



CELEBRATING
55 YEARS

nerej

WinnCompanies acquires 84 units to launch \$18.7m rehab renovation

July 19, 2024 - Connecticut



Hartford, CT WinnCompanies, a national owner, developer, and manager of high-impact apartment communities, has acquired 84 apartments grouped within 10 three-story, residential buildings in Clay Arsenal, the oldest neighborhood in Connecticut.

The acquisition of the Bedford Gardens Apartment complex marks the start of an \$18.7 million effort by WinnDevelopment to renovate the historic property by upgrading brick exteriors; installing new roofs, balconies, windows, HVAC systems, kitchen cabinets, appliances, bathroom fixtures and security features; adding on-site laundry facilities and a property management office; and creating nine fully handicap-accessible units throughout the property.

Built in the 1920s, the apartment community has long served as naturally occurring affordable housing. The acquisition and rehabilitation project will ensure long-term, deed-restricted affordability through the Low-Income Housing Tax Credit (LIHTC) program for households whose incomes are at

or below 60% of Area Median Income (AMI).

Twenty-five apartments are also subsidized by project-based vouchers through a Housing Assistance Payment contract with the City of Hartford through the U.S. Department of Housing & Urban Development.

Numerous public and private organizations are helping to finance the acquisition and rehab of the community. The Connecticut Housing Finance Authority (CHFA) is issuing Tax-Exempt Bond financing and providing the construction and permanent mortgage, as well as a soft loan from their Opportunity Fund program. The Connecticut Department of Housing (DOH) is providing a soft subsidy from the department's Flex program. The Capital Region Development Authority (CRDA) is providing a soft loan. The U.S. National Park Service and Connecticut State Historic Preservation Office (SHPO) provided federal and state historic tax credits. WNC & Associates is providing equity as the LIHTC and Federal Historic Tax Credit (HTC) syndicator. Eversource is purchasing the State HTC with BlueHub Capital serving as its financing partner. The Connecticut Natural Gas Corporation is providing energy incentive funding in its capacity as administrator of the Connecticut Energy Efficiency Fund.

The renovation project will be overseen by WinnDevelopment project director Derek Hansen. When work is completed, which is expected in June 2025, the multifamily complex will be renamed Claystone Commons.

The work will be carried out as a phased occupied rehabilitation, coordinated by HousingToHome, a Boston-based, professional relocation expert. Households will have access to day suites on site to use during daytime hours when renovations are underway in their apartments. Those living in third floor units and those whose apartments are being made ADA-compliant will be relocated to vacant apartments on the property for approximately a month when work begins on their units.

In preparation for the project, WinnDevelopment worked with the City of Hartford and the Public Archaeology Laboratory, a Rhode Island-based historic consultant, to create the Bedford-Garden Streets Historic District and secure its placement on the National Register of Historic Places maintained by the U.S. National Park Service.

Clay Arsenal is a mostly residential neighborhood just north of downtown Hartford. The apartment homes are situated within walking distance of community health services, bus lines and shopping centers.

Keith Construction of Canton, MA, will be the general contractor, with The Architectural Team of Chelsea, MA, serving as architect. Petersen Engineering of Portsmouth, NH, is providing engineering services. WinnResidential, the property management arm of WinnCompanies, will provide day-to-day operations at the property.

With the acquisition, the property becomes the ninth Connecticut apartment community owned by WinnCompanies, which has been working in the state for more than 40 years. In addition, the

company's property management arm, WinnResidential, operates 20 other Connecticut apartment properties on behalf of private or non-profit owners.

"We are excited for the opportunity to preserve the affordability of this landmark, property for decades to come, and to make long-term capital upgrades that will improve the quality of life for current and future residents," said WinnDevelopment executive vice president Adam Stein. "We are grateful for the City, the various state agencies and dedicated private partners who worked together to protect and strengthen this important affordable housing resource."

"We are thrilled to welcome WinnCompanies' investment into Clay Arsenal, one of Hartford's historic neighborhoods," said Hartford mayor Arunan Arulampalam. "This acquisition of 84 units across 10 residential buildings will provide not only a significant boost to our local housing stock, but also builds on our commitment to revitalizing every corner of our city. We look forward to seeing the positive changes that this development will bring to the neighborhood and are excited about a future made possible by partnerships like these."

"CHFA is proud to support this transformative development, which will not only preserve the historic character of Bedford Gardens but also ensure long-term affordable housing for the Hartford community," said Nandini Natarajan, CEO of the Connecticut Housing Finance Authority. "Our commitment to providing financing solutions for developments like Bedford Gardens underscores the impact that stable, affordable housing has on the quality of life for all Connecticut residents."

"This type of transformational rehabilitation project is an example of what can be accomplished in housing preservation with collaboration and creativity" said Connecticut Housing commissioner Seila Mosquera-Bruno. "A historic building will be revitalized, and existing residents will have the quality of life they deserve in the community they choose to live in. I look forward to seeing the new units and the overall completed project in Hartford."

"Historic preservation helps revitalize vacant or underutilized buildings, restore local landmarks, and create affordable housing. The state and federal historic rehabilitation tax credit programs are an important source of financing that help bring projects such as the Bedford Gardens complex to fruition. The State Historic Preservation Office applauds WinnDevelopment for their commitment to preserving historic resources for much-needed housing," said Elizabeth Shapiro, director of arts, preservation, and museums for CT SHPO.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540