

Fairfield City Council Ways and Means Committee, September 3, 2013 Meeting at City Hall

In attendance: Connie Boyer, Daryn Hamilton, John Revolinski (Chair), City Administrator, Kevin Flanagan, Cindy B,

Fairfield Housing Agency Trust Fund

The City Administrator suggested the City form a Housing Agency to oversee development of affordable housing for the community. If the Council agrees to form the agency, Ways and Means committee moved unanimously to recommend the establishment of a trust fund for the agency using funds from the Logan Apartments reserve fund.

Fairfield Park I and II Rehab Project

Cindy B, representative of the National Affordable Housing Foundation explained that her non-profit group is seeking to purchase Fairfield Park I and II, 20- and 28-unit low-income housing apartment buildings located on West Harrison and West Monroe St. The group plans to do extensive renovations funded by tax credits and other public funding sources. In order to qualify for the grants required for the project, the group is requesting a contribution by the City to the project. This would be in the form of a non-interest-bearing 15-year loan with no payments until the end. The funds are not needed for the project, only for points it gives the grant application. Therefore the loan will be secured by cash in the form of a CD or other investment if the city prefers.

Kevin noted that the city portion of the property taxes that the non-profit group would likely pay if it acquires the properties are estimated to be about \$12,400 per year at the current tax rate, down from \$20,300 per year that the current private owners pay. He explained that the National Affordable Housing Foundation agreed to the following proposal regarding property taxes:

In exchange for the non-interest bearing loan from the City, the group would sign an agreement to pay the city an amount in addition to the new City property tax levy so that the City continues to receive \$2,300 per year for the property with a 2% annual increase in perpetuity.

In light of this agreement, the Ways and Means committee unanimously agreed to recommend the Fairfield Housing Agency Trust Fund receive \$60,000 from the Logan Apartments reserve fund and offer it to the group as a no-interest loan as requested, providing the their grant is approved.

CIRF Referendum

The Capital Improvement Reserve Fund was in place until 2009 when the 10-year voter approved levy expired. The City Administrator suggested the Council place the renewal of the tax on the November 2013 ballot. The Committee moved unanimously to recommend.

LOST Referendum

The City Administrator suggested the potential referendum on redesignating LOST revenue be delayed until 2014. No action was taken.

SRF Discussion

The committee was given a progress report on SRF activities.