



A new catalyst for economic opportunity

The Connecticut TOD Fund

The State of Connecticut has made an historic investment in transit that opens the door to economic vitality and opportunity. The State of Connecticut, the Connecticut Housing Finance Authority (CHFA) and the Local Initiatives Support Corporation (LISC) have created a loan fund to encourage transit oriented development around station stops on bus rapid transit and commuter rail corridors. These include: CTfastrak, the Hartford rail line, Shoreline East and MetroNorth – both the New Haven main line and the branch lines to New Canaan, Danbury and Waterbury. The fund offers predevelopment and acquisition loans to eligible projects and developers.

What is Transit Oriented Development (TOD)?

Transit oriented development features a mix of uses, including new housing, retail, commercial and office space near transit stops. TOD encourages the use of mass transit, reduces reliance on driving and fosters more compact, walkable communities. TOD helps communities expand access to jobs and education while jump-starting community revitalization.

Why is TOD important?

Connecticut has a unique opportunity to leverage significant public transit investment along bus rapid transit and commuter rail corridors. The State's transit investments are laying the groundwork for growth in communities along these corridors, bringing new businesses and jobs, creating new housing choices, and connecting local institutions in a rich regional network of educational and cultural assets. If done now and managed properly, TOD will enhance both the quality of life for our citizens and the long term financial stability of our cities and towns.

What is the Connecticut TOD Fund?

The Connecticut TOD Fund is a \$15 million loan fund for site acquisition and predevelopment to support transit oriented development along CTfastrak and commuter rail corridors. The fund includes \$1 million each from the State of Connecticut and CHFA and \$13 million from LISC. The fund is managed by LISC.



Department of Economic and Community Development





Who qualifies for loans and where?

Projects and developers must meet the following minimum threshold criteria in order to be considered for access to TOD fund loans.

The project must:

- be located within a half mile of a station or stop along the CTfastrak corridor or the Hartford rail line, Shoreline East or MetroNorth's New Haven, New Canaan, Danbury and Waterbury lines;
- include a residential component, a minimum percentage of which is affordable housing (percentage is based on the median household income of the census tract and the amount of existing affordable housing in that immediate area).

The developer must be:

- a private non-profit or for-profit corporation;
- in good standing with the State of Connecticut;
- able to demonstrate it has the experience and financial capacity to execute the proposed project.

How will lending decisions be made?

Once projects meet the threshold criteria, they will be evaluated based on the project's ability to achieve the following TOD goals:

- create residential and mixed use development near transit;
- increase affordable housing options;
- expand neighborhood retail, commercial or community services;
- revitalize vacant, blighted or underutilized property;
- leverage significant private investment;
- create construction and permanent jobs.

Both predevelopment and acquisition loans will be available. The following are the underwriting criteria LISC will use to evaluate the projects and to approve loans:

- feasibility of the project;
- capacity and track record of the developer;
- ability to leverage sufficient financing to complete the project;
- benefit to the community.

What are the loan terms?

TOD loans for site acquisition and predevelopment will be available at a 5% interest rate for up to 36 months. The maximum loan size is \$3 million. More details are available to qualified developers through a conversation with LISC in Hartford at (860) 525-4821, via e-mail to CT-TOD@lisc.org, or by visiting our websites: www.lisc.org/connecticut_statewide; www.lisc.org/hartford.

For more information:

- CTfastrak: www.CTfastrak.com
- Commuter rail corridors: www.ct.gov/dot

Local Initiatives Support Corporation

www.lisc.org/connecticut_statewide
www.lisc.org/hartford

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