

CHFA's Build For CT

Connecticut Housing Finance Authority

Rental Housing: Encouraging New Construction and
Promoting Preservation

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Build For CT: Strengthening the Middle of the Housing Market

Meeting the Moment: A Program Designed to Fill a Critical Gap

In a housing environment where much of the policy focus has been on supporting deeply affordable housing for the lowest-income residents, and much of the actual development has focused on high-end, luxury apartments, Connecticut’s middle-income renters have been squeezed out of opportunity. These are the teachers, nurses, police officers, and other essential workers whose incomes fall between 60% and 120% of Area Median Income (AMI) – earning too much to qualify for most income-restricted housing and too little to afford new market-rate developments.

The Connecticut Housing Finance Authority (CHFA) launched the Build For CT program in late 2023 to directly address this “missing middle.” Through a unique financing structure that provides low-interest subordinate loans to developers who set aside at least 20% of units for middle-income renters, Build For CT brings this vital workforce back into the fold of housing policy.

In just its first year, the program has proven to be not only timely, but highly effective. As of April 2025, Build For CT has supported the creation of over 2,500 new rental units, including 706 designated for middle-income households. These units are spread across urban and suburban communities, expanding workforce housing access across the state. The program’s structure also enables developers to move quickly, allowing them to access gap financing so construction can move forward at a time when inflation and interest rates are causing many projects to stall.

The program’s reach is only growing. In April 2025, the State Bond Commission authorized \$50 million in new funding for Build For CT bringing the total investment to date to \$200 million, with the expectation that additional funding will be committed in the next biennial budget. This infusion allows CHFA to fund more shovel-ready developments and continue making progress against an estimated 100,000-unit middle-income housing shortfall.¹

An Innovative Tool in a Shifting Market

At the heart of Build For CT is a simple but powerful tool: up to \$125,000 in low-interest financing per unit reserved for middle-income households, with affordability locked in for six to twenty years. That minimum affordability window provides flexibility for developers while ensuring meaningful impact in the short-to-medium term.

¹ CHFA’s analysis of HUD’s Comprehensive Housing Affordability Strategy data determined that there is currently a gap of approximately 100,000 rental units that are priced affordable for middle-income earners.

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Developers can use Build For CT in tandem with commercial financing or private equity. This design makes the program market-responsive, able to fill gaps caused by rising construction costs, tighter capital markets, and shifting rent thresholds without requiring the multi-layered subsidy stacks associated with more traditional affordable developments.

This flexibility has made the program especially attractive to developers of mixed-income, mixed-use projects who are facing sudden cost increases or financing constraints. As Lauran O’Neill of Onekey LLC noted in reference to the Ponemah South Mill project in Norwich:

“CHFA’s Build For CT program was instrumental in moving this long-awaited project forward, while also strategically addressing a critical gap in the housing market—serving residents whose incomes exceed traditional affordable housing thresholds but remain priced out of high-quality rental options... In today’s volatile financial climate, Build For CT provides developers like us with essential support to bridge funding gaps... [and] serves as a powerful catalyst for long-term economic growth.”

Delivering Results: Early Successes Across Connecticut

Since its inception, Build For CT has demonstrated its ability to translate innovative policy into real-world outcomes. The program’s early projects showcase its flexibility and impact across diverse geographies and development types:

- *Steelpointe Harbor Apartments (Bridgeport):* A large-scale mixed-use development where Build For CT filled a critical \$20 million financing gap. The project will deliver 160 middle-income units within a broader 420-unit development, supporting economic revitalization in Bridgeport’s harbor district while maintaining housing affordability for moderate-income renters.
- *Kelson Row (Rocky Hill):* Located on the site of the former Ames corporate headquarters, this new mixed-use community will include 44 middle-income units supported by Build For CT financing. The development represents a model for transforming underutilized sites into vibrant residential communities that serve a range of income levels.
- *Ponemah South Mill (Norwich):* A historic mill redevelopment where Build For CT financing enabled the completion of 40 middle-income units within a broader adaptive reuse project. Without Build For CT, the project would likely have remained stalled due to shifting market conditions and rising construction costs.
- *Wilton Center Lofts (Wilton):* Wilton Center Lofts offers a convenient, 9-minute walk to the Wilton Metro North Railroad Station and represents the first and only new development in downtown Wilton within the past 30 years. Utilizing Build For CT financing the development will now provide for 20 middle income units in highly desirable location within Fairfield County.

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Together, these developments – and others moving through the pipeline – represent nearly \$200 million in total project investment, a testament to the program’s ability to leverage private capital while delivering meaningful public benefits.

A Program Built for Replication and Broader Impact

Build For CT’s straightforward design makes it a model for replication by other states and municipalities seeking to address the middle-income housing gap. Its key features – subordinate low-interest financing, flexible affordability terms, and private capital leverage – offer a scalable and adaptable framework that can be modified to meet diverse housing needs.

The Build For CT model is seen by many as a blueprint for additional initiatives. Discussions are underway about how a similar financing structure could support the preservation of naturally occurring affordable housing (NOAH) by helping small- and medium-sized landlords reinvest in older rental properties; or how the model can be repurposed to facilitate entry-level single-family homeownership development by leveraging subordinate financing to offset rising land and construction costs.

By focusing on strategic gap financing rather than heavy subsidy layering, Build For CT demonstrates how limited public resources can unlock private development while ensuring long-term community benefit. Its success underscores an important lesson for housing policy nationally: smart, flexible investment tools can create outsized impact across different sectors of the housing market.

Looking Ahead: Momentum and Opportunity

As Build For CT enters its second full year of operation, the momentum behind the program is undeniable. The \$200 million in state funding authorized to date, along with the potential for additional funding in the next biennial budget, signals long-term investment in the model’s success.

More importantly, Build For CT is proving that partnering with private stakeholders to provide strategic, limited public investments can overcome financial barriers to development, unlock stalled projects, and deliver high-quality housing that serves Connecticut’s workforce. It is filling a critical gap in the market that neither private capital nor traditional affordable housing programs alone have been able to address.

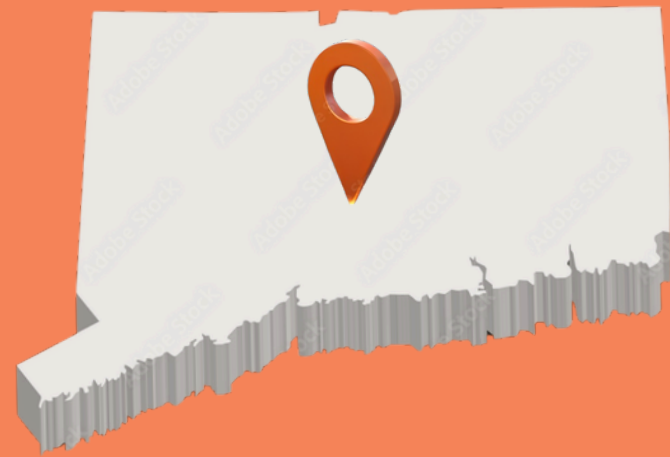
Build For CT is a forward-looking, sustainable approach to housing policy – one that recognizes that vibrant communities depend on a range of income levels having access to safe, affordable, and dignified homes. At a time when employers site a lack of worker housing as a major barrier to growth, Build For CT is a catalyst for economic stability, workforce retention, and community resilience across Connecticut.

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Proposed attachments:

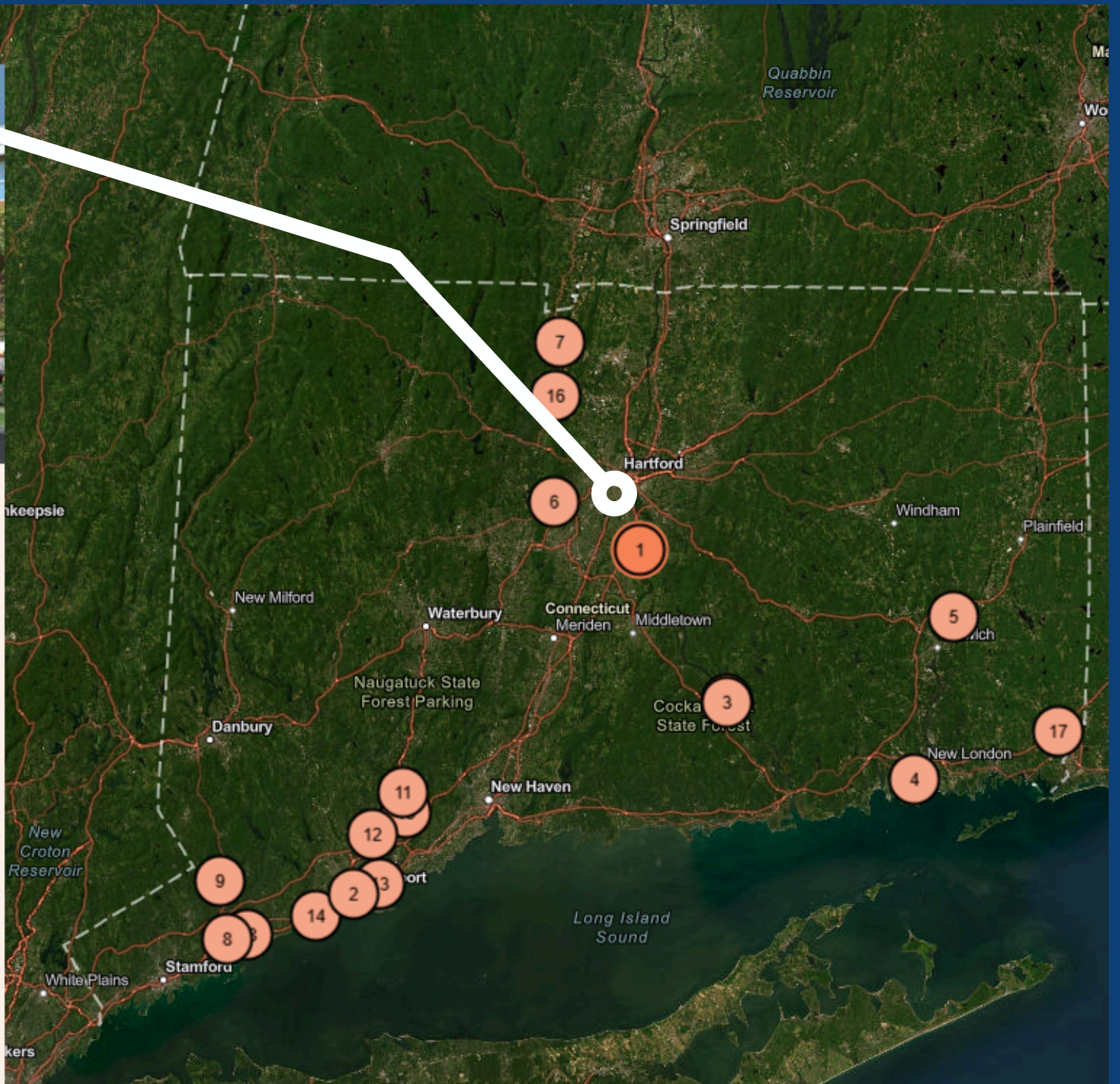
- Interactive Build For CT StoryMap ([Link to StoryMap](#))
- Project Summaries:
 - Steelpointe Harbor Apartments (Bridgeport)
 - Kelson Row (Rocky Hill)
 - Ponemah South Mill (Norwich)
 - Station 280 (Granby)
- Latest press release re: State funding announcement
- Sample of press coverage
- Developer Testimonial: Lauran O’Neill, OneKey LLC

Interactive Build For CT StoryMap



Kelson Row Rocky Hill, CT

Located on the site of the recently demolished Ames headquarters, Kelson Row is a mixed-use development located on Main Street in Rocky Hill that provides easy access to restaurants, shops, and more. Through the Build For CT program, CHFA is providing a \$5.5 million loan, to support the construction.



Collaborative Housing Initiative



PROGRAM OVERVIEW

The program leverages \$200 million in state bonding to expand affordable housing options for middle-income renters, fostering economic growth and strengthening community stability through public-private partnerships.



2,575

Total Units



706

Middle Income
Units



\$83.6

Total Program
Investment

Data as of 4/2025

BUILD FOR CT IS A
COLLABORATIVE
HOUSING INITIATIVE
BETWEEN THE
CONNECTICUT
DEPARTMENT OF
HOUSING & THE
CONNECTICUT
HOUSING FINANCE
AUTHORITY.

info.chfa.org/B4CT



APRIL 2025

State Invests \$87 Million to Expand Housing Access Across Connecticut



Published on April 14, 2025 by [Connecticut Housing Finance Authority](#)



Funding Supports Homebuyers, Renters, and Revitalization

ROCKY HILL, Conn.) —April 14, 2025 — The Connecticut Housing Finance Authority (CHFA) announced today that the State Bond Commission has allocated \$87 million in funding to support three critical housing initiatives that address Connecticut’s most pressing housing challenges: a \$35 million allocation for the [Time To Own](#) down payment assistance program, \$50 million for the [Build For CT](#) initiative supporting middle-income rental housing, and \$2 million for the Small Multifamily CDFI Loan Program, which finances the rehabilitation of small-scale rental and ownership properties.

Each of these investments strengthens CHFA’s mission to expand housing opportunity, promote economic mobility, and build thriving communities across the state. By tackling housing affordability at multiple points on the housing continuum—from first-time homeownership to revitalization of aging housing stock—these programs ensure that Connecticut residents can find and keep stable, affordable homes in the communities they love.

JANUARY 2025

The screenshot shows a FOX61 news article. The headline is "Connecticut invests \$87 million to boost housing access statewide". The sub-headline reads: "The Connecticut Housing Finance Authority will use funding from the State Bond Commission to support three key housing initiatives in underserved communities." Below the text is a large graphic with the Connecticut Housing Finance Authority logo and the text "CONNECTICUT HOUSING FINANCE AUTHORITY" and "Unlocking Solutions. Building Strong Communities." To the right of the article is a Comcast Business advertisement for a \$1000 Small Business Bonus.

JANUARY 2025

The screenshot shows a Connecticut Public Radio article. The headline is "Housing program awarded \$50M to build affordable homes for 'missing middle'". The sub-headline reads: "Federal cuts may jeopardize trusted news and education. Help us protect it. Make your voice heard." Below the text is a large graphic with the Connecticut Public Radio logo and the text "CONNECTICUT public PBS npr Media for the curious." To the right of the article is a Connecticut Public Radio advertisement for a \$5000 Small Business Bonus.



SAMPLE OF ACTIVE DEVELOPMENTS SUPPORTED BY BUILD FOR CT

Projects



Kelson Row Rocky Hill, CT

Located on the site of the recently demolished Ames headquarters, Kelson Row is a mixed-use development located on Main Street in Rocky Hill that provides easy access to restaurants, shops, and more. Through the Build For CT program, CHFA is providing a \$5.5 million loan, to support the construction.

- Senior Lender: **Liberty Bank**
- Total Units: **213**
- Total Middle-Income Units: **44** affordable at 80% and 100% AMI



Langanke's Landing Shelton, CT

Langanke's Landing will be comprised of a four-story apartment building with 55 apartments and 110 parking spaces. The building will be of wood-framed construction with a concrete slab foundation. The property is located on the north side of Bridgeport Avenue, just east of Huntington Road and Exit 11 of CT Route 8. Through the Build For CT program, CHFA is providing a \$1.375 million loan to support the construction.

- Senior Lender: **Ion Bank**
- Total Units: **55**
- Total Middle-Income Units: **12** affordable at 60% to 80% AMI



Steelpointe Harbor Bridgeport, CT

Through the Build For CT program, CHFA is providing a \$20 million loan to support the construction Steelpointe Harbor Apartments in Bridgeport. The property is part the larger Steelpointe Harbor redevelopment site, an approximately 40 to 50-acre, mixed-use, urban infill, waterfront redevelopment in Bridgeport. The development site was formerly a mix of water related and industrial uses and has an approved plan allowing over 2.0 million square feet of development.

Senior Lender: **Old National Bank**

Total Units: **420**

Total Middle-Income Units: **160** affordable at 80% to 120% AMI



Ponemah South Mill Norwich, CT

Situated along the Shetucket River in Norwich, the Ponemah Mill Complex has already been transformed into hundreds of new affordable units. The latest phase of the redevelopment, Ponemah South Mill, is a 4.96-acre site, improved with a vacant, 148,600 sq. ft. mill building. The property will include various indoor and outdoor amenities such as a cinema, spa, and river walk trail. The unit mix will consist of 125 one-bedroom units and 21 two-bedroom units. Utilizing the Build For CT program CHFA is providing a \$6.25 million to support the development.

- Senior Lender: **Connect One**
- Total Units: **146**
- Total Middle-Income Units: **50** affordable at 80% AMI

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Lauran O’Neil Onekey LLC

Developer of Ponemah South Mill in Norwich, CT