

Governor Dannel P. Malloy



STATE OF CONNECTICUT
GOVERNOR DANIEL P. MALLOY

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GOV. MALLOY ANNOUNCES FUND TO SPUR ECONOMIC GROWTH AND TRANSIT ORIENTED DEVELOPMENT ALONG EXPANDING CONNECTICUT TRANSPORTATION CORRIDORS

*State Funds will Leverage Historic Private Investment in TOD Projects
Associated with CTFastrak and the New Haven-Hartford-Springfield
Transit Lines*

(HARTFORD, CT) – Governor Dannel P. Malloy today announced the creation of a \$15 million Transit Oriented Development Pre-Development and Acquisition Fund to provide financing that will encourage developers to carry out transit oriented development in communities with station stops along the CTFastrak and New Haven-Hartford-Springfield (NHHS) transit corridors.

The state and the Connecticut Housing Finance Authority (CHFA) will each contribute \$1 million to the fund, which will be added to \$13 million of private capital provided by LISC (Local Initiatives Support Corporation) Connecticut, who will also serve as the fund manager. Transit-Oriented Development prioritizes the development of a mix of uses – new housing, retail and commercial office space – near transit hubs to encourage the use of mass transit, reduce reliance on driving, and foster more dense, liveable, walkable communities.

“With the investment of \$1 million in state funds and \$1 million from CHFA, we will leverage at least \$13 million in private funds from LISC and potentially millions more from banks, developers and other investors in order to create jobs, reduce congestion by encouraging mass transit ridership, build new affordable housing in walk-able communities near transit and improve our quality of life,” said Governor Malloy. “Since taking office, we have invested in projects like CTFastrak and New Haven-Hartford-Springfield line because we

know they will be catalysts for further growth and private investment that will revitalize communities. As we focus on promoting mixed-use, sustainable development statewide, this fund will serve as an important component of our tool-kit in these two corridors as we work with municipalities, developers and other organizations to lay the foundation for long-term sustainable economic activity and ensure these are livable, walkable communities for employees and employers alike.”

The TOD fund will be a \$15 million fund comprised of \$1 million from the Office of Policy and Management (OPM), \$1 million from CHFA and \$13 million from LISC. LISC was selected to serve as the TOD fund manager through a competitive process based on the organization’s experience funding and administering TOD projects as well as their knowledge of the unique needs of Connecticut’s transit corridor towns.

“This predevelopment fund will expand economic opportunity by connecting residents to jobs and education and LISC is excited to partner with Governor Malloy’s administration on it,” said Andrea Pereira, Executive Director of LISC Connecticut. “LISC stands ready to work with the Governor to encourage economic growth along Connecticut’s transit corridors and to realize our shared goal of a more economically and geographically integrated region.”

As fund manager, LISC will work in conjunction with state government to:

- Advance the Governor’s housing and job creation goals.
- Identify properties within ½ mile of CTFastrak and NHHS station stops with the potential for TOD.
- Award early stage capital for design, site and building analysis, zoning and property acquisition.
- Choose developers with the demonstrated financial and technical capacity to complete TOD projects and repay the debt from the fund.

“This is an exciting development for the Hartford area,” said State Senator Eric D. Coleman (D-2). “We’ve invested in our transit infrastructure because our commitment will lead to job growth and help invigorate our cities. Thanks to Governor Malloy and the legislature’s leadership, this has been and will continue to be the case.”

In a joint statement, the General Assembly’s Hartford House Delegation said, “This significant investment by LISC is indicative of the continuing confidence the private sector has in Connecticut’s potential to be a nationwide leader in Transit Oriented Development. We congratulate Governor Malloy for his untiring commitment to creating and developing the infrastructure needed to support job creation.”

“Hartford is perfect for this type of funding; we’re growing fast and developers and entrepreneurs are demonstrating their commitment to our growth,” said Hartford Mayor Pedro E. Segarra. “As more and more people come to the capital city, we need to make sure we have the infrastructure and services to support the growing demand and that our residents are directly benefitting from any economic activity. I applaud the Governor for this project and look forward to working with LISC to continue moving our city forward.”

Governor Malloy emphasized that the TOD Pre-Development Fund is just one part of a coordinated strategy, guided by the Office of Policy and Management and the Governor’s Transit Oriented Development Working Group, to encourage TOD investment while assisting municipal partners and strengthening local infrastructure and economies in anticipation of the upcoming launch of the CTFastrak and NHHS transit lines. The fund is expected to be finalized and ready to begin receiving applications this summer.

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