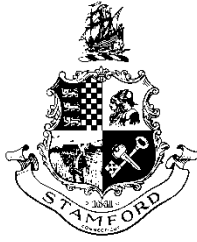


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CITY OF STAMFORD

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DATE: November 28, 2023
TO: Stamford Affordable Housing Trust Fund Board
FROM: Emily Gordon, Principal Housing Planner & Affordable Housing Manager
SUBJECT: Request of \$750,000 for SAHTF #5, Charter Oak Communities

PROPOSED ACTIVITY

Oak Park Phase I is the first of three phases to demolish and rebuild a 1940's State sponsored affordable housing development. This first phase calls for the demolition of 60 units and construction of 61 units. This project began on May 1, 2023 and is expected to be completed by September 30, 2025.

The new site plan corrects current chronic flooding by avoiding portions of the site that frequently flood. Most units will utilize the existing townhouse style but will also include a 26-unit multifamily building which will house community space, a security station, laundry facilities, and social services offices, none of which exist at present. This building will also house fully accessible units. New units will be extremely energy efficient, reducing overall energy consumption of the site significantly and reducing utility costs to tenants directly. Other new amenities include bike storage, a well-equipped playground and open space.

Units to be demolished have been naturally vacated over time (no new lease-ups) and residents are being moved to other units on-site or off-site using vouchers. No existing or re-located resident will face a higher rent than would have been the case if there was no redevelopment. Phase I will initially be occupied by temporarily relocated residents and later vacancies will be filled from a waiting list.

Oak Park residents have been strong supporters and have provided input on the design. The project is expected to provide substantial improvement to the quality of life for residents.

NEIGHBORHOOD FACTORS

The project site has about the same access to transit as the average Stamford neighborhood but is much more walkable. The neighborhood has fewer households who are considered cost-burdened (paying more than 30% of their income on housing costs) when compared to the city at-large, partially due to having a higher rate of existing affordable units. It is important to note that this project is a redevelopment of existing affordable units on the same site, which would maintain or further improve the affordability of housing in this neighborhood.

AFFORDABILITY

All units (100%) will be serving low-income households, with units ranging from 25% AMI to 60% AMI. Current residents of the property generally work multiple low-paying or seasonal jobs.

Unit Mix	AFFORDABILITY LEVELS (AMI)			TOTAL
	25%	50%	60%	
One Bedroom	0 units	10 units	6 units	16 units
Two Bedroom	9 units	23 units	0 units	32 units
Three Bedroom	10 units	0 units	3 units	13 units
TOTAL	19 units	33 units	9 units	61 units

Equivalencies in the Zoning Regulations equate the proposed 61 redeveloped units to 77.5 two-bedroom units at 50% AMI. The \$750,000 request would provide an average subsidy of \$12,295 per redeveloped unit, or \$9,677 per equivalent unit.

The project has received financing from other programs including the State’s Low-Income Housing Tax Credit program, which includes an independent audit annually, providing extra assurance that the project will comply with serving low-income households as outlined.

ENTITY INFORMATION

Charter Oak Communities (The Stamford Public Housing Authority) was formed in the 1930s and the development affiliate, Rippowam Corp, has been active since 2003. The entity has a long history of similar work including the development of 516 new units and substantial rehabilitation of 479 units. Today they manage 1,372 units.

Charter Oak Communities also has a history of utilizing fee-in-lieu funds to, most recently, complete Lawnhill Phase 3 and 4. They have been awarded \$3,452,000 of fee-in-lieu funding previously to initiate the Oak Park project.

FINANCE SUMMARY

Sources		Uses	
LIHTC Equity	\$17,657,734	Construction & Contingency	\$31,156,355
Private Mortgage Debt	\$6,800,000	Architect & Engineering	\$903,450
State Capital Funds	\$4,000,000	Financing	\$2,820,400
Fee-in-Lieu Funds	\$3,452,000	Soft Costs	\$747,549

City Capital Funds	\$1,250,000	Developer Fee	\$3,561,009
Deferred Developer Fee	\$1,781,388	Capitalized Reserves	\$1,067,559
Project Reserves	\$2,463,229	Syndication Costs	\$196,650
Utility Rebate	\$133,438		
Sponsor Loan	\$2,165,183		
Affordable Housing Trust Fund	\$750,000		
	\$40,452,972		\$40,452,972

The total Stamford Affordable Housing Trust Fund request for \$750,000 is 1.85% of the total project cost, well under the 25% cap outlined in the application. The total City of Stamford funding for this project (Fee-in-Lieu, City Capital Funds and requested Affordable Housing Trust Fund) would equal \$5,452,000 or 13.5% of the total project cost.

FUNDING RECOMMENDATION

This project meets the intent of the Stamford Affordable Housing Trust Fund and criteria outlined in the application by:

- Creating affordable rental or homeownership housing units through redevelopment;
- Considering neighborhood factors through redevelopment which will support existing neighborhood affordability and provide access to alternative transportation modes;
- Focusing on supporting low-income households with 100% of units restricted as affordable;
- Providing evidence of entity experience and capacity as the City’s Housing Authority; and
- Leveraging City funds and providing a reasonable per unit subsidy with requested funds making up no more than 25% of project costs and a \$9,677 subsidy per equivalent unit.

This project will replace deteriorated units that have been mostly vacant in recent years.

This project advances the implementation of Stamford’s Housing Affordability Plan by:

- Supporting priority units such as extremely low-income (25% AMI) and family-sized units (two- and three-bedroom units);
- Preserving existing housing stock; and
- Leveraging City funds.