



STATE OF CONNECTICUT
GOVERNOR DANIEL P. MALLOY

April 11, 2014

GOV. MALLOY ANNOUNCES FUNDS TO SUPPORT AFFORDABLE HOUSING THROUGHOUT THE STATE

Funding Will Spur an Additional \$116 Million in Private Investments

(HARTFORD, CT) – Governor Daniel P. Malloy, Department of Housing (DOH) Commissioner Evonne M. Klein, and Connecticut Housing Finance Authority (CHFA) President and Executive Director Eric Chatman today announced investments of more than \$70 million in federal and state funds for 16 affordable housing projects across the state that will transform their communities and build and rehabilitate a total of 694 affordable rental apartments. The funds are expected to generate an additional \$116 million in private investments for the projects, bringing the total investments to \$186 million in state, federal and private dollars.

“The funding we’re announcing today will result in approximately \$116 million in private investment for Connecticut’s housing stock,” said Governor Malloy. “Leveraged with our recent commitment of about half-a-billion dollars to create and preserve affordable housing in the state, these projects will foster economic growth, revitalize neighborhoods, raise the quality of life for everyone, and provide more affordable homes that are so important in keeping people, young and old, in Connecticut.”

Projects selected competed successfully in the federal Nine Percent Low Income Housing Tax Credits (9% LIHTCs) funding round and the fourth round of the state’s Competitive Housing Assistance for Multifamily Properties (CHAMP) initiative. Investments include \$7.7 million in federal tax credits under the 9% LIHTCs program and \$62.4 in state capital funding.

CHAMP, administered by DOH, helps owners and developers of multifamily rental developments to expand or rehabilitate workforce, affordable, supportive and congregate housing.

“Development activity from the investments the Governor made today totals more than \$226 million,” said Klein, who is also chair of CHFA’s Board of Directors. “That’s the power of public-private partnerships. Innovative collaborations among nonprofit groups, developers, and government are bringing more resources and skills to bear on the issue of affordable housing.”

CHFA administers the 9% LIHTC program, which is a [federal tax incentive program](#) designed to stimulate private investment in affordable housing. The credits provide equity for developers to acquire, rehabilitate and/or build low- or moderate income housing through

the allocation of federal tax credits that may be sold to corporations or investor groups to raise capital for a project.

“The nine percent tax credits are awarded through a competitive process and the applications are rated and ranked based on a set of criteria, outlined in a Qualified Allocation Plan, which is aligned with the state’s affordable housing goals,” said Eric Chatman, CHFA’s President and Executive Director.

The LIHTCs approved by CHFA’s Board of Directors total \$7.7 million and will create an estimated 1,319 jobs, generate \$186.9 million in economic activity, and \$14.4 million in net state revenue. The list of recipients is as follows (for additional project details, see below):

- 24 Colony Street, Meriden – Westmount Development Group
- Wall Street Place, Phase I, Norwalk – POKO IWSR Developers, LLC
- Washington Village, Phase One, Norwalk – Trinity Washington Village Phase One Ltd Partnership
- Lawnhill Terrace, Stamford – Rippowam Corporation
- Warner Gardens, Waterbury – Omni Development Corporation
- Carroll Apartments, Waterbury – HF3 Group, LLC

The developments selected in the CHAMP 4 round will provide for the creation or preservation of a total of 537 units, 400 of them affordable, with a total of state investment of nearly \$32 million. The list of recipients is as follows (for project details, see the attached):

- Maplewood Court, Bridgeport — Mutual Housing of Southwest Connecticut
- McLevy Square, Bridgeport — Forstone Capital
- Access Supportive Housing, Danielson — Access Agency
- Heritage Glen, Farmington — Metro Realty Group
- 258 Davis Ave, Greenwich — Pathways, Inc.
- 390 Capitol Ave, Hartford — Dakota Partners
- Sheldon Wyllys, Hartford — Sheldon Oak Central
- Kensington Square I, New Haven — The Community Builders
- 38 Columbus St, Seymour – Migani O’Reardon Architects
- Button Hill, Willington — Willington Housing Authority

All financial assistance is subject to satisfaction of customary closing requirements and such other approvals as may be necessary, including, in some cases, approval of the State Bond Commission.

Details on LIHTC recipients announced today

24 Colony Street, Meriden – Westmount Development Group

The plan involves a four-story, mixed-use and mixed-income apartment/commercial building to be constructed in a newly created transit-oriented district; and a new Intermodal Transportation Center to be built across the street by the Connecticut Department of Transportation (DOT), which is the first such development on the new north/south commuter rail being modernized by DOT. The development will have 56 units targeted to households with incomes below 60% area median income (AMI) and 7 market rate

apartments.

Tax Credit Award: \$1.4 million (LIHTC equity: \$12.4 million), \$6 million DOH capital funds, \$3.4 million CHFA ITA funds.

Lawnhill Terrace, Stamford – Rippowam Corporation

This is the first phase of a rehabilitation of an existing 204-unit housing development built in 1959 under the state's moderate rental program. The first 60 units to be rehabbed are two- and three-bedroom units targeted to households making up to 60% of AMI. Considerable site improvements will also be made during the renovations.

Tax Credit Award: \$1.44 million (LIHTC equity: \$12.4 million), \$3.25 million DOH capital funds, \$2.7 million seller loan.

Washington Village, Phase One, Norwalk – Trinity Washington Village Phase One Ltd Partnership

Plans call for new construction on two vacant parcels in the South Norwalk neighborhood. The project is the initial phase of a larger multi-phase redevelopment effort that will replace the oldest public housing in the state with a new 273-unit, mixed-income community. In this phase, 58 units are targeted for households with incomes below 60% AMI and there will be 22 market rate units.

Tax Credit Award: \$1.89 million (LIHTC equity: \$20.1 million), \$9.86 DOH CDBG-DR funds, \$2.8 million TD Bank mortgage

Warner Gardens, Waterbury – Omni Development Corporation

Warner Gardens is the redevelopment of 56 apartments in the Long Hill neighborhood of Waterbury. The development is currently organized as a co-op and is in poor condition, with 24 apartments not habitable. The existing co-op will be disbanded and the entire development demolished and rebuilt. The new Warner Gardens will include 56 units for households with incomes up to 60% AMI, and there will be 12 supportive units in the complex.

Tax Credit Award: \$1.39 million (LIHTC equity: \$12.6 million), \$5.2 million DOH capital funds, \$700,000 Webster Bank Loan, \$294,000 in state Housing Tax Credit Contributions

Carroll Apartments, Waterbury – HF3 Group, LLC

This five-story apartment building, vacant for more than 20 years, will undergo rehabilitation into 35 one- and two-bedroom units. It is one of a series of buildings designed by local man Joseph A. Jackson and is located in a National Historic District. Twenty-eight units will be for households with incomes of up to 60% of AMI. A new elevator and fire suppression system will be installed.

Tax Credit Award: \$733,000 (LIHTC equity: \$6.4 million), \$2.897 million in DOH capital funds, \$412,000 loan Hunt Capital Partners, LLC

Wall Street Place, Phase I, Norwalk – POKO IWSR Developers, LLC

Plans call for a new mid-rise, mixed-use building with 36 apartments and 60,000 square feet of commercial and retail space on the first floor. The approved plan includes 850 parking spaces. Wall Street Place is intended to recreate the "uptown" part of the urban fabric that was once the heart of the city. The apartments will be for households earning up to 60% of AMI.

Tax Credit Award: \$864,014 (LIHTC equity: \$8.64 million), \$3.5 million in DOH Capital Funds, \$3.4 million CITI Bank First Mortgage.

Details on CHAMP recipients announced today

Heritage Glen, Farmington — Metro Realty Group

This project entails the renovation of an existing mixed-income multifamily property in Farmington. The renovation will extend the useful life of the development by updating the structure, including energy efficiency improvements to reduce operating costs. Heritage Glen contains 68 residential units, 31 of which are reserved for families earning up to 60% of Area Median Income (AMI). DOH's 30-year loan of up to \$1.4 million will leverage approximately \$1.7 million from the developer.

390 Capitol Ave, Hartford — Dakota Partners

The former Hartford Office Supply Building, a long-vacant and centrally located property, will be converted into a mixed-income residential community. The development will include the creation of 112 residential units, including 23 affordable units that will be leased to households earning up to 60% of AMI. All new windows, floors, as well as the roof and HVAC system will be replaced. This property sits on a key site at the intersection of Capitol Avenue and Flower Street and is walkable to major employers in downtown Hartford as well as the CTFastrak terminus and trains and buses at Hartford's Union Station. DOH will provide a loan for up to \$5 million, which will leverage more than \$18 million in non-state funds.

Kensington Square I, New Haven — The Community Builders

The project will rehabilitate 120 existing affordable housing units in 21 separate buildings on scattered sites in New Haven's Dwight Street neighborhood, which is on the National Register of Historic Places. This funding will update and maintain long-term affordability of all units. The development has an existing HAP contract with HUD, which provides rental subsidies for all of the units. The proposed scope of work includes kitchens and bathroom renovations, exterior work on siding and roofs, plumbing upgrades, and new lighting and security systems. Energy efficiency measures are projected to result in a 24% reduction in annual energy use. DOH will provide a loan of up to approximately \$3.1 million and New Haven has committed \$990,000.

Maplewood Court, Bridgeport — Mutual Housing of Southwest Connecticut

Bridgeport will rehabilitate two historic former school buildings that were converted in 1997 to 32 affordable apartments. The original adaptive reuse project included eight public housing units under the Bridgeport Housing Authority's Father Panik relocation program. Sixteen additional project-based Section 8 vouchers will be provided by the Bridgeport Housing Authority as part of this project. The scope of the work will focus on the creation of an on-site storm water retention system to address periodic flooding so that eight lower level apartments will become available. The project will also improve the energy efficiency of the buildings, upgrade all units with new bathrooms, flooring, and paint. DOH will provide a loan of up to approximately \$2.15 million.

McLevy Square, Bridgeport — Forstone Capital

Four contiguous buildings will be renovated on a site that overlooks McLevy Green at the intersection of Main and State Streets in the heart of downtown Bridgeport, creating a vibrant mixed-use and mixed-income residential development. The retail and office portions of these buildings will be renovated for code compliance and energy efficiency upgrades. An iconic vacant small theater will be converted into a restaurant, dinner theater, or similar use. The upper floors of two of the buildings will be converted into 32 one-bedroom residential units, 19 of which will be leased to households earning up to 120% of AMI, three will be leased to households earning up to 100% of AMI, and three will be leased to a household earning up to 80% of AMI. McLevy Green is the city's historic town center and serves as a garden, park, and community space for downtown residents and visitors. The project is also in close proximity to the Bridgeport intermodal transportation center and the

Route 8/I-95 interchange. DOH will provide a loan of up to approximately \$4.95 million, which will leverage almost \$9 million in developer equity and private debt.

Button Hill, Willington – Willington Housing Authority

Located at 60 Old Farms Road, the project entails the new construction of much-needed elderly rental units in eastern Connecticut. Plans call for construction of 24 rental units, including 20 affordable units. The affordable units will be leased to those earning up to 80% of AMI. The project will implement green development strategies in the design and construction. Additionally, the project will be certified under the Energy Star Program to qualify for rebates and incentives. This project will also receive financing of approximately \$1,850,000 under the Federal Home Loan Bank of Boston's Affordable Housing Program. DOH will provide a grant of HOME funds of approximately \$3.1 million, which will leverage over \$3.2 million in non-state funds.

38 Columbus St, Seymour – Migani O'Reardon Architects

A public-private partnership will create 26 new affordable and market-rate housing units for people age 55 and older in Seymour's historic downtown. The \$5.9 million project is being developed by Migani-O'Reardon Architects, in partnership with the Seymour Housing Authority. The building will be constructed on a vacant infill site and will feature extensive amenities, including a community room, kitchen, laundry facility, exercise room, administrative and support services space, elevator, and an emergency generator that will serve 38 Columbus Street and an adjacent 12-unit affordable housing development for seniors. The project's design and use of brick materials will reflect the historic character of the neighborhood and the community's rich mill and manufacturing past. The property is centrally located within easy walking distance to shopping, restaurants, movie theatres, town hall, the post office, and the Amtrak-Metro North rail station. DOH will provide a financial assistance up to approximately \$4.75 million.

Sheldon Wyllys, Hartford – Sheldon Oak Central

The project combines two existing multifamily developments, Sheldon Oak Central Cooperative II and Wyllys Lisbon. It's located in a neighborhood adjacent to downtown Hartford and walkable to the downtown Hartford employment center as well as transit services. This project entails the rehabilitation of 107 affordable units leased to families earning up to 60% of AMI. The proposed renovation for Sheldon Wyllys will include interior safety and energy upgrades. Additional upgrades will include renovations to the kitchens and bathrooms. These renovations will preserve this valuable affordable housing resource. DOH will provide a loan of up to approximately \$4.613 million which will leverage approximately \$1.66 million in non-state funds.

258 Davis Ave, Greenwich – Pathways, Inc.

DOH will provide a loan of up to \$1.1 million to Pathways Inc. to rehabilitate an existing building to create seven single-room occupancy apartments to serve individuals 18 or older who are at risk of homelessness as a result of serious and persistent psychiatric and substance abuse disorders. The property will include community space for resident and counselor use and each unit will be fully equipped with a kitchen and bathroom. Pathways will provide 24-hour, seven-day-a-week staffing for these much needed supportive housing units in Fairfield County.

Access Supportive Housing, Danielson – Access Agency

DOH will provide financial assistance of approximately \$1.6 million of HOME funds for the Accessing Home-Danielson project. This project involves the acquisition and rehabilitation of buildings on four contiguous lots and will create or preserve a total of nine affordable housing units in Danielson, eight of which will be restricted for low- and moderate-income

families. One of the apartments will be reserved to provide supportive housing for an adult with special needs whose income is not greater than 25% of AMI.

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