



Goshen Housing Trust, Inc.

*a non-profit corporation*

[www.GoshenHousingTrust.org](http://www.GoshenHousingTrust.org)

P.O. Box 511

Goshen, CT 06756

## **NEW Frequently Asked Questions from December Information Meeting**

### **Will building affordable housing in Goshen lower the value of existing homes?**

This is often a concern for affordable housing, so it is a question studied at many levels. The general result of nearly all studies is that well managed, well designed, high quality affordable housing created and maintained by a community-based private organization, such as the Goshen Housing Trust, Inc., versus government agencies has a very good track record of either having no impact on local home values or, in many cases, having a net positive impact. As we outlined at the December 2011 meeting, we are a group of community members who care very much about the long-term strength of our Town and we plan to build quality-designed homes that fit well into the existing community. Our land-lease model gives us the ability to manage the properties carefully over the years. The goal of the Goshen Housing Trust is to produce homes that become positive, contributing assets to the community. Visit [www.GoshenHousingTrust.org](http://www.GoshenHousingTrust.org) for more on this topic.

### **Will the addition of low-priced homes to the market pull down other home prices?**

Our homes will only be available to a very specific set of qualified purchasers. In general, these qualified purchasers will be outside of the market for existing homes and therefore there should be no impact. Our homes will not compete for purchasers with the sale/resale of more expensive homes in Goshen. In addition, we will use marketing for our homes that is targeted to our specific market segment and do not plan to use the traditional MLS/Realtor system to sell our homes. As such, our homes should not influence any metric based on MLS or other traditional area home listings.

### **Will the Directors of the Goshen Housing Trust, Inc. benefit from this project (or any project)?**

No. The Certificate of Incorporation and Bylaws of the Trust specifically state that no Director may be compensated for their work for the Trust and, further, that no benefit shall inure to a Director. Each Director has executed an acknowledgement that they will adhere to the Trust's Conflict of Interest policy, the terms of which follow Internal Revenue Service guidelines, and they must reaffirm this in writing each year. This policy requires that a Director who has a direct or indirect interest in any transaction must identify such, and prescribes a strict procedure that the Board must follow to deal with this. Finally, as a part of the process for obtaining a 501c3 exemption from the IRS, we have had to affirm that no Director will benefit personally from their involvement with the Trust. We take this aspect of our volunteer effort with the Goshen Housing Trust, Inc. very seriously, not only because it is the law, but because we care. The Directors of the Goshen Housing Trust, Inc. are volunteering their time and talents because we feel it is important for our community.



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### **What happens when you get tired of doing this and the Goshen Housing Trust goes away?**

The Goshen Housing Trust, inc. is a non-profit corporation under Connecticut law. As such, we intend it to exist in perpetuity. The current Directors are only temporary stewards of the mission of the Trust. We expect to grow the current set of nine Directors (we can have up to 17 Directors per our Certificate of Incorporation) and as the current Directors decide to do other things and resign, others from the community will take their place. This is no different from other community non-profits that Goshen trusts with a public purpose.

However, looking at a worst-case scenario, if the Trust finds that it must shut down due to any reason, our Bylaws and Certificate of Incorporation require the transfer of the assets of the corporation to another 501c3 non-profit organization with a similar mission. This dissolving of the Trust would require unanimous approval of all Directors and would be subject to oversight by the Superior Court of Litchfield County. This should ensure the continuation of the affordable housing aspect of the projects.

We believe that the design of the Goshen Housing Trust, Inc. means it will exist and serve its important mission for the community well into the future alongside other trust groups in town that we all count on.

### **Why do you want the Town's land?**

We see the use of the Town land for this project as a Win-Win for both the Town and the Trust.

Completing a successful affordable housing project for our Town is a difficult challenge in the best of times and these are not the best of times, economically. If the Town decides to provide the land for the project, this eliminates a major cost item for us. The more we can do to reduce the overall cost of the project, the easier it will be for us to find the funding to complete it in this time of cutbacks.

Designated for building homes, the land has been actively considered in the past for use in addressing the Town's concerns about affordable housing. The Goshen Housing Trust, Inc. hopes to help the Town to complete this vision.

As a private community-based organization, we will take on the tasks and risks of obtaining funding, construction, and management of the properties – which we think is a better alternative to doing this than as a function of our local government. We will put the property back on the tax rolls while we strengthen our community by addressing the need.

Finally, we feel that addressing the need for affordable housing in our community through a community-based non-profit run by neighbors is preferable to the potential for developers from outside the community to try to do the same.



In the end, we think that providing the land to the Goshen Housing Trust, Inc. to pursue its public purpose is a win-win for our Town and GHT.

**How will you handle septic and water for the project?**

These are both important concerns for any home project in our area and we certainly have thought about this. We will be sure, of course, that whatever we do meets all applicable regulations and standards. A preliminary look at the Town site indicates that the parcel we plan to use will support both septic and water requirements for the number of units planned. We will determine the specific engineering approach for handling these once the Trust knows that it can use the Town land. All of this will be subject to review and approval by the Town of Goshen Planning and Zoning Board, Inland Wetlands Commission, Torrington Health District, and other groups, as appropriate.

**Most people commute to their jobs. If I could not afford to live in Goshen, I would look elsewhere.**

**Why do we need to build housing for people who cannot afford to live here?**

In the absence of affordable housing in Goshen, living elsewhere is the only option. Some people might choose to commute TO Goshen to work in some of the jobs we have here, but frankly, because we are talking about jobs that do not pay a great deal of money, they may not be able to afford that, so they are more likely to find a job close to where they can live. We have local employers who have told us about having challenges filling open positions in Goshen.

However, let's assume that we can attract all the people we need to fill these positions here and that they commute someplace else to live ... we think it is fairly clear that these individuals would:

- Be less likely to volunteer to join critical Goshen-based volunteer organizations, or
- Be less likely to coach a school team or supervise an after-school activity, or
- Be less likely to volunteer to contribute their efforts to our local churches and social groups, or
- Be less likely to care about the Town we all live in and participate in keeping our town a terrific place to live.

They would care about wherever it is that they live, instead.

We would like more of the people who work and volunteer here to live here so they will care about our town, too.