



Resubmitted 11-9-12 for
BOS Mtg 11-14-12

Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

Thomas F. Cooke - Director of Administrative Services

Resubmitted
for 12-10-12

BOARD OF SELECTMEN MEETING AGENDA SUBMISSION FORM

- Title of submission:** Powder Forest Homes Affordable Homes
- Date of submission:** August 27, 2012
- Date of Board Meeting:** Monday, September ²⁴~~10~~, 2012
- Individual or Entity making the submission:**
Powder Forest Homes, LLC
- Action requested of the Board of Selectmen (Acceptance of gift, creation of reserve, approval of contract, information only, etc. Be as specific as possible with respect to the desired action of the Board.):**
The Individual or Entity making the submission requests that the Board of Selectmen:
Remove the requirement for 6 "affordable" homes in the Claremont and Saxony neighborhoods in The Powder Forest Homes community. The current restrictions are really future "price appreciation restricted" upon resales and not income related.
- Individual(s) responsible for submission (Please include complete contact information. The identified individual(s) should be prepared to present information to the Board of Selectmen at the Board Meeting.):**
C. Anthony DiFatta, Jr., President Ensign-Bickford Realty Corporation
125 Powder forest Drive, Simsbury, CT, 06070 (860) 843-1559
Ron Janeczko, Partner, Landworks Development (860) 677-0787

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An Equal Opportunity Employer
8:30 - 7:00 Monday
8:30 - 4:30 Tuesday through Friday

7. **Summary of Submission** (Include in your summary (i) relevant dates and timelines; (ii) parties involved; (iii) a description of financial terms and conditions specifically identifying the financial exposure/commitment of the Town of Simsbury; (iv) whether or not contracts, licenses and other legal documents have been reviewed by the Town's counsel; and (v) other information that will inform the Board of Selectmen's consideration of your submission. Include any additional information in an attached memorandum.):

See attached letters

8. **Description of documents included with submission** (All documents must be in final form and signed by the appropriate party.):

The following documents are included with this submission and attached hereto:

Letter to Mrs. Glassman and Mr. Thomas Cooke dated August 20, 2012
Re: Affordable Housing Restrictions in the Claremont and Saxony Neighborhoods at the Powder Forest Homes.

Declaration Powder Forest Schedule A-5 Restrictive Covenant For Affordable Housing dated November 15, 2005



LANDWORKS

D E V E L O P M E N T

November 8, 2012

Mary A. Glassman, First Selectman
Town of Simsbury
933 Hopmeadow Street
Simsbury, Connecticut 06070

RE: Powder Forest Homes Resale Restriction.

Dear Mary,

Andy and I have been meeting and working with staff to respond to the questions raised by the Board of Selectmen and Tom Cooke in his September 28 letter. The below email and exhibits should give you and the Board a complete update.

In summary we found the following:

Andy ran calculations and estimates that if 6 additional restricted units are built it will cost the town approximately \$25,002 annually in lost tax revenue.

I independently estimated the loss at \$22,859, which also points to a "present value" of approximately \$380,989. I also ran a calculation using a 20 year 2.75% bond formula and found that the town could cover principal and interest on about \$350,000 with that figure of \$22,859.

Several existing owners have attempted to secure financing and were unable. Those that intended to purchase with cash may find themselves in a situation of needing a reverse mortgage to "age in place" and will find they cannot. I would hope they wouldn't have to sell and move because the existing restriction makes it impossible to finance.

We believe that the release of the restriction is in the best interest of the town, the existing 8 owners saddled with it, and the future 6 owners. While the financial gain to the town resulting from the release is significant, we are willing to reimburse the town for any costs related to this requested action, including legal fees.

I look forward to the November 14 meeting with the board.

Very sincerely,

Ronald Janeczko

Please see supporting emails attached.

