



COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS 101

WHAT IS A CDFI?

Community Development Financial Institutions (CDFIs) are flexible, mission based lenders that deploy capital into the places that need it most. Certified by the U.S Department of the Treasury, CDFIs must have a primary mission of providing community development and financial services to underserved communities. They are vital in financing the creation of affordable housing, small businesses, and energy efficiency upgrades by providing flexible, low-cost loans to projects traditional lenders and government might not be the best fit for.

CDFIs fill funding gaps and leverage private capital and government subsidies to catalyze development. Focused on equity and sustainability, CDFIs support housing solutions for low-income families and vulnerable populations, driving economic development and strengthening communities.

PRODUCTS & SERVICES

- **Affordable Housing Lending**
 - Predevelopment Funds
 - Acquisition Funds
 - Bridge Loans
 - Constuction Loans
 - Permanent Financing
- **Downpayment Assistance**
- **Energy Efficiency Financing**
- **Small Business Lending**
- **New Developer Training**
- **Technical Assistance**
- **Housing Counseling Services**

WHY CDFIS?



Unlike traditional banks, CDFIs can offer **flexible financing terms** and engage in **unique partnerships** to move projects forward. CDFIs often work with one another to close funding gaps and bring a deal to the finish line.



CDFIs specialize in financing the **creation of housing not typically created** by government subsidy including: starter homes, small mulitfamily homes, and mixed use developments that **fit seamlessly into communities**.



CDFIs support **environmentally sustainable housing initiatives** by financing energy efficiency upgrades to existing housing, promoting green building practices in new developments.



COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS IN CONNECTICUT

CDFIS IN CONNECTICUT

A group of Connecticut CDFIs have come together to form the **Connecticut Housing Finance and Development Roundtable**.

Together, these organizations deploy millions of dollars in capital each year across the state.

Members Include:

- Capital for Change
- Grow America
- Hartford Community Loan Fund
- Housing Development Fund
- Leviticus Fund
- Local Initiatives Support Coalition (LISC)

For every

\$1

of public funding, CDFIs
leverage

\$8

in private investment.

STATE INVESTMENT

Connecticut's CDFIs have long served as a trusted state partner, administering and deploying state resources into diverse markets. CDFI's support and leverage funding from programs including the **CHFA Small Multifamily Loan Pool**, the **Housing Tax Credit Contribution Program**, and the **Low Income Housing Tax Credit Program**.

LOCAL IMPACT

Scan the QR code to see successful projects financed by the members of the **Connecticut Housing Finance and Development Roundtable**.

From revitalizing Main Streets to preserving naturally occurring affordable homes, Connecticut's CDFIs finance projects in rural towns, suburban neighborhoods, and urban centers alike. These projects highlight the ways CDFIs contribute to creating diverse housing stock in Connecticut.

SCAN HERE!



CAPITAL FOR CHANGE HERITAGE REID & HUGHES



201 Main Street, Norwich CT

IMPACT AT A GLANCE



\$4.7M

CDFI Investment



17 Homes

2 Commercial Spaces



Affordability

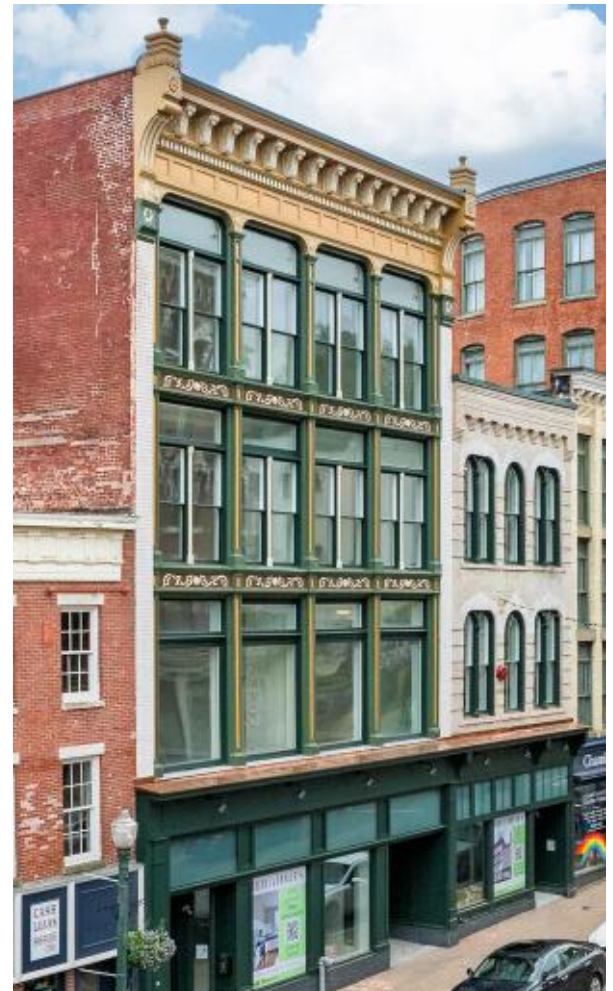
51-80% AMI

ABOUT THE DEVELOPMENT

Heritage Housing Inc. acquired the blighted former Reid & Hughes Department store in downtown Norwich in 2022. Capital for Change provided financing for the renovation of the building into 17 units of affordable housing.

Two first-floor commercial spaces—supported by Norwich Community Development Corporation funds—will create opportunities for minority, immigrant, and women-owned businesses.

The redevelopment supports downtown revitalization efforts in Norwich and complements the City's broader neighborhood plans.



CAPITAL FOR CHANGE



LITCHFIELD STARTER HOMES

Scattered Site - Salisbury, Cornwall, Washington, and Norfolk

IMPACT AT A GLANCE



\$2.3M
CDFI Investment



10 New
Starter Homes



Affordability
81-100% AMI

ABOUT THE DEVELOPMENT

The Litchfield County Center for Housing Opportunity (LCCHO) is spearheading an innovative effort to deliver ten single-family homes in partnership with four trusted nonprofits: Cornwall Housing Corporation, Foundation for Norfolk Living, Salisbury Housing Trust, and Washington Community Housing Trust.

Capital for Change collaborated with these four non-profits to finance these affordable modular homes that will be available to first-time homebuyers.

Each nonprofit will retain landownership and lease it to homeowners, ensuring stability and affordability for future generations.



HARTFORD COMMUNITY LOAN FUND



HOMESTEAD AVE DEVELOPMENT

196 Homestead Avenue, Hartford CT

IMPACT AT A GLANCE



\$622,000
CDFI Investment



6 Family
Homes



Affordability
51-80% AMI

ABOUT THE DEVELOPMENT

Hartford Community Loan Fund provided a first mortgage to turn a vacant and blighted property back into a neighborhood asset. The rehab included all new plumbing, heating and electrical services, new kitchens, bathrooms, painting the interior throughout, new windows, installation of & finishing all floors, and installation of appliances. Exterior work included new roofing, repointing of brick, installation of gutters, rebuilding of porches, and fencing.



HARTFORD COMMUNITY LOAN FUND



HARTFORD
COMMUNITY
LOAN FUND

VINTAGE HOME RESTORATION

287-289 Sargeant Steet, Hartford CT

IMPACT AT A GLANCE



\$657,500
CDFI Investment



**Homeownership
Opportunity**



Affordability
81-100% AMI

ABOUT THE DEVELOPMENT

Hartford Community Loan Fund provided a first mortgage financing alongside a bridge loan to help fund the renovation a historic, two-family home in Hartford's Asylum Hill neighborhood. The project returned a long vacant property to a vibrant home for two families to help stabilize the community. The property was purchased from the Hartford Land Bank Loan and sold to a first-time homebuyer when the renovation was complete.



HOUSING DEVELOPMENT FUND

75 HENRY STREET DEVELOPMENT

hdf

75 Henry Street, Stamford CT

IMPACT AT A GLANCE



\$2.8M
CDFI Investment



6 Family
Homes



Affordability
51-80% AMI

ABOUT THE DEVELOPMENT

Housing Development Fund has provided \$2.8M in permanent financing for the gut renovation of six affordable rental homes in Stamford. Each home includes 3-bedrooms and 2-bathrooms, making them ideal homes for families. These homes have been in strong demand, as over 65% of the new developments in Stamford are 1- and 2-bedroom homes which are not ideal for families.



HOUSING DEVELOPMENT FUND

hdf

ROXANA'S STORY

East Hartford, CT

IMPACT AT A GLANCE



\$95,000
CDFI Investment



Down Payment
Assistance



Affordability
31-50% AMI

ABOUT ROXANA

Roxana worked with HDF's counseling and lending staff for months to submit her application and complete homeownership counseling and education. Finally, after months of work, Roxana and Bryan closed on their first home in April of 2024, aided by \$95,000 in downpayment assistance from HDF. They purchased a 2-family home in East Hartford which provides them with the space to host family, or the potential to generate income from the 2nd unit.



LEVITICUS FUND



LEVITICUS FUND

Faith Capital For Building Communities

COMMUNITY BUILDERS -ST. FELIX

1345 Enfield Street, Enfield CT

IMPACT AT A GLANCE



\$1M
CDFI Investment



45 Homes
for Low Income
Seniors



Affordability
31-50% AMI

ABOUT THE DEVELOPMENT

Leviticus Fund provided a \$1M pre-development loan to catalyze the re-development of an old church property in Enfield. St. Felix will be converted to 45 units of affordable senior housing, providing a stable and supportive environment for low-income individuals aged 62 and older.

All units will be supported through the HUD 202 program, ensuring affordability and financial sustainability over the long term. The project will incorporate sustainable design elements including solar panels and energy-efficient systems.





MAIN STREET APARTMENTS

195, 201, 211 Main Street, Monroe CT

IMPACT AT A GLANCE



\$650,000
CDFI Investment



49 Homes
for Low Income
Seniors

Affordability



0-30% AMI - 13 Homes
31-50% AMI - 20 Homes
51-80% AMI - 16 Homes

ABOUT THE DEVELOPMENT

Leviticus Fund provided a \$650,000 acquisition loan to Connecticut Housing Partners to fund the new construction of 49 homes in Monroe. The project will transform the pictured vacant lot and will provide critical affordable housing to the vulnerable low-income senior population. Furthering equity in the CT housing market and providing opportunities to individuals in need.



LISC CONNECTICUT WILLOW ARMS APARTMENTS



55 Elm Street, Tarrifville (Simsbury) CT

IMPACT AT A GLANCE



\$750,000
CDFI Investment



81 Homes

Affordability



0-30% AMI - 21 Homes
31-50% AMI - 30 Homes
51-80% AMI - 13 Homes
81-100% AMI - 17 Homes

ABOUT THE DEVELOPMENT

LISC Connecticut provided pre-development financing and a line of credit to help get the Willow Arms development off the ground. This development will utilize federal tax credits and state dollars to rehab this seven building property. The preservation project will reduce the annual operating costs and maintenance requirements while creating attractive, comfortable, and healthy units for residents.



LISC CONNECTICUT WELLINGTON AT MADISON

131 Cottage Street, Madison CT



IMPACT AT A GLANCE



\$1.2M
CDFI Investment



31 Homes

Affordability



0-30% AMI - 7 Homes
31-50% AMI - 13 Homes
51-80% AMI - 4 Homes
Market Rate - 7 Homes

ABOUT THE DEVELOPMENT

LISC Connecticut provided acquisition financing for Wellington at Madison. This project is located in a high opportunity area, defined by its quality schools, low crime rate, and lack of affordable housing options.

This development achieves a number of goals important to the State of Connecticut and LISC CT, including the development of mixed income rental homes in a community that lacks this type of housing options for its residents.

