CHFA Awards $10.28M to Create 348 Affordable Apartments

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Thanks to federal Low Income Housing Tax Credits (LIHTC) announced Thursday by the Connecticut Housing Finance Authority (CHFA), seven apartment development projects are moving forward.

The credits, totaling $10.28 million, will generate more than $100 million in equity from private investors, the CHFA announced.

The developments will create 439 rental units: 348 designated as affordable and 91 as market rate. The new construction and/or redevelopment of these properties is projected to generate an estimated 608 jobs, with 161 jobs in construction and related fields, $219.5 million in economic activity and $12.6 million in net state revenue.

“We all know that more affordable housing is needed in Connecticut. The tax credits awarded today will help to build new housing and renovate existing units to provide safe, sustainable housing for residents. Several of the proposed developments are also located near transit, so residents can reduce or eliminate the need for a vehicle,” Seila Mosquero-Bruno, commissioner of the Department of Housing, said in a statement. “By leveraging these federal dollars with the private sector investment, we will boost economic growth and development, while making Connecticut a more attractive place for young people to live and work.”

CHFA administers the LIHTC program, which stimulates private investment in affordable housing by awarding tax credits to developers, who sell their tax credits to investors, to obtain equity financing for their developments. Developers’ applications are reviewed and scored based on the State’s Qualified Allocation Plan which reflects the State’s housing priorities including rental affordability, financial efficiency and sustainability, local impact, opportunity characteristics and development team qualification and experience.

“The awards to Washington Village in Norwalk and Westbrook Village in Hartford, are part of larger redevelopment plans that include housing. Units that were uninhabitable have been demolished and will be replaced with mixed-income housing to improve quality of life for the residents, and increasing the inventory of affordable units,” Karl Kilduff, CHFA’s executive director, said in a statement.

The projects are:

Norwalk – Washington Village, Phase Three, $2.18 million in tax credits: As part of the Norwalk Housing Authority’s Master Redevelopment Plan Project of the Washington Village, 108 rental units will be built to replace 64 units in five buildings. There will be 13 market rate units and 37 units for households with incomes of up to 60 percent of AMI. The complex will include 10 units of supportive housing. The city of Norwalk has supported all of the Washington Village phases with approximately $9 million in infrastructure improvements.

Hartford – Westbrook Village II, $1.26 million in tax credits: This second phase of the Housing Authority of Hartford’s mixed-use, mixed-income master plan will produce 60 units of housing in six buildings. Of these units, 45 will be for households up to 60 percent of AMI and 15 units will be market rate. The development will also include 12 supportive housing units limited to 25 percent of AMI for individuals and families that are homeless, chronically homeless and/or at risk of becoming homeless.

New Haven – Farnam Court Phase II, $1.55 million in tax credits: The Housing Authority of the city of New Haven received approval to replace the Farnam Courts public housing and convert them under HUD’s Rental Assistance Demonstration (RAD) program. This phase will involve the demolition of prior units and the new construction of 66 units. Of these units, 52 will meet RAD and LIHTC requirement with restriction at or below 60 percent of AMI and 14 market rate units. The development also includes 14 supportive housing units and a cooperation agreement with the city of New Haven providing a payment in lieu of taxes agreement for 36 RAD/LIHTC units.

East Lyme – Rocky Neck Village, $1.49 million in tax credits: This development involves the new construction of 56 three-bedroom family units in close proximity to transportation, recreation and services. In addition to six market rate units, 12 units will be made available as supportive housing units for residents identified as homeless. The proposal will also employ income averaging requirements enabling qualified tax credit units to serve residents ranging from 25 percent to 80 percent of AMI.

West Hartford – The Elms, $959,207 in tax credits: This development involves the acquisition of a 72-unit, formerly unrestricted property and converting it to a 67-unit fully renovated development. As part of this scope, 15 smaller units are to be converted into

10 larger, two-bedroom units. Of the 53 affordable units, 17 units will have project-based, Housing Choice Voucher units including 14 supportive housing units. The development is proximate to the Elmwood CT Fastrak Station and the West Hartford Railway Station on the enhanced Springfield-New Haven railway.

Griswold – Oak Tree Village, $1.7 million in tax credits: This is the initial phase of a townhouse-style development adjacent to Griswold High School and Route 395. Consisting of two 3-story, garden-style buildings, the development includes 18 one-bedroom units, 54 two-bedroom units and a clubhouse. With 15 supportive housing units and 15 market rate units, the remaining units will service residents from 50 percent to 80 percent of AMI.

Shelton – River Breeze Commons, $1.26 million in tax credits: Designed as a 68-unit mixed-income residential development targeting individuals and families, this development consists of 23 one-bedroom and 45 two-bedroom units. Seventeen units will be restricted to 25 percent of AMI with 14 units designated as supportive housing units. Fourteen units will be market rate and the remaining affordable units will be affordable to those at 50 percent and 60 percent of AMI.

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