



CIL Development Incorporated

2017 Benefit Corporation Report



Introduction

CIL is pleased to present its inaugural 2017 annual report for CIL Development Incorporated. Its publication is a requirement of the Connecticut Benefit Corporation Act. CIL Development Incorporated was converted to a benefit corporation in February 2017. This report provides information on its governance structure, its public benefits, its development activities during the past year, and information on past projects.



David O. McKinley
Corporate Benefit Officer
April 5, 2018

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This report has been prepared in accordance with guidelines for a GRI-referenced document, based on the Global Reporting Initiative (GRI) Standards, issued by the Global Sustainability Standards Board (GSSB), 2016. This material references "Topic Specific Standard GRI 203: Indirect Economic Impacts 2016", "Topic Specific Standard GRI 307: Environmental Compliance 2016", and "Topic Specific Standard GRI 413: Local Communities 2016".



About CIL Development

CIL Development Incorporated was created in 2005 to undertake community revitalization projects that further the mission of its parent corporation, the Corporation for Independent Living (CIL). Its creation allows CIL to develop vital, impactful projects benefitting local communities that could not be done solely within the parent's 501(c) 3 nonprofit structure. CIL is the sole member of CIL Development Incorporated. Any after-tax profits earned by CIL Development Incorporated are donated to CIL.

Governance

CIL Development Incorporated is governed by a Board of Directors consisting of seven members. These include the President/CEO and CFO of the CIL parent corporation, two member of the CIL Board of Directors, and two at-large members with expertise in real estate development that are not members of the CIL board.

About CIL

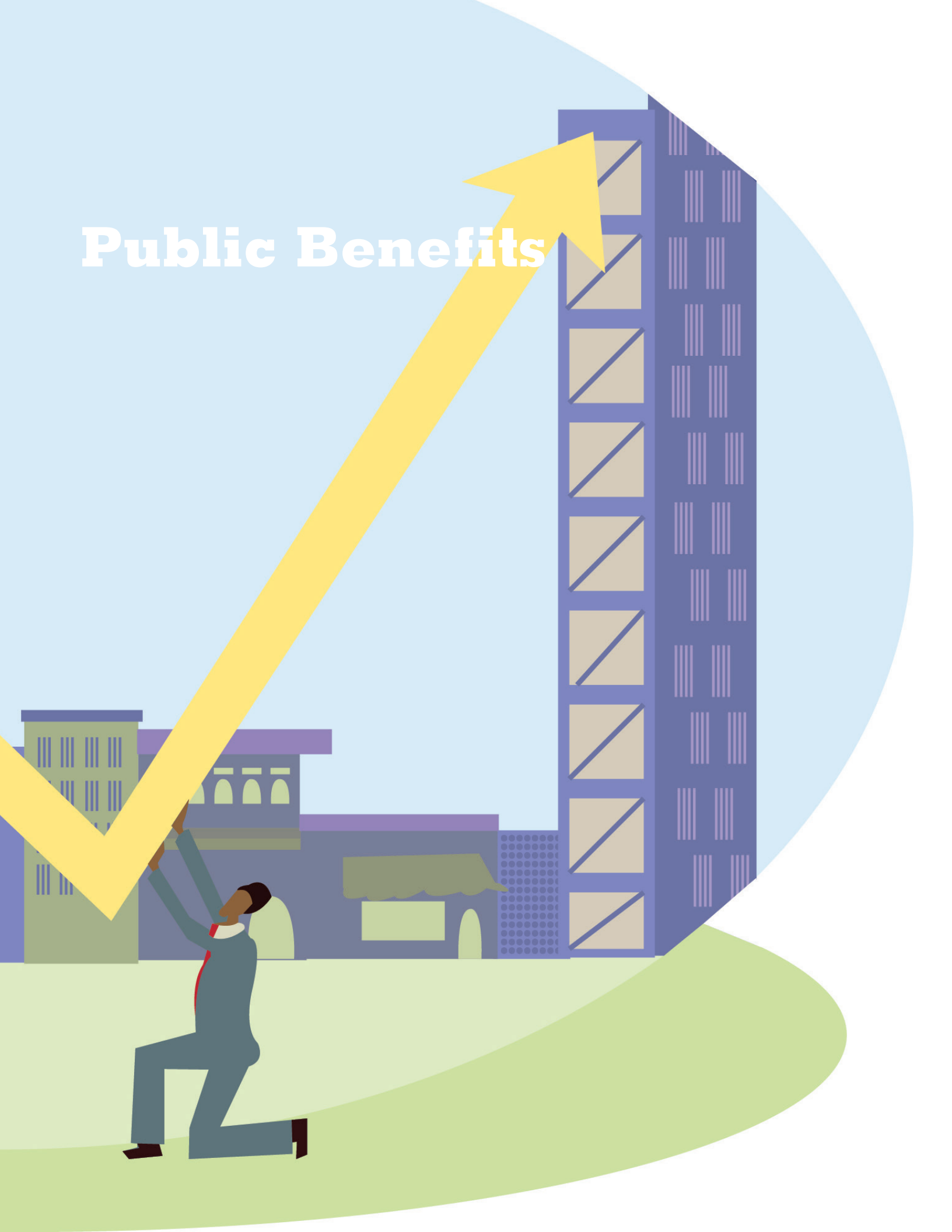
The Corporation for Independent Living is a 501c3, not-for-profit organization that develops a wide array of housing and other real estate for persons with disabilities, families and individuals in need of affordable housing, other not-for-profit organizations and communities in need of revitalization. CIL was created in 1979 and has developed over \$550 million in real estate across Connecticut and Massachusetts.

What's a Benefit Corporation?

Benefit corporations are a class of for-profit corporation that have a purpose of creating public benefits. Legislation allowing benefit corporations in Connecticut went into effect in 2014. These benefits may include serving low income individuals, providing economic opportunity, protecting the environment, improving health, and other social or environmental benefits. Such corporations are required to use a recognized standard for defining, reporting and assessing corporate social and environmental performance.



Public Benefits



Public Benefits



Economic

Many Connecticut towns and especially its cities are littered with deteriorated and distressed properties that, despite their existing negative economic impact, still retain tremendous potential to their communities. These include former mills and factories, abandoned school buildings, and vacant lots that are located in strategically important locations. Often they are located in or close to town centers and public transportation and, if redeveloped properly, can greatly enhance the vitality of these centers while increasing the local tax base and eliminating blight.

Topic Specific Standard GRI 203: Indirect Economic Impacts 2016

- 1) Revitalize neighborhoods through the rehabilitation and adaptive reuse of deteriorated or distressed properties.
- 2) Increase population density in urban and town centers that enhances the economic viability of small businesses located in and around those centers.
- 3) Increase the local property tax base by increasing the Grand List value of properties that are distressed, vacant or otherwise underutilized.
- 4) Promote employment opportunities within the community.



Environmental

Connecticut's heritage is largely one of manufacturing as the state played a significant role in the country's industrial revolution as a center of innovation and production. One dark remnant of this legacy is the environmental contamination left behind in and around these historic industrial sites. Many of these sites are located in or close to town centers and public transportation, and many are of significant historic importance. CIL searches for sites that with the proper environmental remediation, can be restored into safe, vibrant residential and/or commercial centers. While redeveloping these sites, measures are taken to utilize best practices in low impact design, stormwater management and energy efficiency.

Topic Specific Standard GRI 307: Environmental Compliance 2016

- 1) Remediate/abate historical environmental contamination and hazardous building materials.

- 2) Increase population density in urban and town centers that enhances regional sustainability and lessens pressure for greenfield development and limits negative impact on endangered species and wetlands/watercourses.

- 3) Facilitate walkable neighborhoods and the use of public transportation, and thus reduce the production of greenhouse gas emissions and traffic congestion.

- 4) Consider resilient community planning concepts and best management practices.

- 5) Include low impact design, sustainable stormwater management, energy/water efficiency and or green infrastructure considerations into planning and design.

Public Benefits



Social

CIL seeks out partnerships with local governments and community organizations to develop projects that correspond to their strategic initiatives. These goals may include the preservation of historic structures, the promotion of walkable neighborhoods, the promotion of income diversity and the preservation of access to natural resources and open space.

Topic Specific Standard GRI 413: Local Communities 2016

- 1) Correspond with the strategic goals of local municipalities, community organizations and/or state
- 2) Ensure new development is complementary to existing neighborhood character and/or community goals/needs.
- 3) Preserve and redevelop structures that contribute to the historic and cultural heritage of communities.
- 4) Facilitate walking communities that provide consumers with better access to goods, services and amenities and reduce their reliance on the automobile.
- 5) Promote income diversity by including units for households with varying incomes levels.
- 6) Enhance diversity, inclusiveness, and opportunities for underserved groups.
- 7) Preserve public access to natural resources and open space.



2017 Activities

Capewell Lofts, Hartford, Connecticut

2017 ushered in a moment long awaited by many – the successful restoration of the historic Capewell Horse Nail factory. After sitting vacant for over 25 years, the factory was converted into 72 loft-style, mixed-income apartments that were 100% leased by early spring. CIL overcame many challenges, the most significant of which was PCB contamination. CIL worked closely with EPA to secure approval of an abatement plan that allowed the redevelopment to proceed.

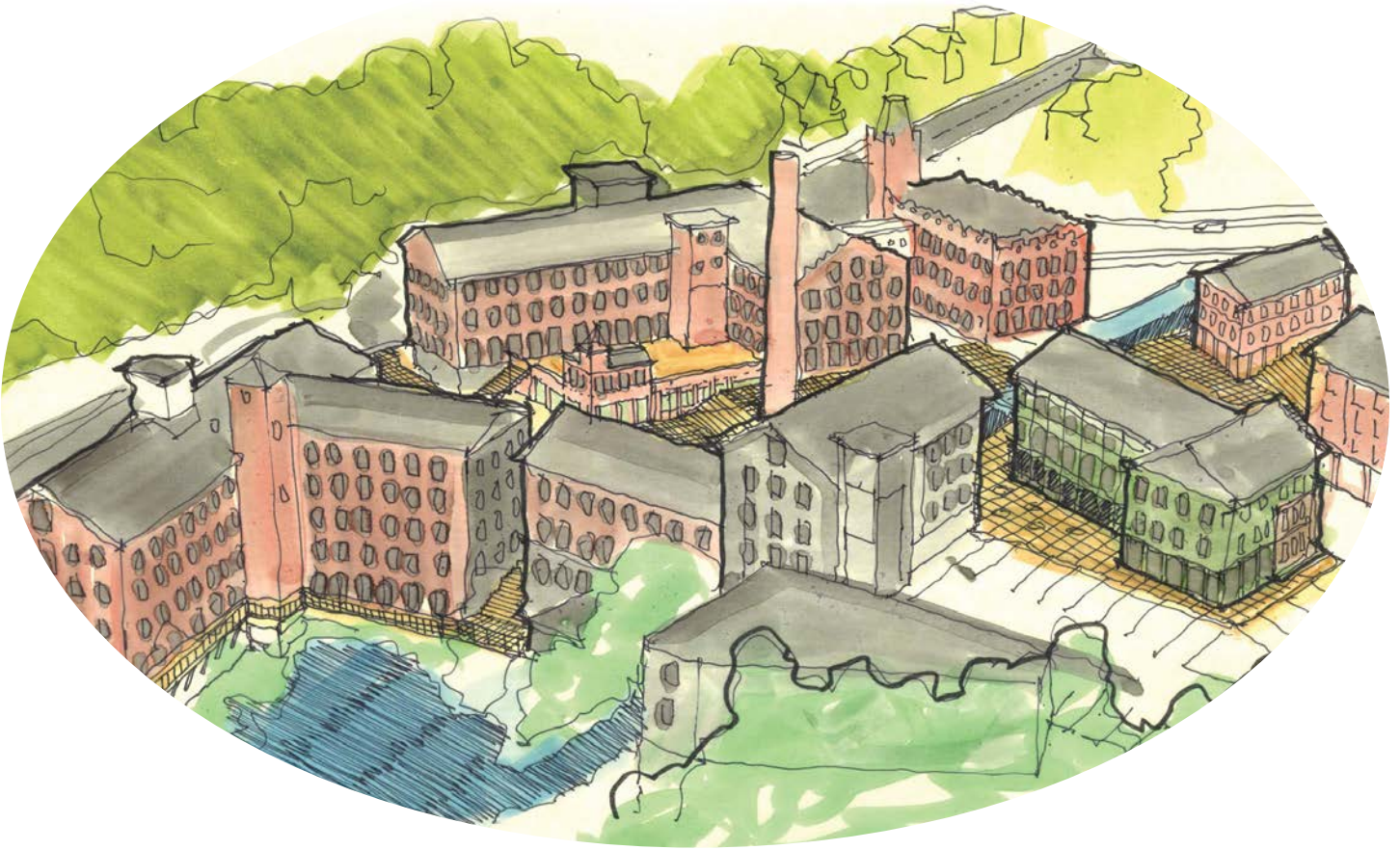
The Capewell Factory is important in many ways and its preservation was a high priority for the neighborhood and city and state officials. First, it preserves the landmark created by George Capewell, one of the manufacturing icons that made the Connecticut River valley the center of innovation in the 1800s and early 1900s. Also, its location is of strategic significance linking the downtown neighborhood with Coltstville Historic National Park District.



**Capewell Lofts,
Hartford, Connecticut**



In redeveloping the Capewell site, CIL built new townhouse units for low and moderate income owner occupants. Increased home ownership has been a goal for the neighborhood organization for many years. CIL also developed an innovative office center for nonprofit organizations that shares parking with Capewell residents. In 2018, the Family Life Center will open its Child Wellness Center in the 5,800 square foot nonresidential portion of the Capewell Factory.



Amerbelle Mill, Rockville, Connecticut

The former Amerbelle Mill in the Rockville section of Vernon sits on a strategically important site above the town center and along a major artery leading into the town center. The Town of Vernon has used state funds to demolish buildings that were of no historic significance and to complete extensive environmental remediation.

CIL and the town have partnered to undertake an extensive feasibility study for the redevelopment of the site. In the fall of 2017 CIL assembled a team of architects, engineers, construction professionals and other consultants to complete a detailed feasibility plan. The current vision includes a mix of residential units, commercial and office space, and public open space. In the coming year CIL will complete its feasibility study and collaborate with town officials on next steps.



Park Street and Main Street, Hartford, Connecticut

The City of Hartford owns several parcels of vacant land that lie at the intersection of four city neighborhoods. They abut major public transportation routes, a historic city park, and serve as a link between the downtown neighborhood and Hartford Hospital, one of the major employers in the city. Previous efforts to redevelop the site have failed and the City of Hartford recently issued an RFP to identify a new developer.

CIL has been selected based on its proposal for a mixed income and use project containing rental units and commercial space. In the coming year CIL will undertake a planning process with neighborhood stakeholders and predevelopment activities.

Previously Completed Projects

First Town Square, Windsor, Connecticut

A vacant factory was converted into 50 market rate condominiums and completed in 2009. It is located on a strategically important site – adjacent to the town center, next to the Windsor Amtrak stop, and connecting the town center with the Farmington River walking trails. CIL completed a removal of hazardous waste under the DEEP’s voluntary compliance program. It added hundreds of thousands of dollars per year to the Windsor tax base, and provided a boost to local businesses. The Town of Windsor provided financial support for the environmental cleanup through tax increment financing, one of the first times this has been used in the state.

Kenyon Falls, Coventry, Connecticut

The historic Kenyon Woolen Mill was redeveloped into 8 ownership units and 26 additional units were constructed on this site located close to the town center. CIL secured zoning approval under the town’s new village district regulations that allowed for added density. Work included a cleanup of hazardous waste as required under the State Transfer Act. CIL secured historic tax credits under the state’s program to allow for the restoration of the Kenyon Mill.

Sherwood Falls, Kensington, Connecticut

Located on Main Street in the Kensington section of Berlin, the former Sherwood Tool Company factory is one of the most historic buildings in the town. Built originally by the American Paper Goods Company, it served as a major employer and the producer of millions of the iconic “We Are Happy to Serve You” coffee cups found in diners across the country. Seventy-one market rate condominiums were created after substantial environmental site work was completed. The Town of Berlin provided financial assistance through tax increment financing.

Depot Crossing, Berlin, Connecticut

The New Haven-Springfield Amtrak line runs through the Town of Berlin. For years, a partially completed, abandoned building served as an eyesore for anyone passing through the center of town via car or train. CIL acquired the building and created 16 apartment units and 8,800 square feet of commercial space. Depot Crossing serves as a model for the town going forward in its efforts to add residential density to its town center and foster transit oriented development near its train station.



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