



STATE OF CONNECTICUT  
OFFICE OF POLICY AND MANAGEMENT  
OFFICE OF THE SECRETARY

January 31, 2013

The Honorable Dannel P. Malloy  
Governor  
Room 202, State Capitol  
Hartford, CT 06106-1591

**Re: Annual Report on the Incentive Housing Zone Program**

Dear Governor Malloy:

Pursuant to Section 46 (b) of Public Act 07-4, AN ACT IMPLEMENTING THE PROVISIONS OF THE BUDGET CONCERNING GENERAL GOVERNMENT, Sections 38 to 50 inclusive and Section 11-4a of the Connecticut General Statutes, I am pleased to submit to you OPM's 2011 annual report on the Incentive Housing Zone (IHZ) Program (a.k.a HomeConnecticut).

This report summarizes program activities that occurred during FY 12 including an attachment that provides summary data on the applications received to date.

There is considerable interest in the creation of affordable housing across the State, as evidenced by the 50 municipalities that were awarded Technical Assistance grants. In fact, the Towns of East Lyme, Old Saybrook, and Sharon, and the cities of New London Torrington have received final approval of their adopted IHZs. In December 2012, OPM issued a Preliminary Determination of Eligibility of Incentive Payments to the Town of Watertown. I expect that a few more of the municipalities will be submitting applications for IHZ approvals by OPM within next few months.

The Ferry Crossing Project in Old Saybrook held its grand opening on June 13, 2012 and the Sharon Ridge affordable housing complex in Sharon is in the process of getting its permits.

Should you have any questions, please call Dimple Desai, of my staff, at (860) 418-6412 or email him at [dimple.desai@ct.gov](mailto:dimple.desai@ct.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Ben Barnes".

Benjamin Barnes  
Secretary

OFFICE OF POLICY AND MANAGEMENT

ANNUAL REPORT

TO

THE GOVERNOR  
AND  
THE GENERAL ASSEMBLY

ON

INCENTIVE HOUSING ZONES

In accordance with Section 8-13u of the Connecticut General Statutes



Benjamin Barnes  
SECRETARY

January 2013

## Table of Contents

Authorizing Legislation .....	1
Program Overview .....	1
Program Status .....	2
Proposed Incentive Housing Developments .....	2
Incentive Housing Zone Requirements .....	3
Other Considerations .....	3
Funding Incentives .....	4
Technical Assistance Grants .....	4
Zone Adoption Grants .....	4
Building Permit Grants .....	4
Application Process .....	5
Technical Assistance Grants .....	5
Pre-development Funds .....	5
Zone Adoption Application Process .....	6
Annual Report on the Program .....	7

### Appendix

- A. List of Applicants to date
- B. Ferry Crossing Project information, Old Saybrook

## **Authorizing Legislation**

Public Act 07-4 of the June Special Session, AN ACT IMPLEMENTING THE PROVISIONS OF THE BUDGET CONCERNING GENERAL GOVERNMENT, Sections 38 to 50 inclusive (Connecticut General Statutes Sec. 8-13m through Sec. 8-13x)

Section 46 (b) of this Act stipulates that each year, on January 1, 2009, and annually thereafter, the Secretary of the Office of Policy and Management shall submit an annual report on the program to the Governor and the General Assembly in accordance with section 11-4a of the Connecticut General Statutes (C.G.S).

## **Program Overview**

Incentive Housing Zones (IHZ) established under Connecticut's Housing for Economic Growth (HEG) Program help municipalities of all types and sizes plan for and create mixed-income housing that is critical to attracting and retaining young professionals, working families, retirees, and people in critical professions, such as firefighters, police officers, teachers and nurses.

Public Act 07-4 provides incentives for municipalities to create IHZs in eligible locations, such as near transit facilities, an area of concentrated development or an area that because of existing, planned or proposed infrastructure is suitable for development as an IHZ. Developable land within such zones excludes public and privately owned property slated for public uses, parks, recreation areas, dedicated open space land, other land where restrictions prohibit development, wetlands or watercourses and areas exceeding one-half or more acres of contiguous land where steep slopes or other topographic features make it unsuitable for development.

Incentive Housing Development (IHD) means a residential or mixed-use development that meets the following criteria: (A) is located within an approved IHZ, (B) is eligible for financial incentive payments, and (C) sets aside lower cost units for a minimum of 20% of the households earning 80% or less of area median income (AMI) for 30 years. A unit is affordable if it costs no more than 30% of a person's annual income to live there.

The town's zoning commission must establish the IHZ as an overlay zone. The town receives the incentives only for IHDs that are developed in a state-approved IHZ.

## Program Status

Section 9(a) (2) of Public Act 12-289 and Section 122 of Public Act 12-1 of the June Special Session (JSS) provided \$2.0 million in new funding for pre-development activities. Furthermore, Sections 181 and 182 of Public Act 12-1, JSS amended certain provisions of the HEG Program, which are highlighted below:

- Allows a municipality that has filed an application for preliminary determination of eligibility for a zone adoption payment to waive its rights to receive such payment. This will allow for adoption of the IHZs to continue in event the funding is depleted.
- Changed the zone adoption payment from a per unit basis to a lump sum of up to \$50,000.
- Prohibits a municipality from receiving additional zone adoption payments until construction has started in the IHZ for which the municipality has received the previous zone adoption payment.
- Added a provision that allows OPM to make grants for "predevelopment" activities.

In November 2012, OPM awarded Zone Adoption payments to East Lyme, New London, Old Saybrook, Sharon and Torrington for adopting IHZ in their communities. In December 2012, OPM also issued Preliminary Determination of Eligibility for Incentive Payments to the Town of Watertown.

The subsequent sections provide more details on these changes and the funding.

## Proposed Incentive Housing Developments

### Ferry Crossing Project, Old Saybrook

The Town of Old Saybrook and HOPE Partnership have partnered to create Ferry Crossing, a new residential development of 16 townhouses located in the historic Ferry Point neighborhood of Old Saybrook. The Ferry Crossing Development involves new construction of 16 rental homes designed by Point One Architects to match the New England architectural style found along Connecticut's shoreline. It is the first housing development built under the Housing for Economic Growth Program.

The grand opening was held on June 13, 2012. Over 60 of the more than 200 applicants were deemed qualified to live in one of the Ferry Crossing's 16 townhouses. Information about this project is provided in **Appendix B**.

## Sharon Ridge affordable housing complex, Sharon

Sharon Housing Authority (SHA) is currently preparing submission for the building department to secure building permits. It is expected that the construction will start by midsummer. SHA is planning to construct 12 townhouses, which will be rented to families with AMI of 50% and 60%.

### **Incentive Housing Zone Requirements (must satisfy 1-7 below)**

1. The zone shall be consistent with the State Plan of Conservation and Development and be located in an eligible location
2. Regulations of the zone shall permit, as of right, incentive housing development
3. The zone must comply with minimum allowable density requirements
  - 6 units/acre for single-family housing
  - 10 units/acre for duplex or townhouse housing
  - 20 units/acre for multifamily housing
  - For smaller communities, lower densities of 4/6/10 units are allowed but must have OPM approval

#### NOTE:

OPM may waive density requirements for land "owned or controlled" by a municipality, land trust, housing trust fund, or non-profit housing agency, provided development will be 100% set aside at 80% of AMI

4. The minimum as of right density allowed by the zone must increase the density allowed by the underlying zone by *at least 25%*
5. Zone requirements are subject to site plan or subdivision procedures, but not subject to special permit or special exception procedures/requirements/standards
6. The IHZ may consist of one or more sub-zones
7. The land area of an IHZ shall not exceed ten per cent of the total land area in the municipality. The aggregate land area of all IHZs and subzones in a municipality shall not exceed twenty-five per cent of the total land area in the municipality.

### **Other considerations**

- In order to support the requirements of the IHZ, the zoning commission may modify, waive or delete dimensional standards contained in the zones that underlie the IHZ
- The regulations of an IHZ may allow for a mix of business, commercial or other nonresidential uses provided that these uses comply with the

- requirements of PA 07-4, and are consistent with the density requirements
- An IHZ may overlay all or any part of an existing historic district or districts
  - An applicant for site plan or subdivision approval may exceed the minimum requirements of the IHZ
  - A zoning commission, at the time of its adoption of regulations for an IHZ, may adopt design standards for the IHD

## **Funding Incentives**

### Technical Assistance Grants

The Secretary may make technical assistance grants to municipalities for planning of IHZs, the adoption of IHZ regulations and design standards, and the review and revision, as needed, of applicable subdivision regulations and applications.

A total of 50 applications have been approved totaling approximately \$2.0 million.

### Zone Adoption Grants

Subject to availability of funds, the zone adoption payment will be up to \$50,000 lump sum. The projects will be prioritized and currently the funding amount is limited to \$20,000 lump sum per IHZ. Examples of such goals include, but are not limited to:

- Location of the proposed zone
- Readiness of the project
- Proximity to transportation facilities
- Regulations/project meeting responsible growth goals

The applicant submits the proposed incentive housing zone or zones, the draft IHZ regulations and the draft design standards (if applicable) and other required information as per the Zone Adoption Application and Instructions Form. Any required information missing from the application may delay the application approval and may result in the loss of funding, regardless of the date the application was submitted to OPM.

In October 2012, OPM provided "Certificate of Compliance" as required per Section 8-13r(a) to five municipalities (East Lyme, New London, Old Saybrook, Sharon and Torrington).

In November 2012, OPM provided \$20,000 to 5 municipalities that adopted IHZs. These municipalities are East Lyme, New London, Old Saybrook, Sharon, and Torrington.

On December 20, 2012, OPM provided a "preliminary determination" of eligibility to Town of Watertown for its proposed IHZ.

#### Building Permit Grants

Subject to availability of funds and municipal compliance with PA 07-4, sections 38-49, the Secretary shall issue a one-time building permit payment for each building permit issued for a residential housing unit in an approved IHD as follows:

- The amount shall be up to \$2,000 for each multifamily housing unit, duplex unit or townhouse unit
- The amount shall be up to \$5,000 for each single-family detached unit
- Such payments shall be made no later than 60 days after receipt of proof as required by the statute
- Residential units related to housing for older persons permitted by the federal Fair Housing Act, or sections 46a-64c and 46a-64d of the C.G.S., shall not be eligible for payments under this statute

### **Application Process**

#### Technical Assistance Grants

Since April 1, 2008, OPM has provided technical assistance grants to 50 municipalities totaling approximately \$2.0 million. OPM is accepting applications from municipalities for Pre-development funds as described below. The deadline for the application is April 1, 2013.

#### Pre-development Funds

Municipalities may apply for Phase I and Phase II predevelopment funds as follows:

Phase I pre-dev – up to \$20,000 - activities include legal/planning expenses for drafting/adoption of IHZ regulations or design standards, feasibility studies for septic systems, other minor engineering studies.

Phase II pre-dev – up to \$50,000 for mixed income housing project specific activities, OPM may increase the limit on a case by case basis –

activities include costs for land purchase options, planning/design costs, certain preliminary engineering costs, appraisals, legal and financial expenses, costs of permits and approvals, and other preliminary project costs as approved by the Secretary.

- This funding will be provided to the municipality for their project use or if there is a developer, to pass through the funds to the project developers.
- This funding is for municipalities for projects (municipal or private) meeting the requirements of CGS Section 8-13 (m-x).
- In case of pass through, municipalities will be required to have an agreement with the private developer or property owner to return the funds to the municipality if the project does not result in construction of a mixed income housing project as described in the application.

#### Zone Adoption Application Process

- On or before June 30, 2017, a municipality may file an application for **preliminary determination** of eligibility for a zone adoption payment
- An applicant shall meet the requirements of PA 07-4, Sec. 41
- 60 days after receipt, OPM issues in writing, a preliminary determination of the eligibility of the municipality for the financial incentive payments
- 30 days before such determination, the Secretary shall electronically give notice of the application to all persons who have provided the Secretary with a current electronic mail address and a written request to receive such notices
- If a determination is made that the application is not eligible, incomplete, etc., the Secretary must notify the municipality of the reasons for such determination within 60 days
- A municipality may reapply after addressing the reasons for ineligibility
- The Secretary's failure to issue a written response within 60 days of receipt shall be deemed to be a disapproval, and the municipality may reapply
- After receipt of the preliminary letter of eligibility, the zoning commission may adopt the IHZ regulations and design standards
- Within 30 days after receipt from the municipality of a written statement that its zoning commission has adopted the proposed regulations and standards, the Secretary shall issue a **letter of final approval** of the IHZ
- **Amendments** to the regulations or design standards – the municipality shall notify the Secretary of any amendments and the

Secretary shall approve or disapprove such amendments within 60 days

**Annual Report on the program:**

Section 46 (b) of the Act requires OPM to report on the following program accomplishments for the period ending the last day of the prior fiscal year:

**(1) Identify and describe the status of municipalities actively seeking letters of eligibility;**

Six municipalities (East Lyme, New London, Old Saybrook, Sharon, Torrington, and Wallingford) had sought letters of eligibility and OPM provided letters of eligibility to these municipalities on October 27, 2010. Town of Watertown requested and received preliminary determination of eligibility for incentive payments on December 20, 2012.

**(2) Identify approved incentive housing zones and the amounts and anticipated schedule of zone adoption and building permit payments under section 44 of this act during the prior and current fiscal year;**

On November 21, 2010, OPM provided final approval of incentive housing zones for four municipalities (East Lyme, New London, Old Saybrook and Sharon). OPM provided final approval of Torrington's incentive housing zone on February 8, 2011. OPM approved \$20,000 to each of these 5 municipalities for adopting an incentive housing zone. OPM has not approved any building permit payments. Old Saybrook is anticipated to submit building permit payment request during February 2013.

**(3) Summarize the amount of land area zoned for particular types of development in both proposed and approved zones and the number of developments being reviewed by zoning commissions under section 45 of this act, including the number and type of proposed residential units, the number of building permits issued, the number of completed housing units and their type;**

East Lyme – It has adopted an IHZ that totals 9.8 acres in two different areas of the town.

New London – It has adopted an IHZ that totals 73 acres in three different areas of the City.

Old Saybrook – It has adopted an IHZ that totals 5.6 acres. Building permits have been issued for 16 townhouses and the project is completed and rented out.

Sharon – It has adopted an IHZ that totals 7.7 acres in two different areas of the town. It is anticipated that building permits for 12 townhouses will be issued by summer of 2013.

Torrington – The City adopted its IHZ that totals 15.96 acres.

Wallingford – Wallingford's Planning and Zoning Commission held a public hearing on its IHZ on December 20, 2010 but because of concerns raised by several individuals at the hearing, the Commission withdrew its proposal.

Watertown – The town is going through the adoption process for its IHZ that totals 4.61 acres of undeveloped parcel in the Oakville Village area. It will create 20 new housing units, 4 of which will be affordable units. OPM has provided preliminary determination of eligibility for incentive payments.

OPM has provided final approval of IHZ to East Lyme, New London, Old Saybrook, Sharon and Torrington.

**(4) State the amount of zone adoption and building permit payments made to each municipality; and**

OPM has made a payment of \$20,000 to each of the five municipalities (East Lyme, New London, Old Saybrook, Sharon and Torrington) that have adopted incentive housing zone. It is anticipated that Old Saybrook will submit a request for building permit payments in February this year.

**(5) For the current and immediately succeeding fiscal years, estimate (A) the anticipated number and size of proposed new incentive housing zones over such time period; (B) the number and size of new incentive housing zones that may be approved over such time period; (C) the potential number of residential units to be allowed in such new and proposed incentive housing zones; and (D) anticipated construction of housing over such time period.**

Ferry Crossing project in Old Saybrook is complete and the grand opening was held on June 13, 2012.

Sharon Ridge affordable housing complex in Sharon is expected to start the construction by midsummer of 2013. It will construct 12 townhouses, all affordable units.

Currently other municipalities are in the process of finalizing the locations of IHZ and drafting the design standards. It is not known at this time as to how many of these municipalities will submit an application for zone adoption payments. Because there are no other projects proposed within the OPM approved IHZs, the construction time frames cannot be estimated.

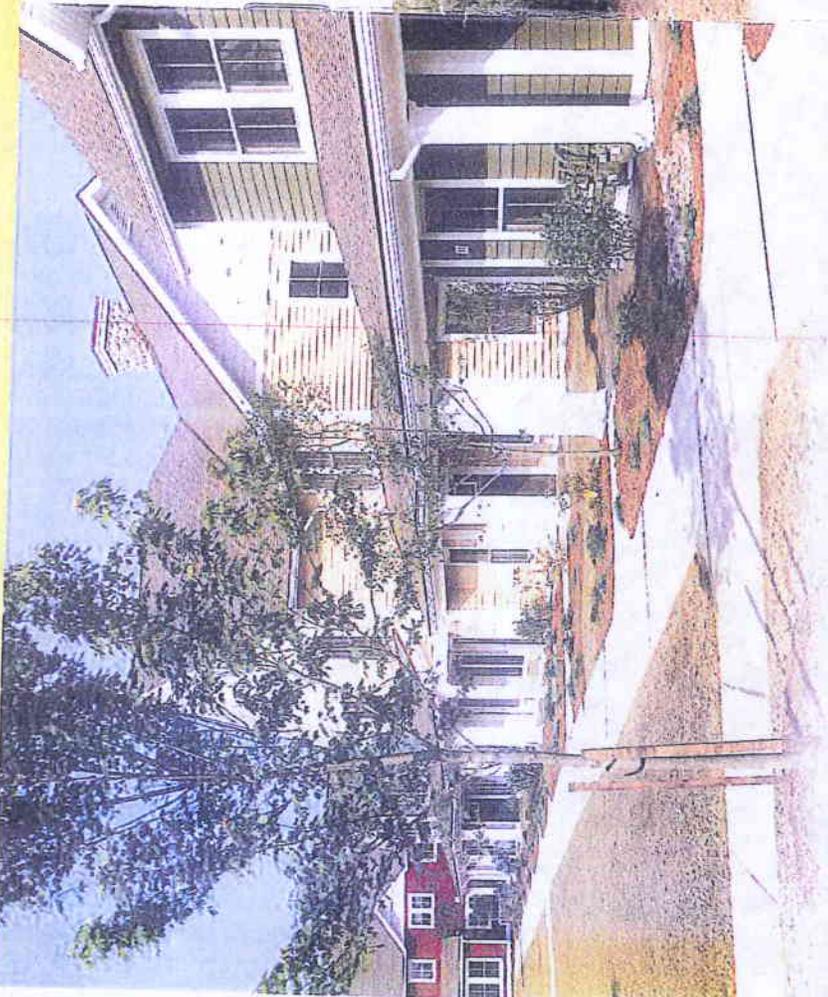
**Appendix A** provides a summary of the municipalities that have been approved for Technical Assistance grants and Zone Adoption Payment as of the close of FY 12. OPM is no longer actively seeking Technical Assistance (TA) grant applications from municipalities. As discussed earlier, 50 municipalities have been approved and are under contract for TA funding.

**Appendix B** provides information about Old Saybrook IHZ Project.

Currently, municipal grant recipients are working on various tasks such as identifying appropriate Incentive Housing Zone locations, drafting regulations and preparing design standards. OPM is seeking funding applications from eligible municipalities for pre-development funding. The deadline for this application is April 1, 2013.

**APPENDIX A**  
**Housing for Economic Growth Program Application Status**

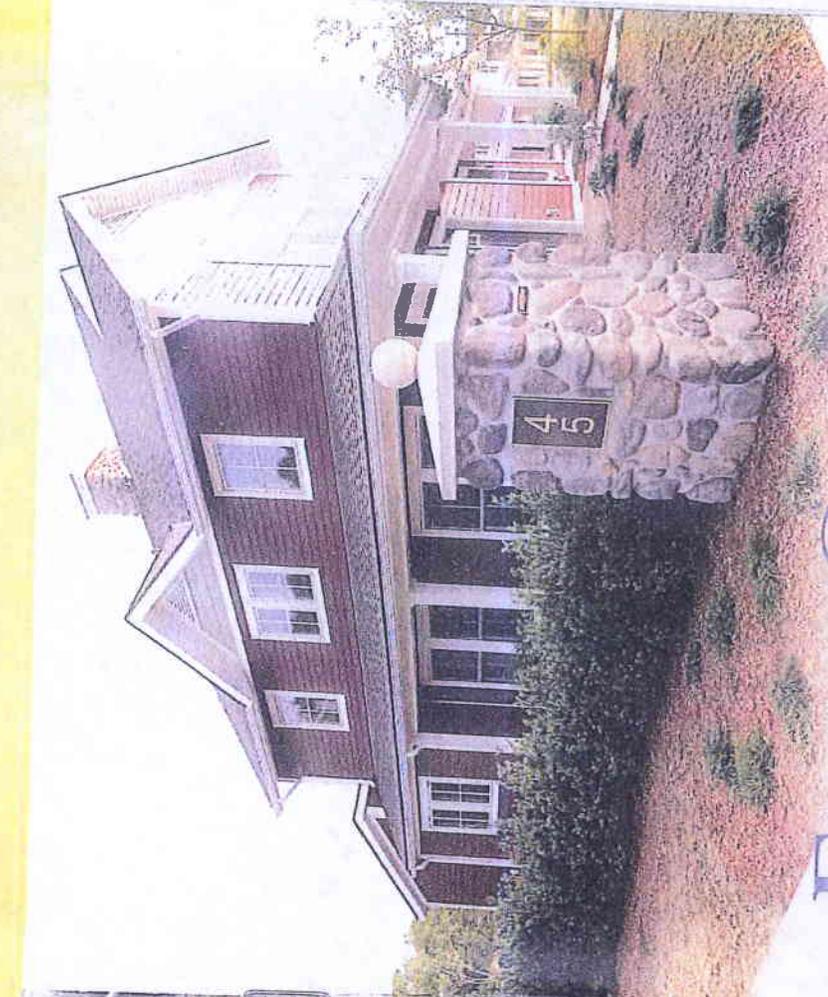
Municipality	Population	Region	Amount approved	Status of IHZ *
				* All the municipalities except identified below are at various stages starting from RFP for hiring consultants to conducting public informational meetings to drafting of IHZ regulations and design standards
Barkhamsted	3,708	Litchfield Hills	\$0	
Beacon Falls	5,711	Central Naug. Valley	\$50,000	
Berlin	20,137	Central CT	\$20,000	
Bloomfield	20,643	Capitol	\$0	
Bolton	5142	Capitol	\$20,000	
Branford	29,083	South Central	\$50,000	
Bridgeport	138,166	Greater Bridgeport	\$35,000	
Bristol	61,258	Central CT	\$20,000	
Cannan (Falls Village)	1,103	Northwestern CT	\$43,000	
Canterbury	5,102	Northeastern CT	\$50,000	
Clinton	13,638	Lower CT River Valley	\$0	
Colchester	15,421	Southeastern CT	\$50,000	
Cornwall	1,489	Northwestern CT	\$43,000	
Coventry	12,215	Windham	\$50,000	
Cromwell	13,540	Lower CT River Valley	\$20,000	
Darien	20,431	South Western	\$45,900	
East Hampton	12,459	Lower CT River Valley	\$50,000	
East Hartford	48,934	Capitol	\$50,000	
East Lyme	18,321	Southeastern CT	\$50,000	OPM paid the town Zone Adoption payment
East Windsor	10,563	Capitol	\$20,000	
Ellington	14,370	Capitol	\$45,000	
Essex	6,776	Lower CT River Valley	\$45,000	
Goshen	3,154	Litchfield Hills	\$43,000	
Hamden	57,944	South Central	\$20,000	
Hebron	9,238	Capitol	\$20,000	
Ledyard	15,100	Southeastern CT	\$50,000	
Middlefield	4,281	Lower CT River Valley	\$0	
Middletown	47,528	Lower CT River Valley	\$20,000	
New Britain	70,855	Central CT	\$50,000	
New Canaan	19,976	South Western	\$20,000	
New Haven	124,220	South Central	\$20,000	
New London	25,979	Southeastern CT	\$50,000	OPM paid the town Zone Adoption payment
Newtown	27,034	Housatonic Valley	\$50,000	
Norfolk	1,678	Litchfield Hills	\$32,300	
Norwalk	84,344	South Western	\$20,000	
				OPM paid the town Zone Adoption payment. Ferry Street Crossing project held a grand opening in June 2012 for 16 units.
Old Saybrook	10,581	Lower CT River Valley	\$50,000	
Oxford	12,333	Central Naug. Valley	\$50,000	
Plainville	17,312	Central CT	\$50,000	
Plymouth	12,164	Central CT	\$50,000	
Portland	9,595	Lower CT River Valley	\$50,000	
Putnam	9,325	Northeastern CT	\$20,000	
Redding	8,919	Housatonic Valley	\$20,000	
Salisbury	4,047	Northwestern CT	\$39,860	
Sharon	3,058	Northwestern CT	\$34,300	OPM paid the town Zone Adoption payment
Simsbury	23,660	Capitol	\$49,900	
Thomston	7,922	Central Naug. Valley	\$45,000	
Tolland	14,699	Capitol	\$50,000	
Torrington	35,931	Litchfield Hills	\$50,000	OPM paid the town Zone Adoption payment
				OPM has provided a preliminary approval of eligibility of their IHZ, town will be working with P&Z for the approval of the IHZ
Wallingford	44,825	South Central	\$50,000	
Watertown	22,347	Central Naug. Valley	\$20,000	OPM provided preliminary determination of eligibility
West Haven	52,820	South Central	\$50,000	
Westbrook	6,617	Lower CT River Valley	\$50,000	The town will be submitting application during Feb/March
Winchester	10,870	Litchfield Hills	\$20,000	
Windham	23,810	Windham	\$50,000	
<b>Rev. Jan. 2013</b>			<b>\$1,951,260</b>	



PARTNERSHIP

121 Main Street, Old Saybrook, Connecticut 06475  
[www.hope-ct.org](http://www.hope-ct.org)

Story by Becky Coffey | Design by McChesney Design



# Ferry Crossing

A story of local people solving local problems

APPENDIX B



PARTNERSHIP

#### HOPE PARTNERSHIP BOARD OF DIRECTORS

Anthony Lyons  
PRESIDENT

Calvin K. Price  
VICE PRESIDENT

William Attridge  
SECRETARY

Robert Cusano  
TREASURER

Randi J. Bradbury

James Brewster  
Ed Cassella

Michael B. Cushing

Madeline Fish

Robert C. Fusari, Sr.

Patricia Ihle

Lisa LeMonte

Greg Nucci

Chip Poehnert

David Royston

George Smilas

Craig Whitcher

#### PAST BOARD MEMBERS

Bill Bernhart

Kathy Callinan

Bob Fusari

Kris Jensen

Kate Marchant

Kim Meadows

Joanne Messner Pace

Dave Shumway

Les Swenson

Liz Swenson

#### HOPE PARTNERSHIP ADVISORY COUNCIL

Noel Bishop

Kara Brewster

Patricia Charles

Herb Clark III

Laura Corning

James Crawford

Patricia Dowling

Linda Drohan

John Duhig

Willie Fritz

Lenny Goldberg

Chandler Howard

Isabel Jackson

Jim Jackson

Margaret Livingston

Brian O'Connor

Maureen O'Grady

Mike Pace

Brian Parri

Maria Foss Rand

Greg Shook

Kevin Wilhelm

#### AFFORDABLE WORKFORCE HOUSING

In simple terms, "affordable workforce housing" is housing priced specifically for people who work in our communities but can't afford to live here. This includes households with annual incomes that are no greater than fifty to eighty percent of the area's median income. Qualifying units could be built as multi-family rentals, townhomes, single-family homes or as condominiums.

The Connecticut Housing Finance Authority (CHFA) provides low-cost financing to developers committing to include affordable units in their residential developments. To determine what is affordable, CHFA each year sets an area's median annual income: for Old Saybrook in 2012, the median is set at \$98,600. Households making no more than eighty percent of the median income—for Old Saybrook, \$78,800—are considered eligible for a CHFA-financed affordable unit.

To secure other types of project financing available through CHFA, a few units in a housing development also must be set aside for households earning no more than fifty percent of the area's median income. For Old Saybrook, a household at fifty-percent of the median would earn \$49,300.

People qualifying under these guidelines include service professionals, police officers, teachers, firefighters, and other public workers.

# The Story of Ferry Crossing

## THE EARLY DAYS: 2001-2003

The story of Ferry Crossing begins a decade ago at St. Paul Lutheran Church. At that time, Pastor Reverend Les Swenson had begun to search for ways parishioners could best use their talents and time to help the community of Old Saybrook.

Leaders of the parish "ministry visioning" process started by interviewing community and town leaders about needs and wants. From interviews with two town leaders—former Police Chief Ed Mosca and former town Social Services Coordinator Joanne Messner—what they learned shocked them. Families with children were living in local motel rooms because they had nowhere else to live. Was there any way the church could help?

Responding to the call, one group of church volunteers started the "Homework Club" at the church to provide a place where children in these families could safely come for supervised play and homework help after school.

Additionally, Kim Meadows of St. Paul's reached out to other church, community, and town leaders to build a coalition to work on expanding affordable housing. The first organizational meeting at the church in the spring of 2002 had 25 citizens who shared her concerns

## 2001-2003

Local church and community leaders hold series of meetings to discuss the need for affordable workforce housing.

about the need for more affordable workforce housing for families and young working couples.

Participating in that first organizational meeting was Tony Lyons, current President of HOPE Partnership's board. And joining the coalition soon after, in part because he hoped to build housing options the community's grandchildren could afford, was Bob Fusari, an area builder and current HOPE board member.

In 2004, the informal housing coalition decided to formalize their efforts and filed papers to become an official non-profit organization called HOPE Partnership.

## BUILDING AWARENESS AND A PARTNERSHIP: 2004-2008

With an official name and a mission, HOPE Partnership sought start-up funding from Middlesex United Way. In 2004, HOPE's request was approved and United Way awarded HOPE a \$150,000 multi-year planning grant.

The funds infusion allowed

HOPE to hire part-time help to begin a public information campaign. One goal of the public information effort was to dispel misconceptions about workforce housing being undesirable in neighborhoods, when in

"Everybody had different motivations, but the community really came together to form a consensus on the need to address the housing problem. It was never about change. It really came down to preserving a way of life and keeping Old Saybrook the way it's always been: a community that is welcoming and willing to help its neighbors in need," said HOPE Partnership President Tony Lyons.

## 2004-2005

HOPE Partnership is incorporated and receives funding from Middlesex County United Way for education and advocacy.

reality a development built with HOPE blends seamlessly into existing neighborhoods, and includes great design and green construction elements.

"The importance of this housing to me was that it attended to issues that every small town was facing: kids who grew up in town but couldn't afford to live here; volunteer firefighters of middle income who might not be able to afford to live here; single moms with children going to our schools. I wanted them to have a home they could afford that looked like it belonged in the community. We needed to help people help themselves," said former First Selectman Michael Pace.

First Selectman Michael Pace had a vision and wanted to preserve the eclectic and broad diversity of incomes and ages in Old Saybrook. He believed expanding the range of housing options would help protect the town's diverse mix. Early in 2007, he gave his support to HOPE's effort to expand affordable workforce housing to add more housing choices.

HOPE approached Mike with a request to utilize appropriate land the town could acquire for the location of workforce housing at 45 Ferry Road. The parcel had been a staging area for the I-95 bridge construction project by the Connecticut Department of Transportation (DOT) but was no longer being used. Pace, as Town leader, agreed it was a good use for this property and decided to exercise the Town's right as first buyer of surplus state property. The Town reached an agreement in 2007 to acquire the DOT property for \$1 to use for housing and recreation.

During the same time period, the State of Connecticut also was

focused on the lack of affordable housing for young workers in particular. In 2007, the state legislature adopted the HomeConnecticut legislation to encourage towns to add affordable housing units in areas the town identified as appropriate, to be called Incentive Housing Zones (IHZs). Another incentive was a new grant program. The bill allowed towns to apply for and receive a \$50,000 technical assistance grant if they were willing to study and consider establishing an IHZ.



Celebrating the groundbreaking at Ferry Crossing in July 2011 are Mike Pace, Tony Lyons, Kevin Wilhelm, Chandler Howard, Lisa LaMonte, Loni Willey, Greg Shook, Eileen Daily and Andrea Stillman.

2006-2007

Old Saybrook First Selectman Mike Pace joins the effort and secures land from the state at 45 Ferry Road.

2006-2007

HOME Connecticut law provides incentives for towns to create affordable housing opportunities.

### FERRY CROSSING TAKES SHAPE: 2008-SPRING 2009

It was in the fall of 2008 that the state DOT's remediation contractor finished cleaning up the 45 Ferry Road site and the town took over official ownership.

With both HOPE Partnership and the town leaders of Old Saybrook in agreement that the 45 Ferry Road parcel was appropriate for workforce housing, it was time to assess the site's feasibility to support multi-family housing.

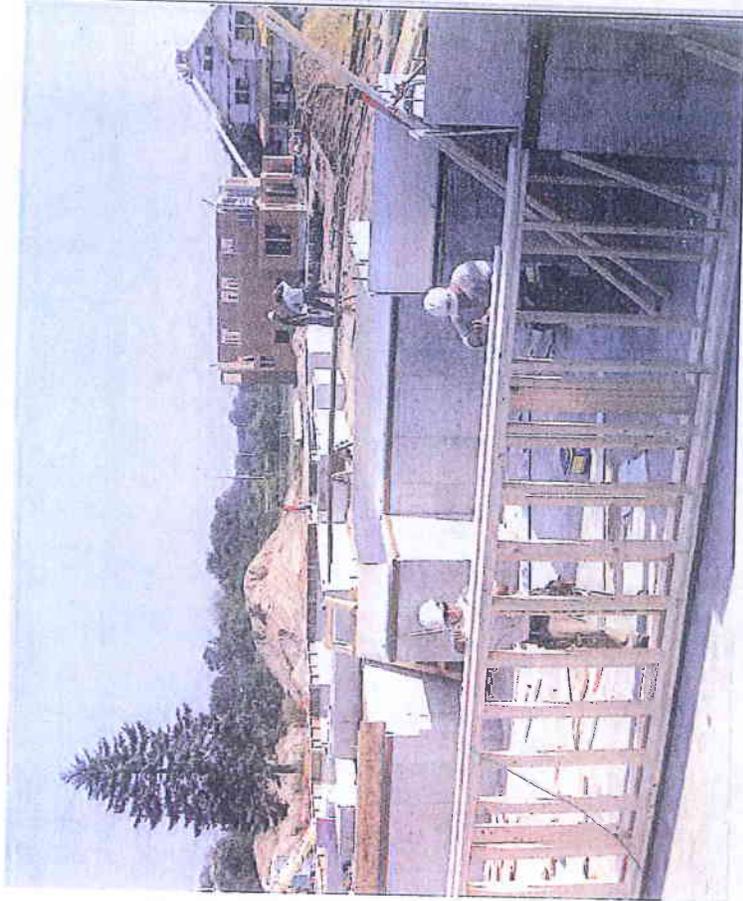
In the fall of 2008, the Town of Old Saybrook applied for and was awarded one of the first \$50,000 state technical assistance grants. Using some of these grant funds, the town hired an engineering firm to determine if multi-family housing on the site was feasible—the study said it was.

With land on which to build, supportive town leaders, and community support for new workforce housing the development for Ferry Crossing began to take shape.

In the late fall of 2008, The Women's Institute for Housing and Economic Development (WIHED) was chosen by HOPE to be their development partner. Together they secured \$99,999 in pre-construction financing from the Local Initiative Support Corporation (LISC) to develop project plans. Greg Nucci of Point One Architects was tapped to develop the site plan with both public recreation and multi-family housing. The preliminary site plan was presented to the Old Saybrook Board of Selectmen in March of 2009. HOPE worked cooperatively with the Old Saybrook Park and Recreation Department

### 2008-2009

The site at 45 Ferry Road is engineered and 16 townhouse units are designed.



to combine the proposed housing with recreational uses on the adjacent open space that will be open to the public.

### PROJECT REVIEWS, FINANCING, AND CONSTRUCTION: SUMMER 2009-SPRING 2012

In the summer of 2009, HOPE Partnership began active project development work. Point One Architects was authorized to develop

### 2008-2009

IHZ regulations are adopted and Land Use Board approvals are unanimously obtained.

detailed construction drawings.

In August of 2009, the Zoning Commission adopted the new rules, the town design standards, and designated the State's first IHZ in the Ferry Point area.

By September of 2009, Point One completed the construction drawings for a sixteen unit affordable workforce housing project at 45 Ferry Road. Attorney David Royston guided the project through the town land use bodies and helped to secure the needed approvals.

*"All of the Boards and commissions involved did their jobs. They saw this project as being in the best interests of Old Saybrook. Their goal coincided with HOPE's. Do it right," said David Royston.*

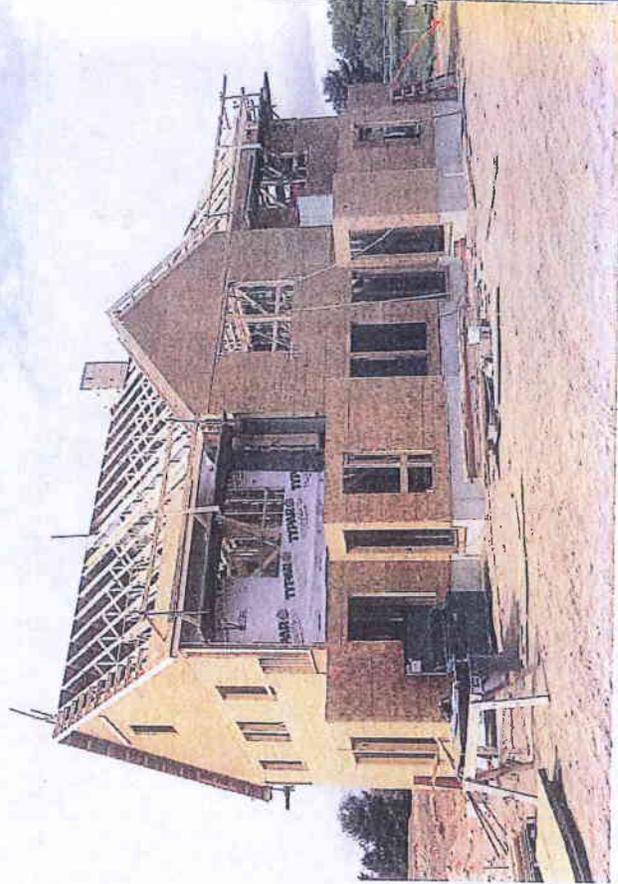
In February 2010, First Selectman Michael Pace held a town meeting to discuss leasing town-owned land at 45 Ferry Road for this housing project. The town meeting's electors voted overwhelmingly to authorize Pace to sign a 75-year lease with HOPE for use of three acres of 45 Ferry Road for workforce housing.

With town approvals in place, it was time to secure financing for the project. Through the summer of 2010, HOPE and WIHED applied for financing from the State of Connecticut.

In September 2010, the state of Connecticut's Department of Economic and Community Development (DECD) approved \$2.9 million in low cost construction and permanent financing for Ferry Crossing. In December 2010, HOPE learned that the loan application through Liberty Bank to the Federal Home Loan Bank of Boston had

yielded the final financing piece—a \$1 million subsidized loan.

In late spring 2011, with project financing in place, HOPE Partnership selected DeMarco Management Corporation to be Ferry Crossing's property and leasing manager; Enterprise Builders was chosen to build it as the project's general construction contractor. Groundbreaking was in June 2011.



**2010** The CT DECD approves \$2.9 million in low-cost construction financing.

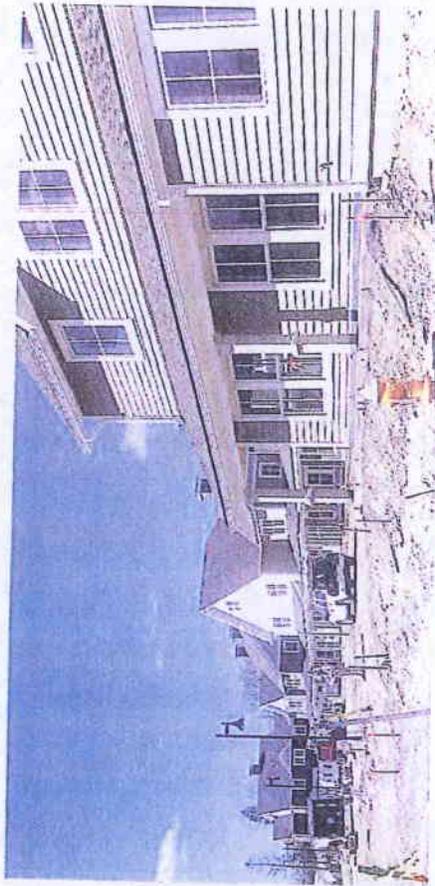
**2010** The Federal Home Loan Bank of Boston approves an additional \$1 million loan..

## MOVING IN AND CELEBRATING COMPLETION: JUNE 2012

More than 200 applicants requested applications to live in one of Ferry Crossing's 16 one, two or three-bedroom units; more than 60 were deemed qualified by income to reside in one of the units. The selected families were scheduled to move into their units in early June 2012.

Linda Drehan of Old Saybrook, one of the first area residents to benefit from a HOPE Partnership project, said "After my husband died, I lost just about everything. Because of HOPE, I was able to purchase a beautiful condo and have a home again. I couldn't be more thankful!"

The Grand Opening Celebration was held June 13 at the Ferry Crossing site. Funds raised support HOPE's continued work to educate and advocate on the local need—and the local solutions for building attractive and affordable workforce housing.



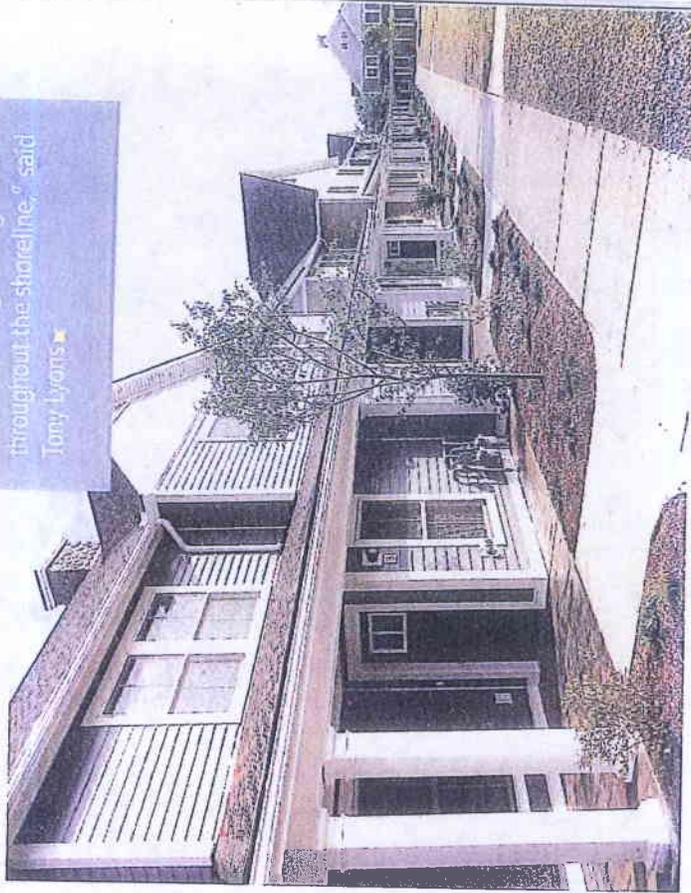
2011

Ground is broken at Ferry Crossing and DeMarco Management is chosen as property and leasing manager.

## WHAT'S NEXT?

Building on the success of Ferry Crossing, HOPE plans to continue to raise awareness of the need for affordable workforce housing and to look for opportunities for high quality projects locally and in other shoreline towns.

"HOPE has shown that it is possible to build local support for high-quality affordable housing, but to succeed the process has to be locally-driven. In the coming years, we hope to take our success in Old Saybrook and initiate similar efforts in neighboring towns throughout the shoreline," said Tony Lyons.



2012

Over 200 applications for 16 housing units are received. In June, Ferry Crossing is completed, celebration is held and new residents move in.



MICHAEL & JOANNE PAUL  
FOR MARGARET CROSSING A REALTY  
FROM BIRDS TO PARTNERSHIP  
OCTOBER 2011



## HOPE PARTNERSHIP'S MISSION

*HOPE Partnership is a non-profit organization  
dedicated to developing affordable housing  
options on the Connecticut Shoreline and lower  
Middlesex County.*

