

**HOUSING AND FAIR RENT COMMISSION MINUTES  
MANCHESTER ROOM – LINCOLN CENTER  
WEDNESDAY NOVEMBER 16, 2016**

MEMBERS PRESENT: Jay Stoppelman, Chair; Cheryl Craddock, Sandy Stough, Karen Poirier, Jay Cummings, Mary Roche Cronin, Director of Human Services

OTHERS PRESENT: Gary Anderson, Director of Planning and Economic Development  
Kyle Shiel, Senior Planner  
Heather Guerette, CDBG Program Manager

Adoption of the Minutes of May 18<sup>th</sup>, 2016

Mr. Stoppelman called the meeting to order. Ms. Knybel made a motion to adopt the minutes of May 18, 2015 as written. Mr. Cummings seconded the motion and all members voted in favor.

Adoption of 2017 Meeting Schedule

Ms. Knybel made a motion to adopt the 2017 meeting schedule. Ms. Stough seconded and all voted in favor.

Election of Officers

Ms. Knybel nominated Mr. Stoppelman as Chair. Mr. Cummings seconded. All members voted in favor. Mr. Stoppelman nominated Mr. Cummings as Vice Chair. Ms. Knybel seconded and all members voted in favor.

Semi-Annual Report and Discussion

Mr. Shiel began the staff presentation with an overview of national housing trends. He said the pace of household growth has picked up and 2014-2015 was the largest increase in a decade. He said incomes were on the rise, with real median incomes 1.0 percent in 2014, which was the third consecutive year of increases. He said between 2014 and 2015, poverty rates declined in 23 states, with Connecticut recording the sixth lowest poverty rate at 10.5 percent. He said there has been huge growth in the rental market, with 36 percent of households opting to rent in 2015 – the largest share since the late 60's. National vacancy rates have steadily declined since 2010, with 2015's rate of 7.1 percent the lowest since 1985. He said as a result, the growth in rents averaged 3.6 percent and were outstripping inflation. Mr. Shiel said median rent for a newly constructed market-rate multifamily unit rose to \$1,381 per month.

Mr. Shiel said recent Census reports from the fall highlighted relatively positive trends. Real median household income increased 5.2 % between 2014-2015, which was the first annual increase in median household income since 2007. He said the official poverty rate decreased by 1.2 percentage points between 2014-2015, with the number of people in poverty falling by 3.5

million between 2014-2015. He said these data points illustrated the slow incremental improvement in the economy.

In terms of available affordable units, Mr. Shiel said between 1993-2013, households eligible for federal rental housing assistance increased by 3.8 million, while the number of assisted renters rose by just 532,000 over this same period. He said this gap between the households eligible for assistance and those actually receiving assistance is a significant challenge for low-income households. He said for every 100 extremely low-income (ELI) households that earn 30 percent or lower of Area Median Income, there are only 31 affordable and available housing units. He said Connecticut is slightly above the national average at 36 units available per 100 ELI households.

Mr. Shiel said HUD had recently updated the Fair Market Rent figures and the Hartford region saw increases for all categories of housing units. The Fair Market Rent for efficiencies increased 3.6 percent, one-bedrooms by 5.4 percent and two-bedrooms by 5.8 percent. He then reviewed a recent survey of market rents for one-bedroom units in Manchester. The rents ranged from \$750 to \$1,190, with a weighted average of roughly \$998 for listed units.

Ms. Guerette highlighted the accomplishments of the town's Housing Rehab Program, which is funded by CDBG. During the 10/1/2015 – 9/30/2016 program year, the Rehab Program spent just under \$250,000 to complete 14 projects that assisted 18 households. Seven of these projects addressed lead hazards and property maintenance code issues while the remaining 7 were emergency replacement projects.

Ms. Guerette explained that during the program year that began October 1<sup>st</sup>, CDBG funds will continue to support two housing programs: the Housing Rehab Program and Rebuilding Together's Roof Replacement Program. The Rehab Program received \$125,000 and Rebuilding Together received \$100,000 in CDBG funding. Mr. Anderson asked how these funding levels compared to the previous year's allocations. Ms. Guerette explained that Rebuilding Together received \$100,000 each of the two program years. The Housing Rehab Program received \$70,000 last year, but there were lien repayments on 4-5 properties. These repayments are returned directly to the Rehab Program to assist other families. She also mentioned that Rebuilding Together is under new leadership; since Liz Tracy retired from the town, Molly Devanney has been hired as the Executive Director. For the next year, however, Liz will serve as a consultant to the organization to focus solely on the roof replacement program.

Ms. Knybel asked whether Manchester receives its CDBG funds come from the state. Ms. Guerette explained that communities with a population under 50,000 can apply to the state for funding for specific CDBG-eligible projects, but Manchester is an entitlement community, meaning our funds come directly from the federal government.

Mr. Anderson reviewed a recent Request for Qualifications the Town issued regarding 208 North Elm Street, a property owned by the Town and operated by the Manchester Housing Authority. He said the property was deeded to the Town roughly thirty years ago and at the time of the bequest, the use was restricted to lower rent housing for the elderly. He said the property has fairly significant capital improvement needs, estimated to total roughly \$566,000 and that the

Town received one response to the RFQ. The the Town is currently considering how to proceed. He said no decision is imminent, and the Board of Directors is will consider various options before proceeding.

Mr. Knybel asked if MISAC responded to the RFQ. Mr. Anderson said MISAC did not submit a response. Mr. Stoppelman said he believes they did not want to put the remainder of their portfolio at risk at this time. He said he would like to see the property remain a low cost for elderly residents. Ms. Knybel asked if conversion to single-family homes was an option. Mr. Anderson said that would require subdividing the property, and likely other approvals as well. . Ms. Walsh asked if the only income source was from the below market rents generated by the units. Mr. Anderson said yes, that is the only income being generated at this time.

Mr. Anderson said the units currently have electric heat. There have been discussions about possibly converting to gas heat, which would introduce cost savings. Ms. Guerrette said if a third-party were to purchase the property, CDBG funds could potentially be used to fund a portion of the rehabilitation. Mr. Stoppelman asked if Mr. Anderson could forward the RFQ to commission members. Mr. Anderson replied in the affirmative and said he would keep the Commission informed regarding any updates..

Ms. Knybel moved to adjourn. Mr. Cummings seconded and all voted in favor. The meeting adjourned at 8:11 p.m.

The next meeting of the Manchester Housing and Fair Rent Commission will take place on May 17, 2017.