



04-23-2025 Town Council Meeting

Responses to Council Questions

ITEM #9: Approve the Recommended Funding Plan for the Affordable Housing Funding Program

Council Question:

On p. 157, it notes that some CHT homeowners at Rosemary Place have not had income verification done for 24 years. Is there a process where if CHT homeowners start earning more than median income, they take on some of their maintenance expenses, or does CHT remain responsible for the lifetime of their tenure?

Staff Response:

CHT does not have a process for staggering maintenance expenses based on increases in income. Although this is an interesting proposition and one CHT will investigate. Currently as related to maintenance, there are two mechanisms:

- 1. Stewardship: CHT charges a stewardship fee to every homeowner. The fee assists with specific maintenance items not classically covered by an HOA: roofs, HVAC, hot water heaters, flooring and termites. This fee is not regularly increased.*
- 2. HOA Dues: Almost every CHT homeowner also contributes to an HOA. Most HOA's are managed by a third party. Rosemary Place is managed by CHT to assist with keeping costs down. HOA's manage the bulk of exterior maintenance through dues. Costs have significantly increased on items like landscaping in the last 3-5 years, tripling in some communities. HOA's increase dues as needed to fund capital improvements but the catch-22 at a 100% affordable community like Rosemary Place, is that it is more difficult to make special assessments without creating a hardship.*

The part of the question that asks, is CHT responsible for the lifetime of the tenure - the ultimate answer is yes. Since CHT maintains the property in perpetuity by giving only a leasehold interest to the homeowner and subsequent homeowner and subsequent owner and so on, CHT is ultimately responsible for the asset, that asset being a community asset with the promise by CHT to maintain it for future community use.