

# **Small Cities Community Development Block Grant Program**

## **Allocation Plan - Federal Fiscal Year 2023**



DEPARTMENT OF HOUSING

July 2023

# TABLE OF CONTENTS

I. OVERVIEW OF SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM .....	2
A. Purpose .....	2
B. Major Use of Funds .....	3
C. Federal Allotment Process .....	4
D. Federal Funding .....	5
E. Committed Funds and Proposed Allocations .....	6
F. Proposed Allocation Changes From Last Year .....	7
G. Contingency Plan .....	7
H. State Allocation Planning Process .....	7
I. Grant Provisions .....	9
J. Matching Requirement.....	10
K. Program Fund Limitations or Caps .....	10
L. Federal Requirements .....	11
M. Application and Planning Requirement .....	11
N. Administration of Program .....	11
O. Small Cities Application Process .....	12
P. Notification and Resubmittal of Plan After Approval .....	14
II. TABLES.....	16
Table A-1: List of Project Applications for FFY 23 (SFY 24) .....	18
Table A-2: CDBG-SC Projects Underway.....	19
Table B: Small Cities Administration (INCLUDING TA FUNDS) ... <b>Error! Bookmark not defined.</b>	
III. ALLOCATIONS BY PROGRAM CATEGORY .....	22
IV. EXHIBIT 1 – Rating and ranking criteria.....	22

## I. OVERVIEW OF SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

### A. Purpose

The primary statutory objective of the Community Development Block Grant Program (CDBG) is to develop viable communities by providing decent housing, a suitable living environment, and by expanding economic opportunities for persons of low and moderate-income. To achieve these goals, the CDBG regulations outline eligible activities and national objectives that each activity must meet.

The CDBG Program is administered by the United States Department of Housing and Urban Development (HUD). Within the State of Connecticut, Department of Housing (DOH) is designated as the principal state agency for the allocation and administration of CDBG for “non-entitlement areas” (the “Small Cities CDBG”).

In 1981, Congress amended the Housing and Community Development Act of 1974 (“HCD”) to give each state the opportunity to administer CDBG for non-entitlement areas. Non-entitlement areas include those units of general local government that do not receive CDBG directly from HUD as part of the entitlement program. Non-entitlement areas in Connecticut are either cities or towns with a population of less than 50,000 or a central city of an area as designated by the Office of Management and Budget. States participating in Small Cities CDBG have three major responsibilities: formulating community development objectives, deciding how to distribute funds among communities in non-entitlement areas, and ensuring that recipient communities comply with applicable state and federal laws and requirements.

Entitlement communities receive annual grants directly from HUD as part of CDBG. Listed below are Connecticut municipalities that are entitlement communities and therefore are ineligible for Small Cities CDBG.

CDBG ENTITLEMENT COMMUNITIES IN CONNECTICUT (Municipalities <u>not eligible</u> for Small Cities CDBG)		
Bridgeport	Hartford	New London
Bristol	Manchester	Norwalk
Danbury	Meriden	Norwich
East Hartford	Middletown	Stamford
Fairfield	Milford (Town)	Stratford
Greenwich	New Britain	Waterbury
Hamden (Town)	New Haven	West Hartford
		West Haven

All other Connecticut municipalities are eligible for the state administered Small Cities CDBG.

## **B. Major Use of Funds**

Except for a limited amount of funds for its own CDBG-related administrative expenses, each state must distribute the Small Cities CDBG to units of general local governments in non-entitlement areas. Each state must also ensure that at least 70% of its Small Cities CDBG funds are used for activities that benefit low- and moderate-income persons over a one, two, or three year time period selected by the state. The 70% requirement applies to each state's Small Cities CDBG Program as a whole and does not apply to each individual grant Small Cities CDBG to a unit of general local government.

All activities must meet one of the following national objectives for Small Cities CDBG: benefit low-and moderate-income persons; prevention or elimination of slums or blight; and community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community. A need is considered urgent if it is sudden and unexpected, has arisen in the past 18 months and no other funding is available to address it.

Activities that can be funded with Small Cities CDBG include: acquisition of real property; acquisition and construction of public works and facilities; code enforcement; relocation assistance; reconstruction and rehabilitation of residential and nonresidential properties; American Disability Act (ADA) improvements; provision of public services including, but not

limited to, those services concerned with employment, crime prevention, child care, health, drug abuse, education and fair housing counseling, shelter diversion activities, environmental hazard testing; provision of special economic development assistance; and assistance to Community-Based Development Organizations (CBDO's) for neighborhood revitalization, community economic development, energy conservation projects, homeownership assistance, fair housing, planning, and administrative costs, including actions to meet the grantee's certification to affirmatively further fair housing. Broad program categories for Small Cities CDBG eligible activities include: Housing, Public Services, Public Facilities, Economic Development, and Planning.

Any activity not listed in the HCD is ineligible to be assisted with Small Cities CDBG. For example, the following activities may not be assisted with Small Cities CDBG: construction, rehabilitation or operation of buildings for the general conduct of government (i.e. city hall), except for ADA improvements; general government expenses; political activities; new housing construction except under certain conditions or when carried out by a CBDO; and income payments.

Applications are selected based on their consistency with the state's most recently approved Consolidated Plan and the evaluation criteria outlined in the Action Plan. The evaluation criteria for the Connecticut Small Cities CDBG program are detailed in the Rating and Ranking Criteria set forth in Part IV of this Allocation Plan. Each state has discretion to choose not to fund an application that is determined to be infeasible.

### **C. Federal Allotment Process**

A state's allotment is based on one of two formulas, whichever gives a larger allotment. Allocations are made on the basis of a two formula analysis that takes into account the following factors: population, poverty, overcrowded housing, age of housing, and growth lag.

Formula A - The average of the ratios between:

- The population of the non-entitlement areas in that state and the population of the non-entitlement areas of all states;

- The extent of poverty in the non-entitlement areas in that state and the extent of poverty in the non-entitlement areas of all states; and
- The extent of housing overcrowding in the non-entitlement areas in that state and the extent of housing overcrowding in the non-entitlement areas of all states.

Formula B - The average of the ratios between:

- The age of housing in the non-entitlement areas in that state and the age of housing in the non-entitlement areas of all states;
- The extent of poverty in the non-entitlement areas in that state and the extent of poverty in the non-entitlement areas of all states; and
- The population of the non-entitlement areas in that state and the population of the non-entitlement areas of all states.

In determining the average of the ratios referenced in Formula A above, the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once. In determining the average of the ratios referenced in Formula B above; the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving population shall be counted once. The HUD Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under 42 CFR 5306 and the total of the amounts available under 42 CFR 5306, make a pro rata reduction of each amount allocated to the non-entitlement areas in each state so that the non-entitlement areas in each state will receive an amount which represents the same percentage of the total amount available as the percentage which the non-entitlement areas of the same state would have received if the total amount available had equaled the total amount which was allocated.

## **D. Federal Funding**

HUD funding for Connecticut's Small Cities CDBG Program for Federal Fiscal Year (FFY) 2023, which should first be available for expenditure by the State on or after July 1, 2023 (i.e. State Fiscal Year (SFY) 2024) is \$13,912,108. Any changes in Connecticut's Small Cities CDBG Program funding allocations are a direct result of funding modifications to the CDBG program nationally.

## **E. Committed Funds and Proposed Allocations**

### **FFY 21 (SFY 22) Refer to Table A, Column 1**

- The federal Small Cities CDBG allocation for FFY 21 (SFY 22) was \$8,511,446
- Administrative costs totaled \$1,010,188;
- \$9,194,308 was carried forward from FFY 20 (SFY 21) to FFY 21 (SFY 22);
- Reprogrammed admin and ta prior years totaled \$0; reprogrammed funds/program income totaled \$2,516,214
- The total amount of Small Cites CDBG funds available to fund projects in FFY 21 (SFY 22) was \$19,210,834. FFY 21 (SFY 22) allocation of \$8,511,446 minus administrative costs of \$1,010,188 plus reprogrammed funds from the previous year(s) of \$11,710,522.

### **FFY 22 (SFY 23) Refer to Table A, Column 2**

- The federal Small Cities CDBG allocation for FFY 22 (SFY 23) was \$13,935,925;
- Administrative costs are anticipated to total \$1,162,175;
- \$1,788,117 in reprogrammed funds/program income and \$16,731,813 were carried forward from FFY 21 (SFY 22) to FFY 22 (SFY 23);
- The total amount of Small Cites CDBG funds available to fund projects in FFY 22 (SFY 23) was \$31,293,680. FFY 22 (SFY 23) allocation of \$13,935,925 minus administrative costs of \$1,162,175 plus reprogrammed funds from the previous year(s) of \$18,519,930

### **FFY 23 (SFY 24) Refer to Table A, Column 3**

- HUD's annual Small Cites CDBG allocation to Connecticut for FFY 23 (SFY 24 is \$13,912,108;
- Administrative costs are \$1,069,205;
- We anticipate \$7,250,400 to be carried forward from the current year;
- We anticipate \$2,290,092 additional reprogrammed funds from Program Income to be available for reprogramming for FFY 23 (SFY 24). "Reprogrammed funds" are funds that are returned to DOH from grantees, including, for example: Small Cities CDBG funds returned to DOH by a non-performing grantee or a grantee that completed a project under budget, or program income generated by grantees.

Program income is gross income received by a grantee that has been directly generated from the use of Small Cities CDBG funds (i.e. a grantee that sets up a revolving loan fund and receives payments of principal and interest on the loans made using CDBG funds). Reprogrammed funds may also be reallocated during the program year based on demand and/or emergency situations;

- The total funds available to fund projects in FFY 23 (SFY 24), is anticipated to be \$22,383,394. FFY 23 (SFY 24) allocation of \$13,912,108 minus administrative costs of \$1,069,205 plus the estimated amount of reprogrammed funds from previous year(s) of \$9,540,491.

## **F. Proposed Allocation Changes From Last Year**

DOH will focus 2023 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio (“**SSHP**”) but will not exclude housing authorities outside of SSHP or Public Infrastructure projects that support affordable housing. The Department does not intend to allocate funds to Homeowner Rehab, Public Facilities or Public Services.

Grantee Administration costs are restricted up to 8% of any grant award or \$33,000, whichever is lower.

## **G. Contingency Plan**

This Allocation Plan has been prepared to reflect a Small Cities CDBG allocation for Connecticut FFY 23 (SFY 24) of \$13,912,108. It is DOH’s intention that any increase or decrease in funding will result in proportionate increases or decreases in administrative costs and funding available for program activity awards.

## **H. State Allocation Planning Process**

In accordance with Connecticut’s Amended Citizen Participation Plan, DOH solicited public input in order to: 1) solicit input into the development of the draft Plan; and 2) solicit feedback and comments on the draft plan.



The DOH conducted one virtual public meeting, one round table discussion with state officials, and a second round table with housing organizations and other DOH community partners to seek input into the development of the State's 2023-2024 Annual Action Plan, which includes this Small Cities CDBG Allocation Plan. In accordance with HUD's May 6, 2020 CPD-20-04 Notice, this outreach included:

- Public or private broadband internet service providers,
- Public or private organizations engaged in narrowing the digital divide,
- Agencies whose primary responsibilities include the management of flood prone areas, public land, or water resources, and
- Emergency management agencies.

In accordance with DOH's Citizen Participation Plan, a fifteen (15) day community input period began on March 16, 2023 and ended on March 30, 2023. The Department conducted a virtual public meeting on March 22, 2023 which began at 10:00 AM and ended when all attendees had the opportunity to provide input and comment. A legal notice for the public meeting was published in four newspapers across the state including one in Spanish. The legal notice was also posted on DOH's web site and forwarded to all 169 municipal chief elected officials. The Department also held one State Agency Partners Round Table Discussion on March 29, 2023 from 10:00 AM to 11:00 AM and one Community Partners Round Table Discussion on March 29, 2023 from 1:00 PM to 2:00 PM. The Community Partners Round Table included community partners, public housing authorities and the councils of government.

DOH solicited input on the draft Action Plan through a 30-day public comment period from April 13, 2023 to May 12, 2023. DOH held a virtual public hearing on the Draft State of Connecticut 2023-2024 Annual Action Plan for Housing and Community Development, which includes this Small Cities CDBG Allocation Plan - Federal Fiscal Year 2023, on May 2, 2023. A follow-up round table meeting was held with community partners on May 2, 2023 and a follow up round table meeting was held with state agency partners on May 3, 2023. A legal notice was published announcing the public hearing and comment period. The legal notice and related documents were available on DOH's website. All comments received will be summarized and responded to in Attachment A of the 2023-2024 Annual Action Plan for Housing and Community Development.

DOH notified the chief elected officials of all 169 municipalities in the state and its community partners about the dates, times, and locations of the public hearings and of the timing of the commentary periods. The state's regional Councils of Government were forwarded a copy of the legal notices and asked to post them on their websites. DOH submitted the draft Action Plan and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly may hold a public hearing.

## **I. Grant Provisions**

The Small Cities CDBG Program requires the state to certify that:

- It is following a detailed citizen participation plan and that each funded unit of general local government is following a detailed citizen participation plan;
- It has consulted with affected units of general local government in the non-entitled areas in determining the method of distribution of funding, it engages or will engage in planning for community development activities, it will provide assistance to units of general local government, it will not refuse to distribute funds to any unit of general local government based on the particular eligible activity chosen by the unit of general local government, except that a state is not prevented from establishing priorities based on the activities selected;
- It has a Consolidated Plan that identifies community development and housing needs and short-term and long-term community development objectives;
- It will conduct its program in accordance with the Civil Rights Act of 1964 and the Fair Housing Act of 1988 and will affirmatively further fair housing;
- It will set forth a method of distribution that ensures that each of the funded activities will meet one or more of the three broad national objectives described in the "Major Use of Funds" section of this Plan and at least 70% of the amount expended for activities over a period of one, two, or three consecutive program years will benefit low-and moderate-income families;
- It will require units of general local government to certify that they are adapting and enforcing laws to prohibit the use of excessive force against nonviolent civil rights

demonstrations, and they will enforce laws against barring entrance and exit from facilities that are the targets of nonviolent civil rights demonstrations in their jurisdiction; and

- It will comply with Title I of the HCD and all other applicable laws.

## **J. Matching Requirement**

The state is required to pay from its own resources all administrative costs incurred by the state in carrying out its responsibilities under subpart 24 CFR 570.489(a)(1), except that the state may use Small Cities CDBG funds to pay such costs in an amount not to exceed \$100,000 plus 50% of such costs in excess of \$100,000. States are, therefore, required to match such costs in excess of \$100,000 on a dollar for dollar basis. The amount of Small Cities CDBG funds used to pay such costs in excess of \$100,000 shall not exceed 2% of the aggregate of the state's annual grant.

See Table B for details on the anticipated breakdown of this requirement, but the total administrative costs for FFY 23 (SFY 24) from all sources will not exceed \$1,069,205.

## **K. Program Fund Limitations or Caps**

The Small Cities CDBG regulations limit the amount of funding that can be used for public service activities. The limit is based on expenditures for a given year's allocation not to exceed 15%, plus program income. States and local governments cannot spend more than 20% of their Small Cities CDBG allocation (including the allocation for the subject period as well as program income received and funds reallocated during the subject period) on planning and administration activity. The 20% limit applies to each state's Small Cities CDBG Program as a whole and does not apply to each individual grant made to a unit of general local government.

DOH will focus 2023 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("**SSHP**") but will not exclude housing authorities outside of SSHP or Public Infrastructure in support of affordable housing.

Each state may use up to 1% of its annual allocation to provide technical assistance to local governments and nonprofit organizations, either directly or through contractors, to assist them in carrying out community development activities.

## **L. Federal Requirements**

The following federal legal requirements also apply to the Small Cities CDBG program: Davis Bacon, National Environmental Policies Act (including 24 CFR Part 58 Environmental Review Procedures), Relocation Act, and Administrative Requirements of 2 CFR Part 200.

## **M. Application and Planning Requirement**

The state's application process to HUD for Small Cities CDBG funding includes the submission of an annual Action Plan. The Action Plan updates the Consolidated Plan, a five-year planning document for Housing and Community Development that governs the state's administration of five formula-distribution federal grant programs (Small Cities CDBG, HOME, ESG, HOPWA and NHTF). Each Action Plan must contain an allocation plan by which the state will distribute its Small Cities CDBG funds. Following any legislative comments or hearing, DOH will finalize the 2023-24 Action Plan. Once this process has been completed, and any necessary revisions made, the final 2023-24 Action Plan will be submitted to HUD as part of DOH's application package. HUD's approval of the Action Plan is provided when the state receives its Funding Approval/Agreements (HUD Forms 7082) for the programs, which is anticipated within 45 days of submission to HUD.

## **N. Administration of Program**

FY 2023-24 funding for the Small Cities CDBG Program will be made available for SSHP projects, housing authorities, and Public Infrastructure in support of affordable housing through a competitive application funding round. The Application Workshop was held on March 28, 2023. Applications were due by May 31, 2023. Applications received can be found in Table A-1 of this Allocation Plan. DOH intends to focus 2023 SCBG funding strictly on SSHP preservation activities, housing authorities outside of SSHP, and Public Infrastructure

in support of affordable housing. Applications for Homeowner Rehab, Public Facilities and Public Services will not be considered for funding under this allocation plan.

Adequate advance notice of fund availability has been provided and DOH reserves the right to cease accepting applications at any time that all available funds have been committed. Based on funding availability and other considerations, DOH may limit the number of applications that can be submitted by a municipality in a funding round.

## **O. Small Cities Application Process**

For Federal Fiscal Year 2023, the Small Cities Program established a Competitive Round Application Process. Applications were due by May 31, 2023. As noted above, these applications will be rated and ranked in accordance with the priorities identified in this Allocation Plan. One electronic copy is required. The application steps are outlined on the next page:

1. Application Workshop
  - a. Potential applicants virtually attend and receive Application forms
2. Hold Virtual Public Hearing
  - a. Notice to be published at least twice (on different days) in a daily newspaper of general circulation in the municipality.
  - b. The first notice must be published at least 14 days prior to the date of the virtual public hearing.
  - c. Submit copies of notices along with newspaper Affidavit of Publication with application.
  - d. Submit copies of minutes of meeting with application.
3. Conduct an Environmental Review
  - a. Establish Environmental Review Record
  - b. Determine type of activity and environmental impact
  - c. Publish Request for Release of Funds
  - d. Request Release of Funds from DOH
4. Write Application
  - a. Select eligible activity
  - b. Determine National Objective
  - c. Prepare application
  - d. Submit to DOH
5. Rate and Rank (DOH)
  - a. DOH receives and reviews applications
  - b. Rate applications
  - c. Rank applications
6. Award (DOH)
  - a. Submit rating to Commissioner for award announcements by Governor

7. Contract Documents (DOH)
  - a. DOH prepares contract documents
  - b. Submits to awarded towns
  - c. Towns sign and return to DOH
  - d. Commissioner signs contract documents
  - e. AG office reviews signed contract documents
8. Construction Period
  - a. Grantees begin construction phase
9. Closeout
  - a. DOH conducts monitoring and closeout

DOH has established the following program eligibility and threshold requirement standards for applicants. These program eligibility and threshold requirement standards are applicable to all applicants and activities unless otherwise noted:

- Eligible Applicants - As defined by HUD program regulations;
- Eligible Activity - Only “activities”, as defined by HUD program regulations;
- National Objective - Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Citizen Participation - Applicant must provide certification of compliance with citizen participation criteria;
- Consistency with the Consolidated Plan - Applicant must identify how the project is consistent with the goals and strategies of the Consolidated Plan;
- Fair Housing and Equal Opportunity Compliance - Applicant must submit a Fair Housing Action Plan that complies with DOH’s guidelines/policies;
- Statement of Compliance - Applicant must be in compliance with all existing DOH agreements and cannot be in default under any CHFA or HUD-administered program; and
- Expenditure Rates – 2022 grants are a Program Waiver; 2021 grants must be 50% expended by April 29, 2023; 2020 grants must be 100% expended and have a Pre-Closeout Certificate by April 29, 2023; 2019 grants and older must have been closed out with a Certificate of Completion and Semi-Annual Progress Reports by April 29, 2023.
- No more than 2 open grants are allowed per applicant.
- Open, unresolved monitoring findings will be considered.
- Applicants “terminated for cause” in the last 5 years are ineligible.

During the application evaluation process, DOH conducts due diligence and evaluates all eligible applications using the evaluation criteria described below. Depending on the nature of the proposed activity, site inspections may be conducted by DOH staff. An evaluation of the site's feasibility is completed and considered as part of the application's final review.

The following categories of evaluation criteria are considered: 1.) Affordability, Marketability, and Fair Housing and Equal Opportunity, 2.) Project Feasibility and Readiness to Proceed, 3.) Applicant/Sponsor Capacity, and 4.) Responsible Growth, Livability Initiatives, and Community Impact.

Applications will be rated and ranked in accordance with published criteria, which were made available for public comment prior to the current application period. The proposed Rating and Ranking criteria can be found in Part IV.

Final application recommendations will be made to the Commissioner's Office, based on the overall quality of the application and compliance with threshold requirements and rating and ranking criteria. Applicants receive written notification after final decisions are made. To the extent feasible, unsuccessful applicants may be offered the option to have a debriefing meeting.

## **P. Notification and Resubmittal of Plan After Approval**

After approval of the Plan by the joint standing committees of the General Assembly having cognizance of matters relating to housing, commerce and appropriations and the budgets of state agencies:

- Notification of all transfers to or from any specific approved allocation of a sum or sums in the Plan shall be sent to the joint standing committees of the General Assembly having cognizance of matters relating to housing, commerce and appropriations and the budgets of state agencies, through the Office of Fiscal Analysis, in accordance with the provisions of section 4-28b of the general statutes; and

- Any proposed transfer to or from any specific approved allocation of a sum or sums in the Plan of over fifty thousand dollars or ten per cent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker of the House of Representatives and the president pro tempore of the Senate and approved, modified or rejected by said committees in accordance with the procedures set forth in subdivision (1) of section 4-28b of the general statutes.

Sec. 4-28b. Federal block grant funds. Hearing. Approval or modification of Governor's recommended allocations. Transfer of allocations. Reduction of federal reimbursements. *Notwithstanding any provision of the general statutes: (1) If, during any fiscal year, the state receives federal block grant funds, the Governor shall submit recommended allocations of such funds to the speaker of the House of Representatives and the president pro tempore of the Senate. Within five days of receipt of the recommendations, the speaker and the president pro tempore shall submit the recommended allocations to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the joint standing committee or committees of the General Assembly having cognizance of the subject matter relating to such recommended allocations, as determined by the speaker and the president pro tempore. Within thirty days of their receipt of the Governor's recommended allocations, the committee having cognizance of matters relating to appropriations and the budgets of state agencies, in concurrence with the committee or committees of cognizance, shall advise the Governor of their approval or modifications, if any, of such recommended allocations. If the joint standing committees do not concur, the committee chairpersons shall appoint a committee on conference which shall be comprised of three members from each joint standing committee. At least one member appointed from each committee shall be a member of the minority party. The report of the committee on conference shall be made to each committee, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the Governor's recommended allocations shall be deemed approved. If the joint standing committees accept the report, the committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the Governor of their approval or modifications, if any, of such recommended allocations, provided if the committees do not act within thirty days, the recommended allocations shall be deemed approved. Disbursement of such funds shall be in*



*accordance with the Governor's recommended allocations as approved or modified by the committees. After such recommended allocations have been so approved or modified, any proposed transfer to or from any specific allocation of a sum or sums of over fifty thousand dollars or ten per cent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker and the president pro tempore and approved, modified or rejected by the committees in accordance with the procedures set forth in this subdivision. Notification of all transfers made shall be sent to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee or committees of cognizance, through the Office of Fiscal Analysis; (2) if, during any fiscal year, federal funding for programs financed by state appropriations with federal reimbursements is reduced below the amounts estimated under the provisions of section 2-35, the Governor shall submit recommendations to the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee of cognizance, for legislation necessary to modify funding for such programs consistent with such reductions in federal funding.*

## **II. TABLES**

<b>TABLE#</b>	<b>TITLE</b>	<b>PAGE #</b>
Table A	Summary of CDBG-SC Funding	17
Table A-1	FFY 2022 Project Awards	18
Table A-2	FFY 2020, 2021 and FFY 2022 Projects Under Way	19
Table B	Small Cities Administration (INCLUDING TA)	20

<b>Table A: Summary of CDBG-SC Funding</b>			
<b>Small Cities CDBG Program</b>	<b>FFY 21 (SFY22) Actual</b>	<b>FFY 22 (SFY 23) Estimated</b>	<b>FFY 23 (SFY 24) Available</b>
Uncommitted Balance Carried Forward from the previous year	\$9,194,308	\$16,731,813	\$7,250,400
Plus Reprogrammed Funds/Program Income	\$2,516,214	\$1,788,117	\$2,290,092
Plus Reprogrammed Admin prior years	\$0	\$0	\$0
Plus Reprogrammed TA prior years	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Reallocation Total	\$11,710,522	\$18,519,930	\$9,540,491
<b>PLUS</b>			
Annual Allocation	\$8,511,446	\$13,935,925	\$13,912,108
Minus Administrative Authorization	<u>(\$1,010,188)</u>	<u>(\$1,162,175)</u>	<u>(\$1,069,205)</u>
Net Allocation	\$7,500,312	\$12,773,750	\$12,842,903
<b>EQUALS</b>			
Total CDBG funding available for projects	\$19,210,834	\$31,293,680	\$22,383,394
<b>MINUS</b>			
Committed Funds	\$2,479,021	\$24,043,280	\$0
<b>EQUALS</b>			
Uncommitted Balance to be Carried Forward to the following year	\$16,731,813	\$7,250,400	\$22,383,394

Table A illustrates the following formulas:

- Reallocation Total + Net Allocation = Total CDBG funding available for projects;
- Total CDBG funding available for projects – Committed Funds = Uncommitted Balance to be Carried Forward; and

Descriptions for the information in Table A includes:

- Uncommitted Balance Carried Forward from the previous year = funding that was available in the previous fiscal year but not committed.
- Reprogrammed/Program Income = funding that was returned to DOH from grantees and available for reprogramming;
- Reallocation Total = total funding that is available for reallocation from uncommitted balance carried forward and recaptured funds;

- Net Allocation = annual allocation funding available after administrative cost subtracted;
- Total CDBG funding available for projects = amount of funding that can be made available for projects;
- Committed Funds = funds that are committed to projects and are out of the funding pool permanently; and
- Uncommitted Balance to be Carried Forward to the following year = funding that remains after funding committed to projects is subtracted.

Table A-1 is a list of FFY 22 (SFY 23) project applications that were awarded for Small Cities/CDBG funds and CV - CDBG funds.

<b>Table A-1: SC/CDBG and CV-CDBG FFY 22 (SFY 23) Projects Awarded</b>		
<b>Municipality</b>	<b>Project Description</b>	<b>Investment</b>
Griswold	Public Housing Modernization – McCluggage Manor	\$ 2,000,000
Litchfield	Public housing modernization – Bantam Falls	\$ 1,000,000
Naugatuck	Public Housing Modernization – Oak Terrace Heat Pump Replacement	\$ 2,000,000
New London Homeless Hospitality Center, Inc.	Public Facilities – Housing Resource Center ( <i>covid</i> )	\$ 825,500
Seymour	Public Housing Modernization – Castle Heights	\$ 2,000,000
St. Vincent DePaul Mission of Bristol, Inc.	Public Service – St. Vincent De Paul Shelter Air Conditioning Installation ( <i>covid</i> )	\$ 448,780
Suffield	Public Housing Modernization – Improvements at Maple Court, Laurel Court, and Broder Place	\$ 1,619,000
The Estuary Council of Seniors, Inc.	Public Facilities - HVAC Project ( <i>covid</i> )	\$ 500,000
Vernon	Public Facilities – KidSafe CT Retaining Wall Reconstruction ( <i>covid</i> )	\$ 150,000
Vernon	Public Housing Modernization – Grove Court & G.C. Ext. Major Renovations	\$ 2,000,000
Windham	Public Housing Modernization – Renovations at Terry Court	\$ 2,000,000
Windham No Freeze Hospitality Center, Inc.	Public Facilities – 459 Valley/Windham Region No Freeze Project, Inc. ( <i>covid</i> )	\$ 500,000
Windham No Freeze Hospitality Center, Inc.	Public Facilities and Acquisition – Windham Region No Freeze Project, Inc. ( <i>covid</i> )	\$ 6,500,000
Woodstock	Housing Rehabilitation Program	\$ 2,500,000
<b>Total</b>		<b>\$ 24,043,280</b>

Source DOH

Table A-2 is a list of projects that received CDBG-Small Cities funds in FFY 20 (SFY 21), FFY 21 (SFY 22) and FFY 22 (SFY 23) and are currently underway.

<b>Table A-2: CDBG-SC Projects Underway</b>			
<b>Town/Grantee</b>	<b>FFY</b>	<b>Project Type</b>	<b>Grant Amount</b>
Guilford	2020	Greater New Haven CAN Shelter Diversion ( <i>covid</i> )	\$ 806,395
Plymouth	2020	Gosinski Park ADA Renovation-Plymouth ( <i>covid</i> )	\$ 2,300,000
Portland	2020	Portland Shelter Diversion Program ( <i>covid</i> )	\$ 751,225
Stonington	2020	Shelter Diversion of Eastern CT ( <i>covid</i> )	\$ 1,050,000
Torrington	2020	Homeless Diversion Program with Supportive Housing Works – Torrington ( <i>covid</i> )	\$ 170,000
Westport	2020	Fairfield Shelter Diversion Program – Westport ( <i>covid</i> )	\$ 1,199,000
Vernon	2022	KidSafe CT Retaining Wall Reconstruction ( <i>covid</i> )	\$ 150,000
Pacific House Inc.	2020	Pacific House West- A Housing Decompression Center ( <i>covid</i> )	\$ 5,000,000
Westport	2020	Westport Homeless & Food Insecurity Improvements (Homes with Hope) ( <i>covid</i> )	\$ 1,200,000
Trumbull	2020	Trumbull Local Meals Project ( <i>covid</i> )	\$ 200,000
Enfield	2020	Enfield Food Shelter Support Program ( <i>covid</i> )	\$ 218,748
Mansfield	2020	Mansfield Resident Assistance Program ( <i>covid</i> )	\$ 500,000
Groton	2020	Groton Full-on Approach to COVID-19 ( <i>covid</i> )	\$ 150,000
Diaper Bank of Connecticut	2021	Basic Health Needs Across the Lifespan ( <i>covid</i> )	\$ 500,000
Community Health Resources	2021	Mobile Homeless Diversion Program	\$ 316,200
Portland	2020	Portland Senior Center Renovations ( <i>covid</i> )	\$ 725,000
New London Homeless Hosp Cntr	2022	Housing Resource Center ( <i>covid</i> )	\$ 825,500
St. Vincent De Paul Mission of Bristol, Inc.	2022	St. Vincent De Paul Shelter Air Conditioning Installation ( <i>covid</i> )	\$ 448,780
Windham No Freeze Hosp Cntr	2022	459 Valley/Windham Region No Freeze Project, Inc. ( <i>covid</i> )	\$ 500,000
The Estuary Council of Seniors	2022	Estuary Council of Seniors - HVAC Project ( <i>covid</i> )	\$ 500,000
Windham No Freeze Hosp Cntr	2022	Windham Region No Freeze Project, Inc. ( <i>covid</i> )	\$ 6,500,000
<b>Total</b>			<b>\$ 24,010,848</b>

Source DOH

Small Cities Admin (INCLUDING TA FUNDS)					
	FFY21 (SFY 22) Actuals	FFY22 (SFY 23) Estimated		FFY23 (SFY 24) Proposed	
SC Admin Carry Fwd	804,811	391,863		51,084	
Technical Asst-Carry Fwd	507,464	435,796		411,195	
Total Admin Bal Carried Forward from Previous Year	1,312,275.24	827,658.79	0	462,279	
Annual Allocation funding allowed for Admin	270,229.00	378,718		378,242	Note 2
Gen Fund match	170,229.00	278,718		278,242	
Annual Technical Assistance	85,114.00	139,359		139,121	Note 2
Total Avail for Admin Costs	1,837,847	1,624,454		1,257,884	
EXPENDITURES					
Administrative Costs:					
Personnel	406,740	473,797	Note 1	450,263	Note 3
Personnel - TA	53,554	52,594		23,617	
Fringe Benefits	389,288	449,418	Note 1	431,288	Note 3
Fringe Benefits - TA	51,353	51,366		22,287	
Other Expenses	57,379	75,000	est	78,750	5% incr
Other Expenses - TA	51,875	60,000	est	63,000	5% incr
Transfer between Sids - TA					
Equipment	0	0		0	
Contracts	0	0		0	
Contracts TA	0	0		0	
Total Admin Cost	1,010,188.45	1,162,175		1,069,205	
Admin Bal to be carried forward following year	827,658.79	462,279		188,678	

Note 1:  
FFY 20 Personnel Costs based on staff (5.25 positions).

Note 2:  
FFY 22 allocation estimate @ Prior Year (SFY 23)

Note 3:  
FFY 23 Personnel Costs based on 5.25 positions)

Table B illustrates the following formulas:

- Administrative Balance carried forward + Annual Allocation Funding allowed for State Admin. + General Fund Subsidy + Technical Assistance = Total Available for Administration Costs; and
- Total Available for Administration Cost - Total Administrative Cost/Committed Funds = Administrative Balance to be Carried Forward.

Descriptions for the information in Table B includes:

- Administrative Balance to be Carried Forward to the following year: administrative funding left over from previous year, which is carried forward;
- Annual Allocation Funding allowed for State Administration: includes \$100,000 plus 2% of the state's annual allocation;
- General Fund Subsidy: subsidy provided to the Small Cities CDBG Program;
- Technical Assistance: up to 1% of the state's annual allocation can be used for technical assistance;
- Total Available for Administrative Costs: all funding added together that is available for administrative costs;
- Total Administrative Costs/Committed Funds: amount of all costs associated with administering the program; and
- Administrative Balance to be carried forward to following year: balance of funding that remains after administrative cost/expenditures are subtracted from the total amount of funding available for administrative costs. These funds can only be carried forward for administrative costs.

### III. ALLOCATIONS BY PROGRAM CATEGORY

CDBG National Objectives:

- I Benefit low and moderate-income families
- II Prevent or eliminate slums or blight
- III Meet other urgent community development needs

Program	Small Cities / CDBG		CDBG Cares Act		CDBG RHP	
	SFY 22 Expenditures	SFY23 Proposed Expenditures	SFY 22 Expenditures	SFY23 Proposed Expenditures	SFY 22 Expenditures	SFY23 Proposed Expenditures
Benefit low and moderate-income families	\$7,863,324	\$6,869,077	\$5,173,895	\$2,072,852	\$26,044	\$41,987
Prevent or eliminate slums or blight						
Meet other urgent community development needs						
<b>TOTAL</b>	<b>\$7,863,324</b>	<b>\$6,869,077</b>	<b>\$5,173,895</b>	<b>\$2,072,852</b>	<b>\$26,044</b>	<b>\$41,987</b>

### IV. EXHIBIT 1 – RATING AND RANKING CRITERIA

The proposed rating and ranking criteria can be found at the DOH website [2023 CDBG Rating and Ranking](#).

An application workshop was held for potential applicants on March 28, 2023, at which time additional comments and questions were solicited with regard to these criteria and other program related issues.

DRAFT