Westchester Modular Delivers Affordable Housing in Hartford & Greenwich

Last year, Westchester Modular supplied three duplexes to Naek Construction as part of Mayor Luke Bronin’s Hartford Ownership Housing Initiative. It was an innovative concept in owner-occupied urban redevelopment, with a special financing program, an income-producing rental unit and the pride of home ownership.

“The three new homes were purchased by the developer, Naek Construction Co. (as Edward Street Housing LLC), and delivered and set on each lot by Westchester Modular. Naek Construction provided infrastructure, foundation, basement, and finishes, including balconies, fencing and landscaping. The project used $800,000 in federal HOME funds distributed by the city’s DDS Housing Division, a $717,900 construction loan from Capital for Change and $305,000 in developer’s equity.

A finished duplex at 76 Edwards Street

The ground level is occupied by first-time homeowners, and the second story unit is rented out by the homeowners as an additional income stream to assist with their mortgage payments. According to Brian Mathews, the city’s director of housing, the rent is set by the homeowners. The construction funds become a part of a forgivable loan for the homeowners provided they stay in the home and maintain ownership, according to Hartford Mayor Luke Bronin.

At the time of the ribbon cutting last year, Suzanne Piacentini with the Department of Housing and Urban Development said this is a “miracle” for these families.

“It’s so difficult for our folks to find units to buy today that are affordable, well constructed, and new and for our renters as well,” she said.

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However, according to the developer, there were some approval process issues that slowed loan closings and disbursements for construction materials.

Naek owner, Rashid Hamid, commented, “Working with Westchester Modular saved us time, but there were infrastructure issues, such as a municipal requirement to upgrade sanitary connections at street level, that delayed us and led to increased construction cost.”

Rashid went on to describe the homes as 2,400 sf of living space divided evenly between upper and lower units. Each unit had 3 bedrooms and 1 ½ baths. First time homeowners purchased each home at appraised value of approximately $275,000 and the homes cost $400,000 to build. The difference was provided in gap financing, and forgiven if the homeowner remained in the home for at least 7 years.

“The city would like me to build more duplexes, and I am prepared to do that, but only if it makes economic sense,” said Rashid.

According to Kim Friedgen, all involved in the project were very much behind the mayor’s initiative, and the developer and several partners of his, had invested heavily in future property purchases.

“Hopefully, new initiatives at the state and local level will be streamlined to keep the process moving, and builder/developers like Rashid Hamid will be motivated to produce critically needed affordable housing in Connecticut,” said Friedgen.

Kim has seen many affordable housing initiatives die on the vine after much effort.

However, she went on to say that Westchester Modular has been involved in many affordable housing initiatives that were very successful. The company’s partnership with the Greenwich Housing Authority provided an appealing affordable housing option in a community never before associated with ‘affordable’.

Adams Gardens II –
Two and three bedroom market-rate townhouse units financed by the Connecticut Housing Finance Authority (CHFA).

Armstrong Court Townhomes –
Eighteen 2 and 3 bedroom townhouse units. A mix of market-rate and subsidized units financed by Low Income Housing Tax Credits.

GHA Director, Anthony Romeo, said the idea to add units to an existing GHA property stemmed from frequent recommendations that the Housing Authority more fully utilize space at its housing complexes. A lack of affordable housing has long been cited by social service agencies and some town officials as a problem in Greenwich.

Westchester Modular is exploring other partnerships, including with the Hartford Land Bank and The Waterbury Housing Group, as well as in the New London County market. “We feel we can be an integral part of the solution to helping provide affordable housing under the programs available by the State and local governments,” she said.