

NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

RE: **ORDER OF THE BOARD OF ALDERS** Approving the execution of a Tax Abatement Agreement between the City of New Haven and RMS 49 Prince Street LLC for property located at 49 Prince Street to be used as affordable housing in accordance with Conn. Gen. Stat Sec. 8-215, City of New Haven Charter, Title 1, Article Iv, Section 6, and the City of New Haven Code of General Ordinances, Section 28-4. (Submitted by: Carolyn Kone of Brenner, Saltzman & Wallman LLP)

REPORT: **1571-11**

ADVICE: **Approve**

BACKGROUND

RMS 49 Prince Street LLC is filing an application for a tax abatement under the City of New Haven’s program for Tax Abatements for Low Income, Multi-Family Residential Development (“LISHTA”). The Applicant is planning to rehabilitate the former Welch School located at 49 Prince Street in the Hill section of New Haven into 30 units of affordable housing (100%). The Project will include a laundry room, storage rooms, community rooms, group meeting spaces, a reading room and library, and outdoor space as well as on-site parking.

The Project is part of the Downtown South-Hill North Development (the “Development”), which is being undertaken pursuant to a Development and Land Disposition Agreement between the City and the Developer¹ dated August 31, 2016. The DLDA is the first phase of the implementation of the City’s Hill to Downtown Plan. Pursuant to the DLDA, the Developer’s affiliates have undertaken the construction of four other residential or mixed use buildings- 22 Gold Street, which is completed and has 110 residential units (30% affordable housing); 216 Congress Avenue, which is under construction and will have 90 residential units; 246 Lafayette Street, which is under construction and will have 104 residential units; and 9 Tower Lane, which is under construction and will have 223 residential units). The Developer’s affiliates are seeking subsidies to provide affordable units in the other three buildings.

The Project is being assisted by several governmental programs, including 4% Low Income Tax Credits, City of New Haven CDBG funds in the amount of \$500,000 and loans from the Connecticut Housing Finance Authority (“CHFA”) and the State of Connecticut Department of Housing (“DOH”).

RMS 49 Prince is requesting that pursuant to the City’s program for Tax Abatement for Low Income, Multi-Family Residential Developments, the Board of Alders grant it a tax abatement in the amount of \$749.10/unit with a 3% annual increase after the first year of the tax abatement for 17 Grand List years (following the two year construction period, when the assessment is frozen at the preconstruction assessment). This tax abatement is necessary in order to provide affordable rents and quality housing to persons and families of varying income levels and to provide necessary related facilities and services (requirements of the City’s Tax Abatement program).

PLANNING CONSIDERATIONS

The tax abatement requested by RMS 49 Prince Street LLC will be used to reduce rents below the levels which would be achieved in the absence of the abatement and effect occupancy of the building by persons and families of varying income levels. Moreover, the tax abatement will improve the quality and design of the project and provide necessary facilities and services. The approval of the tax abatement request is in line with the City's efforts to create more affordable housing in the City, and complies with the City's Comprehensive Plan Goals:

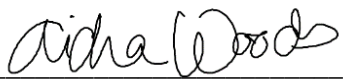
New Haven Vision 2025:

“Build diverse housing stock **suitable for all abilities, ages, and incomes**” (Section xxi)

ADVICE

The Commission finds the Order in the best interest of the City and recommends approval.

ADOPTED: July 15, 2020
Edward Mattison
Chair

ATTEST: 
Aicha Woods
Executive Director, City Plan Department