

## NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

**RE:** **ORDER OF THE BOARD OF ALDERS OF THE CITY OF NEW HAVEN**  
approving a tax abatement agreement between the City of New Haven and HCl, LLC (Westmount Development Group, LLC) for the construction of 64 units in the RM-2 zone for the Hill Central Redevelopment at 145 DeWitt Street, Portsea Street, and 550 Howard Avenue.

**Submitted by:** HCl, LLC (Westmount Development Group, LLC)

**REPORT:** 1630-10

**ADVICE:** Approval

### BACKGROUND

#### The Property

The project site encompasses a lot area of approximately 107,575 SF (2.47 acres) and consists of several multi-story residential buildings, surface parking lots, and concrete sidewalks. The site is bounded by Portsea Street in the north, Dewitt Street in the west, and residential properties in the south and the east.

#### Project Description

Hill Central was constructed in 1980 as an affordable housing cooperative. It operated in the program up until June of 2017 when the property was sold by its members to Hill Central, LLC. The property has remained affordable and is covered by a Section 8 HAP contract. As part of the sale, the buyer, Hill Central, LLC expressed a desire to redevelop the property and this application is a result of that intention.

#### **A. Statement of the nature of the proposed project: low and moderate income housing, market rate residential, commercial, industrial, etc., and whether the Property is to be owned or leased.**

There are presently 72 three and four bedroom units at Hill Central. All are covered by a HAP contract with HUD. The physical design of the property is such that it is split into two halves by K-8 New Haven public schools Hill Central School, and Roberto Clemente School To facilitate redevelopment, we have elected to present what we call Parcel D for this tax abatement application, also known as Hill Central Phase I. Hill Central Phase I presently houses 32 three and four bedroom units and has significant underutilization of the property. The plan contemplates the demolition of the existing 32 units replacing them with 64 units. The replacements will have the following mix:

- 18 three bedrooms units,
- 14 four bedroom units (both match existing conditions),
- 24 one bedroom units,
- 8 two bedroom units.

Within the new mix, 80% will affordable, and 20% will be market rate. All affordable units (80% or 51 units) will be covered by a HAP contract. Further broken down, the 80% affordable units will have 30%,

50%, and 60% AMI set asides, and 13 of the units will be supportive housing administered by Columbus House and covered by Housing Choice (Section 8) project-based vouchers from Elm City Communities.

The Financing Plan

Funding for the project comes from multiple sources:

1. 9% Low Income Housing Tax Credits
2. CT DOH Flex Funds
3. CT DOH HOME Funds
4. CHFA CMF Funds
5. CHFA Permanent Debt
6. UI Energy Rebates
7. Existing Reserve Funds
8. TD Bank Construction Loan

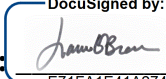
Tax Abatement

The proposed duration of the rental tax exemption is 17 years at \$1,000 per unit, increasing each year by 3%.

**PLANNING CONSIDERATIONS**

This Commission previously approved the Site Plan (Hill Central Redevelopment Phase One construction of 64 residential dwelling units) for the HCl, LLC development (CPC Report #1547-04). The new development meets many of the city’s overall goals from both an affordable housing and neighborhood development perspective. While the tax agreement will be further reviewed by the appropriate city entities, the Commission lends its support to the project as highly consistent with the Comprehensive Plan of Development.

**ADOPTED:** April 19, 2023  
Leslie Radcliffe  
Chair

**ATTEST:**  April 24, 2023 | 9:31 AM E  
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 Laura E Brown  
 Executive Director, City Plan Department