Administrator shall notify said Owner

and the potential tenant of its determination of eligibility in writing within said thirty (30) day period. If the Administrator determines that the potential tenant is not eligible, the lease shall be void, and said Owner may solicit other potential tenants. If the Administrator determines that the potential tenant is eligible, the Administrator shall provide the potential tenant and said Owner with a signed certification, executed in recordable form, to the effect that the lessee of the Affordable Unit has complied with the provisions of the Affordability Plan. The Owner shall bear the cost of recording the certification.

3. Any Tenant of an Affordable Unit shall occupy the Affordable Unit as such Tenant's principal place of residence.
4. Said Affordability Tenant shall properly maintain the Affordable Unit. Said Affordability Tenant shall not destroy, damage or impair the Affordable Unit, allow the Affordable Unit to deteriorate, or commit waste in the Affordable Unit. When an Affordable Unit is offered for re-letting, the Administrator shall cause the property to be inspected.
5. The Owner shall maintain Brookside Apartments in a good state of repair. The Owner shall not destroy, damage or impair the common areas of Brookside Apartments nor allow the property to deteriorate or commit waste on the property.
6. A site plan approval for Brookside Apartments was approved by agencies of the Town of East Lyme based in part on the condition that a defined percentage of the dwelling units in the Community would be preserved as Affordable Units. The Restrictions are required by law to be strictly enforced.
7. A violation of the Restrictions contained in the Affordability Plan shall not result in a forfeiture of title, but the East Lyme Zoning Commission or its designated agent shall otherwise retain all enforcement powers granted by the Connecticut General Statutes, including Section 8-12, which powers include, but are not limited to, the authority, at reasonable times, to inspect said property and to examine the books and records of the Administrator to determine compliance of the property with the affordable housing regulations, and all terms of the Affordability Plan, including without limitation, Article V.