

# RECEIVERSHIP & SOCIAL IMPACT INVESTMENT IN THE NORTH HARTFORD PROMISE ZONE

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# WHAT IS THE COST OF BLIGHT?



# Introduction to PA Conservatorship

- Provides a legal process to address vacancy and blight for parties with standing
- Petition must establish vacancy and blight (photos, affidavits, code violations)
- Court may appoint a 'conservator' or allow for conditional relief
- Conservator has superlien status over all lien holders except government
- Waterfall distribution of disposition proceeds with conservator's costs superseding all but government liens
- Developer may recover a 20% fee

# How Conservatorship Can Help

- Allows municipalities/NFPs to advance the redevelopment of properties that are not otherwise available for eminent domain
- Permits a capital-efficient public/private approach to economic redevelopment that requires no financial resources on the part of the municipality; all fees and costs are paid from the proceeds of the sale
- Provides a powerful tool for eliminating blight/nuisance properties and creating new development opportunities in the municipality
- Depending on the municipality's level of involvement in the conservatorship, the process can be a source of revenue
- Can serve as a tool for large-parcel assembly

# Partners

- Local Governments
- Non-profit community organizations
- Churches
- Neighbors and local businesses
- Financing resources: social impact investors; CDFIs; traditional lenders
- Land Banks

# Example Project: 2906 Flora Street...before





....and  
after

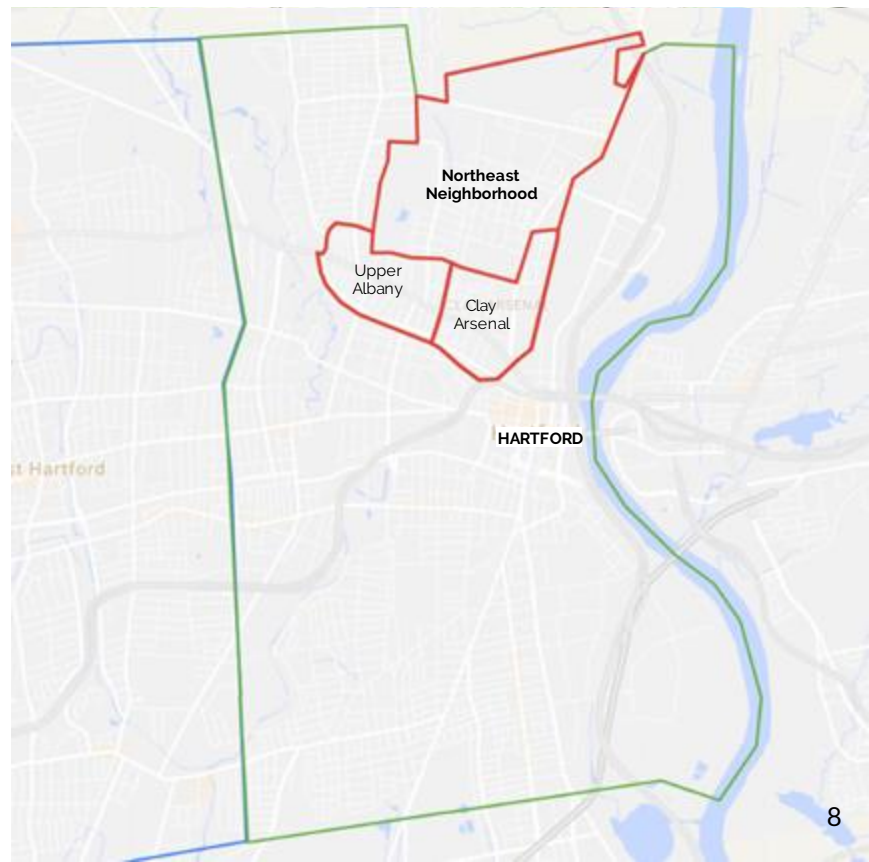
# North Hartford Promise Zone

The federally-designated North Hartford Promise Zone consists of three neighborhoods in the north end of the city. It is adjacent to Keney Park and I-91 and approximately 1.5 miles from the heart of Downtown Hartford.

City of Hartford



North Hartford Promise Zone





# North Hartford: Recent Catalytic Investments

## Swift Factory

- \$33M historic rehabilitation
- Will be a hub for local food production and other commercial activity
- Aims to create more than 150 long term jobs targeted to local residents
- Completion: Spring 2020



# North Hartford Community Land Trust



Raise and invest social impact capital to **acquire and rehabilitate 100 housing units in neighborhood**



Place all units into a newly formed **North Hartford Community Land Trust (NHCLT)**



**Hold and lease all units at 50% AMI rents** with a focus on property management that ensures housing stability



**Employ local residents** in the rehabilitation and management/upkeep of the units

# Thank You

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