

Establishment of Affordable Housing Fund
Special Town Meeting: May 17, 2024
Effective Date: July 1, 2024

Ordinance for the Establishment of an Affordable Housing Fund

BE IT ORDAINED by the legal voters of the Town of Cornwall in meeting duly warned, noticed, and assembled:

1. Purpose.

The Town of Cornwall does hereby establish a special fund to accumulate funds (A) for the acquisition or retention of land for the provision of housing for the Town's low- and moderate-income persons and families (hereinafter referred to as "Affordable Housing" and (B) to provide for the financing, construction, rehabilitation, repair, improvement, or subsidization of such Affordable Housing. The fund shall be known as the Cornwall Affordable Housing Fund (hereinafter the "Fund"). The Fund shall not lapse at the end of the municipal fiscal year but, notwithstanding that from time to time it may be unfunded, shall continue in perpetuity unless or until terminated by the Town.

2. Sources of Funding, Investments, and Limitations on Use of Fund.

- A. In addition to such sums as may be appropriated by the Town for deposit into the Fund, the Town is hereby authorized to and shall deposit into the Fund all monies received by it for the provision of Affordable Housing, from whatever source, including fees, monetary gifts, grants and loans, unless otherwise restricted.
- B. The Fund shall be in the custody of the Town Treasurer. All or any part of the monies in the Fund may be invested in any securities in which public funds may be lawfully invested. All income derived from such investment shall be placed into the Fund and become a part thereof. The monies so invested shall at all times be subject to withdrawal for use as hereinafter set forth.
- C. No sums contained in the Fund, including interest and dividends earned, shall be transferred to any other account within the Town budget. No expenditures shall be made from the Fund except in accordance with the provisions of this Ordinance.

Notwithstanding anything to the contrary set forth herein, the amount deposited in the Fund in any calendar year shall not exceed the maximum amount permitted by law.

3. Expenditures from Fund

Expenditures from the Fund shall be made only in accordance with the following procedures and requirements:

- A. Expenditures shall be made exclusively for the fees and other costs associated with (i) the financing, construction, rehabilitation, repair, improvement or subsidization of Affordable Housing or (ii) the investigation, feasibility study, appraisal, acquisition, administration, and maintenance of: (1) parcels of land, whether improved or unimproved, to be used or potentially used for the provision of Affordable Housing and (2) development rights, easements, deed restrictions, options, interests or other such rights in or appurtenant to such parcels of land, the use of which

such rights shall be limited to retention or designation of such parcels for their long-term use in providing Affordable Housing;

- B. Recommendations for any expenditure from the Fund shall first be submitted to the Cornwall Affordable Housing Commission ("CAHC"). If the CAHC recommends such expenditure, the CAHC shall submit the recommendation, including the sum to be expended, to the Cornwall Board of Selectmen for its approval;

4. Authorizations.

- A. Subject to the provisions of Sections 1, 2 & 3 of this Ordinance, the Board of Selectmen is hereby authorized to acquire, in the name of the Town, parcels of land, development rights, easements, deed restrictions, options, interests or other such rights in or appurtenant to such parcels, for the provision of Affordable Housing.
- B. If the Town Meeting approves an appropriation of funds for a specific acquisition, such approval shall be deemed to constitute the approval by the Town Meeting of the acquisition itself, provided no other compensation in addition to the amount of the appropriation will be required.
- C. Nothing in this Ordinance is intended to supersede the requirements of Section 8-24 of the Connecticut General Statutes.

- 5. **Effective Date.** This Ordinance shall become effective on July 1, 2024