

**NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT**

**RE:** **ORDER OF THE BOARD OF ALDERS** of the City of New Haven approving a cooperation agreement between the City of New Haven, the Housing Authority of the City of New Haven and Glendower Group, Inc. and Glendower McConaughy Terrace 9% LLC and Glendower McConaughy Terrace 4% LLC, with respect to the redevelopment of the McConaughy Terrace 2 South Genesee Street and 436 Valley Street, New Haven, Connecticut (McConaughy Terrace); and designating 2 South Genesee Street and 436 Valley Street to be development property within the meaning of the Connecticut City and Town Development Act, C.G.S § 7-480 et seq., and eligible for tax exemption pursuant to C.G.S §7-498; and providing a tax abatement pursuant to Section §28-4 of the New Haven Code Of Ordinances.

**Submitted by:** Arlevia Samuel, Executive Director of Liable City Initiatives

**REPORT:** 1629-12

**ADVICE:** Approval

**BACKGROUND**

The Glendower Group, representing Elm City Communities/Housing Authority of New Haven, proposes the use of U.S. Department of Housing and Urban Development (HUD) funds to redevelop McConaughy Terrace in New Haven, Connecticut. McConaughy Terrace was originally built in the 1940s and will be re-developed under a mixed finance model using a combination of 9% and 4% Low Income Housing Tax Credits (LIHTC). The 9% phase will include the rehabilitation of 130 existing units The 4% phase will include the rehabilitation of 66 units and the construction of 26 new units in 6 new buildings.

This Commission previously approved the Site Plan for construction of six multi-family residencies with 26 dwelling units total in the RM-1 zone at McConaughy Terrace (CPC #1594-03). At the that time the project was described as such “Site description/existing conditions: The project site includes two large parcels (about 10 acres each), on both sides of South Genesee Street. Both parcels are occupied by multi-family structures: 436 Valley St is occupied by 26 2-story buildings, a paved parking lot, and 2 South Genesee Street is occupied by 10 residential buildings of different sizes. The site is bounded by Valley Street to the east, East Ramsdell Street to the South, a residential apartment complex with an office building and a Vacant Land to the west, and Harper Ave to the north. Proposed activity: The proposed development consists of 4 new multi-family residential structures on 436 Valley St with 18 dwelling units and 2 new multi-family residential structures on 2 South Genesee St. with 8 dwelling units, along with the related utilities and pedestrian access. All new structures will be 2 stories.”

Rehabilitation activity will be limited to interior repairs and upgrades such as kitchen and bath replacement, flooring replacement, and electrical and plumbing upgrades. The new buildings will be constructed in infill locations throughout the Site and will match the existing character in size and design.

Pursuant to such revitalization effort, the Developer has been selected to carry out the rehabilitation of McConaughy Terrace which involves the ownership, operation, management, reconstruction, and maintenance of the development property. The Developer has submitted a City Cooperation Agreement between the City of New Haven, HANH, Owner and the Developer, pursuant to which the Developer agrees to undertake and complete the Project and the City of New Haven agrees to perform certain functions to facilitate the Project.

The Connecticut City and Town Development Act, C.G.S. §7-480 et seq., authorizes the legislative body of a municipality to designate any real property located within the City to be Development Property for the purposes of the Act and to grant tax exemption to any Development Property for limited times; and the purposes of the Act include assisting in the construction of housing within the City of New Haven. Section 28-4 of the City of New Haven Code of Ordinances provides that the Mayor may, with the approval of the Board of Alders enter into an agreement whereby real property is exempted from all or any portion of municipal property taxes or which provides for a payment or payments in lieu of taxes, provided that any such agreement does not remain in effect for a period greater than thirty-nine (39) years. Pursuant to Section 28-4 of the City of New Haven Code of Ordinances the Cooperation Agreement allows for a tax agreement commencing on the issuance of the Certificate of Occupancy and continuing for thirty-nine (39) years; and The City of New Haven, HANH, Owner and the Developer propose to execute the Cooperation Agreement.

#### Proposed Abatement

##### Annual TAX

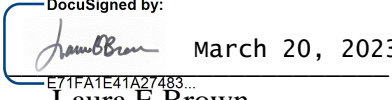
A. Affordable Units -  $196 \times \$400.00 = 92,558$  with a 3% per annum increase over 39 years

B. Market Rate – 26 MR Units at standard tax rate

#### **PLANNING CONSIDERATIONS**

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:** March 15, 2023  
Leslie Radcliffe  
Chair

**ATTEST:**  March 20, 2023 | 2:15 PM ET  
Laura E Brown  
Executive Director, City Plan Department