

**Affordable Housing Trust Fund
FINAL ORDINANCE**

§ ??-1. Purpose.

Pursuant to C.G.S. § 7-148(c)(2)(K), the Town of Glastonbury does hereby create a special fund to provide affordable housing in the Town of Glastonbury. The fund shall be known as the "Affordable Housing Trust Fund," hereinafter the "fund." Such fund shall not lapse at the end of the municipal fiscal year.

§ ??-2. Sources of funding; investments; limitations on use of fund.

- A. The Town is authorized to and shall deposit all monies received by it for the purposes of affordable housing, from whatever source such monies are received (the "sources"). The sources may include, but are not limited to, monetary gifts, grants, loans, and monies received from state and federal agencies.
- B. Said fund shall be in the custody of the Town of Glastonbury. All or any part of the monies in said 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 said fund, including interest and dividends earned, shall be transferred to any other account within the Town budget. However, in the event that work is performed by departments of the Town of Glastonbury pursuant to this chapter, the cost of said work may be reimbursed from the fund under § ??-3B. No expenditures shall be made from said fund except in accordance with the provisions of this chapter. No expenditures shall be made from the fund in excess of the available balance in the fund.

§ ??-3. Expenditures from fund.

- A. The continuation of the fund shall be perpetual, notwithstanding that from time to time said fund may be unfunded.
- B. Expenditures shall be made from the fund only in accordance with the following procedures and requirements:

(1) Use of funds shall be limited to costs associated with:

- (a) Activities to retain and/or create affordable housing within the meaning of C.G.S. § 8-30g.

Such activities may be undertaken by the Town or facilitated by the Town through the issuance of grants and/or loans. Such activities include but are not limited to:

- [1] The investigation, appraisal, acquisition, construction, rehabilitation, repair, fees and maintenance costs relating to parcels of land, both improved and unimproved;
- [2] The acquisition of development rights, easements, deed restrictions, options, interests or rights therein, the use of which shall be limited to retention or designation of parcels for their long-term use in providing affordable housing;
- [3] The incentivizing of deed restrictions that preserve real property for use as affordable housing;

- (b) Administration of the fund and associated activities, including monitoring of affordable housing restrictions. Such costs may include, but are not limited to, staff, contracted services, advertising and marketing, and technology/equipment needed to manage the fund and associated activities;

(2) Funds may not be used to acquire real property by eminent domain regardless of the intended use of such property.

- (3) All requested/proposed expenditures from the fund must be approved by the Town Council in accordance with the following procedures:
- (a) Proposed administrative expenditures pursuant to § ??-3B(1)(a) may be authorized by the Town Council as part of its annual budget process. Expenditures in excess of the budgeted amount shall be subject to the procedure established in § ??-3B(1)(b) and (c).
 - (b) All other proposed expenditures shall be submitted in writing to the Town Manager and reviewed by the Town Council, Board of Finance, Director of Finance, and Director of Community Development for:
 - [1] Consistency of the proposed expenditure with this chapter and the Town's Affordable Housing Plan, as amended.
 - [2] Consistency of the proposed expenditure with priorities and action plans established by the Town Council with regard to implementation of the Town's Affordable Housing Plan.
 - [3] Consistency of the proposed expenditure with the Plan of Conservation and Development and Zoning Regulations, where applicable.
 - [4] Availability of funds and impact of the expenditure on the fund balance.
 - [5] Demonstrated experience of the developer in the building and/or maintenance of affordable housing.
 - (c) The Board of Finance, Director of Finance, and Director of Community Development may provide comments and recommendations to the Town Council regarding the proposed expenditure of funds pursuant to § ??-3B(3)(b), including recommendations on the sum to be expended.

§ ??-4. Annual report.

The AHC shall provide the Town Council with an annual report on the status of the fund within 90 days of the end of the fiscal year. Such report shall include:

- A. The fund balance as of the close of the fiscal year and a summary of revenues and expenditures;
- B. Activities undertaken during the previous fiscal year; and
- C. Changes to the number of affordable housing units in Glastonbury pursuant to C.G.S. § 8-30g.

ADOPTED September 30, 2025

EFFECTIVE October 13, 2025