



**Luke A. Bronin**  
Mayor

November 23, 2020

Honorable Maly D. Rosado, Council President, and  
Members of the Court of Common Council  
City of Hartford  
550 Main Street  
Hartford, CT 06103

**RE: Cooperation Agreement with the Housing Authority of the City of Hartford**

Dear Council President Rosado,

As you know, the Housing Authority of the City of Hartford (the "Authority") owns and operates approximately 1,000 units of federally subsidized housing in the City of Hartford. The Authority also owns the land under the former Westbrook Village and Bowles Park developments, and it owns several parcels of vacant land throughout the City.

The instrumentalities of the Authority, specifically Connecticut Housing and Development Corporation and Overlook Development Corporation, nonprofit corporations controlled by the Authority, both have or will have interests in developments related to those properties as well.

The properties owned by the Authority are all currently tax exempt. As a part of its development plans, the Authority is moving away from the traditional HUD-subsidy model and toward development, ownership and operation of its current and proposed developments by its instrumentalities.

As a result, the Authority will transfer ownership of some or all of its properties to its instrumentalities through a series of transactions over the next several years. The Authority and/or its instrumentalities may also engage in other developments on its own or in conjunction with its instrumentalities. The Authority has requested a consolidation of and updates to its current cooperation agreements with the City to reflect this change of direction.

Nothing in the proposed cooperation agreement has any impact on the tax arrangements for the redevelopment at the former Westbrook Village and Bowles Park developments.

Connecticut statutes exempt housing authority property from real estate taxes but authorize municipalities and housing authorities to voluntarily contract to provide for PILOT payments. The proposed cooperation agreement here keeps properties exempt while owned and operated by the Authority under the current model.

**550 Main Street  
Hartford, Connecticut 06103  
Telephone (860) 757-9500  
Facsimile (860) 722-6606**

As the Authority transitions its properties and continues to develop as described in the proposed cooperation agreement, those properties will provide income to the City in the form of PILOT payments. These payments represent a new source of income for the City. The proposed cooperation agreement has a term of 30 years, with one renewal of an additional 30 years.

The initial PILOT payments proposed by the Housing Authority would be within the range of \$500 to \$900 per unit per year, with a 2% annual escalation, if applicable. The pilot amounts would be arranged in two tiers and are dependent on the Area Median Income of occupying tenants.

The Authority, Department of Development Services, and the Corporation Counsel's office are happy to answer any questions that you may have. Thank you for your consideration.

Respectfully submitted,



Luke A. Bronin,  
Mayor

**INTRODUCED BY:**

**COURT OF COMMON COUNCIL**

Luke A. Bronin, Mayor

City of Hartford, November 23, 2020

**WHEREAS**, The Housing Authority of the City of Hartford (the "Authority") owns and operates approximately 1,000 units of HUD subsidized low income public housing in the City; and

**WHEREAS**, The Authority owns the land under the former Westbrook Village and Bowles Park developments, administrative buildings and several parcels of vacant land throughout the City; and

**WHEREAS**, The Authority and/or its instrumentalities (Connecticut Housing and Development Corporation and Overlook Development Corporation — nonprofit corporations controlled by the Authority) may also engage in other developments on their own or in conjunction with each other; and

**WHEREAS**, as a part of its development plans the Authority is moving away from the traditional HUD subsidy model and toward ownership and operation and development by its instrumentalities; and

**WHEREAS**, Connecticut statutes exempt such property from real estate taxes but allow voluntary PILOT agreements; and

**WHEREAS**, The Authority has requested a consolidation of and updates to its current cooperation agreements with the City to reflect this change of direction; and

**WHEREAS**, the Authority has proposed an agreement with the City, including, but not limited to the following terms:

- A PILOT term of thirty years, with one thirty- year renewal;
- The initial PILOT payments would generally be within a range of \$500 to \$900 per unit per year
- The PILOT payment would be subject to a 2% annual escalation per unit per year so long as the City grand list grows by at least 2%, that will be both permanent and cumulative, but not to exceed the lower of established caps in the agreement or the assessed taxes as determined by the Assessor;
- The City would have the right to audit financial records of the Authority and its instrumentalities to verify tenant income, rents and other information deemed applicable by the City; now therefore be it

**RESOLVED**, that the Mayor is authorized to execute any and all manner of other documents and to take such other actions as he and the Corporation Counsel may deem appropriate and in the best interest of the City in order to effectuate the above transaction, and be it further

**RESOLVED**, that no person or entity shall be entitled to rely on or otherwise claim any benefit by reason of this resolutions should the Mayor fail to execute the aforementioned agreement or other documents or to take any of the aforesaid actions, and be it further

**RESOLVED**, that all approvals and authorizations provided hereby are contingent upon and only shall be effective on, and by means of, the parties executing such documents and taking such actions, all of which shall be, in form and substance, acceptable to the Mayor and the Corporation Counsel.