



**Housing  
Development  
Fund**

**60 AFFORDABLE HOMES CREATED IN BRIDGEPORT WITH FINANCING FROM HOUSING DEVELOPMENT FUND**

*(STAMFORD, CT, October 18, 2011)*

In some of the most economically-challenged neighborhoods of Bridgeport, Connecticut, 36 homes have been guaranteed affordability for the next 30 years with financing from the Housing Development Fund (HDF), joining a first phase of 24 units for a total of 60 affordable rental apartments. This increase in the area's affordable housing stock is expected to significantly reduce the homeless population in Bridgeport. Of the 13 properties that contain these 36 apartments, six had been foreclosed and boarded-up buildings, revitalized with funding from HDF to reintegrate them back into the community as affordable housing.

The foreclosure crisis left many homes abandoned throughout the state, but the City of Bridgeport was hit especially hard, with its rising unemployment and poverty rates (nearly one-in-four Bridgeport residents are currently in poverty\*). HDF completed its Bridgeport Neighborhood Stabilization Program in July, which stabilized high-foreclosure areas and created both construction jobs and affordable housing in the epicenter of Connecticut's foreclosure crisis. The recent conversion of additional foreclosed properties into affordable homes, made possible through HDF's investment, is a further effort to stabilize at-risk neighborhoods and assimilate previously abandoned buildings.

In March of this year, in the first phase of this initiative, HDF guaranteed the affordability of the first 24 homes through financing a public-private partnership between the Bridgeport Housing Authority and private investors/developers. This month, HDF has expanded this funding to encompass the aforementioned foreclosed properties and 7 additional properties in Bridgeport, ensuring that the 36 apartments will be made affordable to low- and moderate-income families for 30 years. Each of the properties is under Section 8 contract, which also guarantees affordable rents to the tenants in all of the apartments for the next 15 years.

Financing from HDF facilitated the rehabilitation of these homes and their acquisition and included the covenant to rent the apartments at below-market rates. This development provides much-needed affordable housing supply in not only one of the most expensive housing markets in the nation, but also, more specifically, one of the most economically disadvantaged regions of Fairfield County. David Rich, Executive Director of supportive housing WORKS, a nonprofit dedicated to ending chronic homelessness in Fairfield County, believes that his homeless clients will benefit tremendously from the additional affordable homes created in these Bridgeport neighborhoods. "This financing [will] create enough



permanent supportive housing to empty the family shelters in Bridgeport and Fairfield for at least one day”, said Rich.

HDF’s bank pool which funded this transaction is made up of the following members: First County Bank, Hudson City Savings Bank, Newtown Savings Bank, Patriot National Bank, People’s United Bank, Savings Bank of Danbury, TD Banknorth, Union Savings Bank, Webster Bank.

\*Statistics from “American Jobs Act is good for Bridgeport” (<http://www.ctpost.com/opinion/article/American-Jobs-Act-is-good-for-Bridgeport-2219325.php>)

***About the Housing Development Fund***– HDF is a certified Community Development Financial Institution (CDFI) and HUD-Approved Counseling and Lending Agency established 1989 as a nonprofit organization to finance the development of affordable housing. Since its inception, HDF has been creating affordable housing solutions for low- to moderate-income households in the high cost markets of southwestern Connecticut. In that time, it has grown to a loan fund with \$45.7 million in assets that encompasses lending programs for pre-development, acquisition, rehabilitation, new construction, and permanent financing. Other projects have included affordable family housing, senior housing, special needs housing and supportive housing. In addition to its financing resources and functions, HDF provides homebuyers’ education and one-on-one counseling to help families qualify for special mortgage financing programs. HDF also provides foreclosure prevention services through monthly clinics and individual counseling.

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