

CORNWALL HOUSING CORPORATION PARCEL PROGRAM

The Cornwall Housing Corporation (CHC) is a tax-exempt organization created in 1988 for the purpose of making housing opportunities available in Cornwall for individuals and families who are unable to afford prevailing housing prices. The Board of Directors of the CHC is made up primarily of local residents representing a wide range of talents and experience. Since its founding, the CHC has used state support to create 18 low- and moderate-income rental units at Kugeman Village, and, through the Parcel Program, has established no-cost leases on eleven parcels of land for those who have built or bought their own homes.

The Parcel Program was made possible by Planning and Zoning regulations which encourage affordable housing. These regulations permit the Town or another not-for-profit sponsor to create one-acre sites in any residential zone, whatever the usual requirement for that particular area may be. Sites must be approved by the appropriate town commissions and by the Torrington Area Health District. Property taxes on houses and improvements are levied as usual, and are paid by the leaseholder.

Through the generosity of Cornwall citizens, eleven home sites or existing houses have been acquired, some as gifts and others by under-market purchase. The CHC is always looking for more sites to meet future needs. Parcels remain permanently in the affordable housing program, and are subject to all the procedures and guidelines established by the CHC, some of which are described below:

Leaseholds are for 99 years and may be renewed and/or inherited. Changes in income after the grant of a parcel will not affect the eligibility of the leaseholder to remain at the site. The leaseholder may sell the home, but it must remain affordable to those meeting income requirements regardless of improvements made by the owner. In case of sales, the value of the property will be determined by the CHC and the homeowner at the time of the sale. The value will include the cost of materials, approved improvements, paid labor, and "sweat equity", together with the percentage rise in the Consumer Price Index between the time of construction and the time of sale. Leaseholders must arrange the sale through the CHC.

In case of default on a mortgage, the bank or other lender must wait 90 days before taking action, to give the CHC an opportunity to take over the mortgage or find another buyer. The defaulting leaseholder will receive payment for any equity in the premises when it is resold.

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