



CHFA AWARDS FEDERAL TAX CREDITS FOR AFFORDABLE HOUSING

\$7.1 million in LIHTCs awarded to six developments

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Rocky Hill, Conn., March 31, 2016 -- Connecticut Housing Finance Authority (CHFA) Executive Director Karl Kilduff and CHFA Board Chairwoman and Department of Housing (DOH) Commissioner Evonne M. Klein, announced that CHFA's Board of Directors has approved \$7.1 million in Federal 9% Low Income Housing Tax Credits (LIHTCs) to six proposed affordable multifamily housing developments. These developments will result in 320 affordable rental units and 65 market rate units. The \$7.1 million in LIHTCs are expected to generate more than \$70 million private equity for the developments. The development of these properties is projected to generate 527 jobs and \$175,680 million in economic activity.*

"These federal tax credits will be leveraged with existing funding for these developments creating more affordable rental housing for families, veterans, and supportive housing for those struggling with or at risk of homelessness," said Commissioner Klein. "In addition, all the developments receiving tax credits are located near transit and essential services. These kinds of developments embody what Connecticut is working hard to achieve; fostering the creation of inclusive and diverse communities in all areas of the state."

CHFA administers the LIHTC program, which is a federal tax incentive program designed to stimulate private investment in affordable housing. Under the program, developers can obtain equity financing to acquire, rehabilitate and/or construct new low- or moderate-income housing through the allocation of federal tax credits that may be sold to corporations or investor groups. Due to the limited amount of annual 9% tax credits, the application process is competitive. Nineteen developers applied for funding totaling nearly four times the amount of tax credits available.

"Having a safe, affordable home can transform peoples' lives," said Karl Kilduff. "In the past five years, CHFA and DOH have partnered to complete 7,600 units of affordable housing with more than 3,000 units currently under construction."

The following developments received 9% LIHTCs:

Meriden, 177 State Street: The proposed project will have 75-units of mixed-income family housing, with ground level retail space and a preschool. The property will include 8 supportive units and 60 units targeted for households with incomes of 60% or less of Area Median Income (AMI). In addition, 26 of the 60 units will be supported by project based Section 8. The new building will be within walking distance of Meriden's new Transit center.

Hartford, Willow Creek Apartments: The first phase of this new rental housing for families will replace

the uninhabitable units at the 1950s-era Chester A. Bowles Park property. The old units will be demolished and replaced with 62 new units designed to complement the architectural style of the surrounding neighborhood. The units will be targeted for households with incomes of 60% or less of AMI. The site will have several bus stops access to commercial and retail amenities. Redevelopment will also include the construction of a Community Building offering a business center, fitness facility, community space and offices for on-site management.

Waterford, Victoria Gardens: This new construction project will add 90 mixed-income units for persons 55 years and over, with handicap-accessibility throughout the building. Of the 90 units at Victoria Gardens, 72 will be affordable for households with incomes of 60% or less of AMI, and two units have a preference for veterans. There development will have 18 units with market-rate rents and 18 supportive units.

Waterbury, Warner Gardens Phase II: This project involves the demolition of the remaining dilapidated buildings at the old Warner Gardens and replacing them with 64 units of new affordable family housing. The new property will promote income integration with 13 units affordable to households with incomes of 80 to 100% of AMI, as well as 13 supportive units and 16 project-based subsidies.

Waterbury, Cherry Apartments: A plumbing warehouse will be rehabilitated to create 40 units of family housing. The first floor will include office and recreational space with a community facility will hold a computer lab, office space for a leasing agent/property manager and an on-site service coordinator to provide supportive services for residents. Affordability ranges from eight supportive units for those with incomes of 25% or less of AMI to those with incomes of 80 to 100% of AMI.

West Hartford, 616 New Park: This new construction will include 54 family apartments and some commercial space. The complex will be affordable to those with incomes of 60% or less of AMI, including 11 units of supportive housing and plus 11 units of market-rate housing. The New Park Avenue location provides access to transit and services. The landscape plan includes two bio-retention basins for storm water management.

*These projections are based upon DECD analysis (REM PI+Ver 1.6.7 State Model, Regional Economic Models, Inc. Amherst, MA).