

PRESS RELEASE – FOR IMMEDIATE PUBLICATION

August 29, 2008

**CHARTER OAK COMMUNITIES AWARDED TAX
CREDITS TO PROCEED WITH VIDAL COURT
REVITALIZATION**

For Information Contact:

**Richard D. Fox, Executive Director
Charter Oak Communities
22 Clinton Avenue
Stamford, CT 06901
(203) 977-1400, extension 3304**

THE CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA) HAS SIGNED CHARTER OAK COMMUNITIES TO COMMENCE THE REVITALIZATION OF VIDAL COURT.

“This is a significant milestone in the continued revitalization of Stamford’s public housing properties and their surrounding communities”, says Mayor Dannel P. Malloy.

“Charter Oak Communities has been working alongside the residents of Vidal Court to implement a shared vision for community renewal since 2002. The award of tax credits for Phase I of the revitalization signals that we are finally on our way”, says Charter Oak Communities Chairman Courtney Nelthropp.

“The Charter Oak Communities development and management team has been looking forward to this event since it commenced the revitalization of Southwood Square in 1997. Revitalizing Vidal Court will realize our vision for the future of our West Side properties and our neighbors”, says Executive Director Richard D. Fox.

- The Connecticut Housing Finance Authority has awarded Charter Oak Communities (COC) (formerly *Stamford Housing Authority*) \$1,950,000 in 2008/2009 Low Income Housing Tax Credits to commence the revitalization of Vidal Court, a state-assisted rental complex of 216 units.
- The first phase of the revitalization effort will be the off-site redevelopment of 58 Progress Drive, on Stamford's West Side.
- The recent award of Tax Credits will leverage over \$16,000,000 in private equity for the \$45,000,000 development. The balance of funds will come from the State of Connecticut, the City of Stamford and mortgage debt.
- The development at 58 Progress Drive will consist of 95 family residences in townhouses and a small garden apartment building. Of the one, two and three bedroom units, 57 will be rented to families at below market rates, at up to 60% of the Area Median Income, and the remaining 38 units will be marketed without income restrictions. This mixed-income approach, which has proven successful at Charter Oak's HOPE VI development of Southwood Square, creates a balanced socio-economic community as well as providing essential cross subsidies to support project financing.
- As designed by the New Haven architectural firm of Newman Architects, LLC, 58 Progress Drive has been envisioned to resemble a New England Village where the homes are arranged around a town square. The use of American Colonial architectural elements provides a distinct residential feel which is intended to complement the appearance of homes in the existing neighborhood.
- Charter Oak Communities is prepared to commence construction in early 2009. Completion is currently scheduled for fall 2010.

BACKGROUND

- Existing Vidal Court Complex
 - Consists of 216 units of high-rise, family apartment housing on a 6-acre site.
 - Built utilizing state funding in 1955 and is currently in need of significant repairs.
 - Design is obsolete and does not afford defensible space needed to combat crime and be appropriate for families with children
 - Deferred investment by the state during the past 20 years has resulted in an estimated \$15 million capital shortfall

- Revitalization Plan
 - Provides for the replacement of the existing apartment buildings with new town homes that will each feature direct entries from the outside, front yards and other amenities, similar to the Southwood Square development.
 - New community comprised of approximately 350 mixed-income housing units that will include the one-for-one replacement of the existing 216 moderate-rent units along with the creation of 134 market rate units.
 - The total cost of \$135 million will employ a combination of public and private financing in the form of low income housing tax credit equity, mortgage debt, City of Stamford grant and Charter Oak Communities capital
- Resident Involvement
 - Residents of Vidal Court lead by the Vidal Court Tenant Association (VCTA) have worked with Charter Oak Communities for the past six years to prepare a plan for revitalization
 - VCTA and COC have executed a two-stage memorandum of understanding that supports and documents their agreement to proceed with the revitalization project.
 - Since 2002, VCTA and COC have conducted community information workshops and master planning sessions with Vidal Court residents to arrive at a preferred master plan for the project.