

# Connecticut Housing Finance Authority (CHFA) Tax Credit Exchange Program (TCEP)

**Funding Award:** \$55 million

**Amount Disbursed:** \$15.4 million (July 2010)

## Program Description:

The Federal Low Income Housing Tax Credit Program, administered by the Connecticut Housing Finance Authority (CHFA), provides incentives for the investment of millions of dollars of private funds in the development of affordable rental housing each year in Connecticut. Conditions in the financial markets since 2008 significantly reduced the level of private funding available. As a result many previously approved affordable housing developments in Connecticut and across the nation stalled due to lack of expected private investment.

To move these housing developments forward and provide needed housing and jobs, the American Recovery and Reinvestment Act (ARRA) authorized the Tax Credit Exchange Program (TCEP). This program allowed administering agencies, like CHFA, to turn in unused and returned tax credits from 2008 and 2009 to the United States Department of the Treasury in exchange for a cash grant that could be invested by CHFA in stalled projects seeking tax credit funding.

CHFA moved quickly to implement this program and has used this new tool to provide \$55 million to support the construction of six rental housing developments in Connecticut. These developments will provide over 300 units of rental housing and nearly 1,300 jobs (est.). The \$169 million in projected total economic activity generated is estimated to yield \$14.2 million in tax receipts to the State of Connecticut.

The developments financed through this tax credit exchange program included, the re-use of an abandoned mill in Manchester, new housing to replace public housing units in Stamford, new housing in a mixed-use development in Hamden, adaptive reuse of commercial office space as housing in downtown New Britain as well as new affordable apartments in Westport and Norwich. These developments provide needed affordable housing for our State's workforce as well as homes for some extremely low income households. Each is particularly challenged to find affordable rental housing in Connecticut.



Dye House - Manchester

## Accomplishments of the ARRA Funded Tax Credit Exchange Program (TCEP)

- The Federal Tax Credit Exchange Program (TCEP) in Connecticut has generated \$169 million in economic activity and has created nearly 1,300 new jobs through the development of affordable rental homes.

Project	# Apts.	Amount TCEP Funds	Economic Activity	Total # of Jobs
Anvil Place New Britain	28	\$5.1 M	\$17.7 M	135
Hales Court Westport	78	\$14.5 M	\$39.3 M	302
Progress Drive Stamford	95	\$16.2 M	\$55.0 M	417
Dye House Manchester	57	\$10.0 M	\$31.0 M	241
Highwood Square Hamden	27	\$5.0 M	\$15.5 M	120
Summitwoods II Norwich	22	\$3.7 M	\$10.3 M	81



Summitwoods II – Norwich



Highwood Square - Hamden

## Dye House Manchester, CT

This development consists of rehabilitation of a historic building to create 57 unique apartments in the Cheney Brothers National Historic Landmark District.

Before



After



## Highwood Square Hamden, CT

This development consists of the rehabilitation of two buildings and new construction of three buildings consisting of a total of 27 units.

After



## Summitwoods II Norwich, CT

This development consists of new construction of a three-story building consisting of 22 family units.

Before



After



## 58 Progress Drive Stamford, CT

Progress Drive is the first phase of redevelopment of Vidal Court, a 216-unit mid-rise state public housing complex.

Before



After

