



## **OAK PARK REDEVELOPMENT PROGRESS UPDATE**

### **PROJECT BACKGROUND**

Charter Oak Communities (COC) is planning the redevelopment of our Oak Park development, including the demolition of all existing buildings and the construction of new buildings containing an equivalent number of dwelling units, with an identical bedroom mix. The purpose of the redevelopment is to replace badly deteriorated and functionally obsolete buildings and to locate the new buildings differently to avoid chronic and worsening flooding.

Redevelopment will be carried out in three phases. As was the case with the phased comprehensive revitalization of our Lawnhill Terrace development, Oak Park residents will experience no permanent displacement. There will be temporary consolidation within Oak Park to vacate the first phase area, with Oak Park residents in good standing having priority for return to new units upon completion of each phase. Rents for existing residents will continue to be calculated in the same manner following redevelopment. Those residents will pay no more than they would have if redevelopment did not take place.

The new buildings will be located in areas of the site least impacted by drainage and flooding problems. The new flood control infrastructure will help to ease the chronic problems in the area. The new buildings will be attractive, constructed of high-quality materials, and will be extremely energy efficient. The new dwelling units will be larger than those existing, with multiple bathrooms in units with two or more bedrooms, and Energy Star appliances. The redeveloped site will include additional off-street parking spaces. A new child recreation area with playground equipment will be provided. A multi-family building will be located adjacent to Cove Road containing fully accessible units of each bedroom size, management and resident services offices, and community space for meetings, programs, provision of services, after school programs, etc.

Oak Park was built in the late 1940's under a State affordable housing program and contains 166 townhouse style apartments in 27 buildings. There are 15 one-bedroom units with the balance divided equally between two- and three-bedroom apartments. Oak Park receives no operating subsidy. All expenses are funded with tenant rent payments. The operating budget is approved by the State annually and rents are set at the minimum necessary to fund expenses. While rents cover basic operating expenses, the project has not received sufficient funding to address structural and building system issues that affect 75-year-old wood frame buildings that were not initially built with longevity in mind.

In addition to deteriorated and obsolete buildings, significant portions of the Oak Park site experience frequent flooding due to inadequate municipal drainage infrastructure and the low elevation of certain areas. The proposed redevelopment plan avoids locating any buildings and parking spaces in areas subject to flooding and includes new flood mitigation measures. Flood events at Oak Park have increased in recent years as climate change brings more severe storms. Conditions in the future are likely to worsen

as the level of nearby Long Island Sound continues to rise. The planned mitigation will address these concerns.

A comprehensive drainage study has been completed and a professional cost estimate has been obtained for the recommended flood mitigation scope of work. COC has completed over a dozen complex affordable housing developments, several including the full redevelopment of existing sites. We are confident that the project can be funded through Low-Income Housing Tax Credits, private debt financing, State capital funding, energy rebates, City Fee-in-Lieu funds, and our own equity contribution.

Each of the three phases will contain an average of 55 units, or one third of the total. The phased approach is necessary to avoid the displacement of existing residents, and because of limitations on the amount of development funding available in any given year. Leasing of vacant units at Oak Park was halted in anticipation of redevelopment to allow naturally occurring vacancies to accumulate. We anticipate vacancies will rise to a level allowing the first phase of demolition to commence by the planned start date of late 2023 with no permanent resident displacement.

The long-term affordability of the development will be ensured through deed restrictions required by the various funding sources, including the State of CT, the City of Stamford and Charter Oak Communities. Oak Park is the final COC development in need of replacement or comprehensive renovation. We look forward to building a new Oak Park that meets the standards we have set for ourselves with our previously completed projects.

### **PROJECT STATUS – JANUARY 2023**

A great deal of progress has been made since the Oak Park redevelopment was proposed. All land use approvals for Phase I are in place, construction plans and specifications are 90% complete including plans for flood mitigation, a construction management firm has been procured and construction plans fully priced out. The new site plan increases the number of off-street parking spaces within the Oak Park site to 144 from 109, an increase of 35 spaces, or 32%. The number of three-bedroom units to be included in all three phases is being increased to 36 from 13 to better serve current levels of need. The balance will be 114 two-bedroom units and 16 one-bedroom apartments.

Funding commitments for Phase I have been received from the proposed tax credit purchaser and first mortgage lender, conditioned on the award of federal Low-Income Housing Tax Credits and State capital funds. Our application for those funds has been submitted with a decision expected in April. The City has approved the allocation of approximately \$3 million in Fee-in-Lieu funds for Phase I, and the mayor has recommended the award of \$1.25 million in City capital funds. The Planning Board initially recommended an allocation of \$1 million in City capital funding, and we have requested that the balance of the request be restored. Additional committed funding sources include an energy conservation rebate from Eversource resulting from the many energy saving features incorporated into the design, and an equity contribution of over \$2 million from Charter Oak Communities. The total hard and soft development cost for Phase I is approximately \$40 million, most of which would be funded from the sale of federal tax credits and a first mortgage provided by Webster Bank.

It is typical for the CT Housing Finance Authority and the State Department of Housing to announce award in April. If Oak Park Phase I is approved, work would likely commence in late 2023. This type of project is very complex and several months are needed for preparation of financial and regulatory documents specific to each funding source. During this period, temporary relocation of residents of the Phase I area into later phase areas will take place. All costs of temporary relocation and return to newly completed buildings will be funded by Charter Oak Communities and assistance with packing and moving will be provided. A construction period of 18 months is anticipated, including demolition of existing buildings and site infrastructure and construction of new buildings and site improvements. Following completion of Phase I and the return of existing residents to the new buildings the same internal temporary relocation process will be used to vacate first Phase II and then the Phase 3 area in order to complete the redevelopment process.

For additional information please contact Jonathan Gottlieb [jgottlieb@charteroakcommunities.org](mailto:jgottlieb@charteroakcommunities.org) or Vincent Tufo [vtufo@charteroakcommunities.org](mailto:vtufo@charteroakcommunities.org)

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