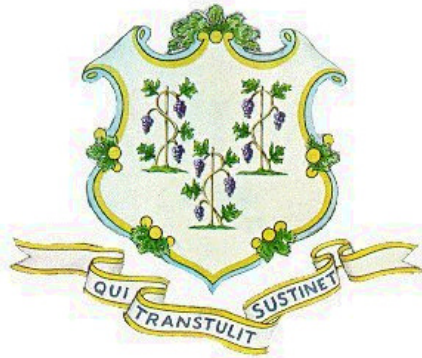




State of Connecticut

HOME Investment Partnership Program – American Rescue Plan

HOME – ARP Allocation Plan



January 1, 2022

State of Connecticut

**HOME Investment Partnership Program – American Rescue Plan
HOME – ARP Allocation Plan
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I. EXECUTIVE SUMMARY

A. Overview

State of Connecticut HOME Investment Partnerships Program – American Rescue Plan (“**HOME-ARP**”) funds are allocated to help communities provide housing, shelter, and services for the most vulnerable populations. HOME-ARP funds are in addition to the state’s regular FY 2021 HOME formula allocation.

The State of Connecticut’s HOME-ARP allocation is \$35,939,963.

HOME Investment Partnership Program – American Recovery Plan	
<u>FUNDING</u>	<u>HOME - ARP</u>
STATE OF CT	\$35,939,963

HOME-ARP funding allows for significant new resources to address homeless assistance needs by creating affordable housing for non-congregate shelter units and providing tenant-based rental assistance or supportive services. HOME-ARP funds are available for expenditure until September 2030.

HOME-ARP funds must be used for individuals or families from the following qualifying populations: homeless; at-risk of homelessness; fleeing or attempting to flee domestic violence, sexual assault, stalking, or human trafficking; other populations where providing assistance would prevent the family’s homelessness or would serve those with the greatest risk of housing instability; and veterans and families that include a veteran family member that meet one of the preceding criteria.

HOME-ARP funds can be used for four eligible activities including the production or preservation of affordable housing; tenant-based rental assistance; supportive services, including homeless prevention services and housing counseling; and the purchase or development of non-congregate shelter for individuals and families experiencing homelessness. Additionally, HOME-ARP provides up to 15 percent of the allocation for administration and planning costs of the participating jurisdiction and for subrecipients administering all or a portion of the grant.

HOME-ARP can provide up to 5 percent of the grant for operating costs of Community Housing Development Organizations (CHDOs) and other non-profit organizations, including homeless providers. Additional funding is available to these organizations for capacity building.

B. Summary of Planned Activity

The Department of Housing is prioritizing the creation of affordable housing opportunities for qualified populations, and creating non-congregate shelter opportunities. Other eligible activities may be considered, as opportunities arise.

Funding under the HOME – ARP program will be available in all 169 communities in accordance with program requirements and target population requirements. Proposals that include responsible growth, livability initiatives or community impact may be prioritized. Refer to **Section IX (D)(1)(d)** below for details.

DOH is **not** prioritizing one eligible qualifying population over another.

II. Consultation

Before developing its HOME-ARP Allocation Plan, the Department of Housing (“**DOH**”) consulted with the Balance of State Continuum of Care and Opening Doors – Fairfield Continuum of Care, homeless and domestic violence service providers, veterans’ groups, public housing agencies (“**PHAs**”), public agencies that address the needs of the qualifying populations, and public/private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

As part of its Consultation Process, DOH conducted four (4) virtual round table discussions with the purpose of obtaining input into the development of the State of Connecticut HOME-ARP Allocation Plan. The purpose of the round table discussions was to consult with agencies and service providers whose clientele include the HOME-ARP qualifying populations to identify unmet needs and gaps in housing or service delivery systems.

- The round table discussion for the Continuum of Care Partners took place on Monday, October 18, 2021 at 10:00 AM. DOH met with the Balance of State Continuum of Care and Open Doors – Fairfield Continuum of Care. Please see Attachment A-1 for the CoC list of organizations consulted;
- The round table discussion for Housing Authorities took place on Monday, October 18, 2021 at 1:00 PM. Please see Attachment A-2 for the Housing Authority list of organizations consulted;
- The round table discussion for the Community Partners took place on Tuesday, October 19, 2021 at 10:00 AM. Please see Attachment A-3 for the Community Partners list of organizations consulted; and
- The round table discussion for our State Agency Partners took place on Thursday, October 21, 2021 at 11:00 AM. Please see Attachment A-4 for the State Agency Partners list of organizations consulted.

DOH took written comment by e-mail until Midnight on October 29, 2021. We received significant comment and data with regard to eligible activities, population preferences, and target geographies. All of this feedback and input was considered in the drafting of this allocation plan.

III. Public Participation

In accordance with Connecticut’s Amended Citizen Participation Plan (See Attachment B-1) and in an effort to give reasonable notice and an opportunity to comment, DOH will solicit public input in order to: 1) solicit input into the development of the draft State of Connecticut HOME-ARP Allocation Plan (Consultation Process); and 2) solicit feedback and comments on the draft State of Connecticut HOME-ARP Allocation Plan (Public Participation).

DOH will solicit input on the draft State of Connecticut HOME-ARP Allocation Plan through a fifteen (15) day public comment period from January 13, 2022 thru January 28, 2022. DOH will hold a virtual public hearing on the draft State of Connecticut HOME-ARP Allocation Plan on Thursday, January 27th, 2022. A legal notice was published in four newspapers across the state including one in Spanish announcing the public hearing and comment period. (See Attachment B-2). The legal notice and related documents are

available on DOH's website. As part of the notice, DOH included information on how citizens who have special needs may obtain the allocation plan in a form which is accessible to them.

Outline of Activity for Public Hearing/Public Comment:

All comments received both at the public hearing and in writing will be summarized and responded to in Attachment B-3.

IV. Needs Assessment and Gaps Analysis

DOH evaluated the size and demographic composition of qualifying populations within its boundaries and assessed the unmet needs of those populations. Additionally, DOH identified gaps within the state’s current shelter and housing inventory as well as the service delivery system. The most current data available was utilized including the point in time count and the housing inventory count for quantifying the individuals and families in the qualifying populations and their need for additional housing, shelter or services (if we use other data list here).

Description of the size and demographic composition of qualifying populations within the state’s boundaries:

Point in Time Count 2020:

Summary of Persons in Each Household Type	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Persons in households without children	1,352	280	316	1,948
<i>Persons age 18 to 24</i>	<i>58</i>	<i>56</i>	<i>21</i>	<i>135</i>
<i>Persons Over Age 24</i>	<i>1,294</i>	<i>224</i>	<i>295</i>	<i>1,813</i>
Persons in households with at least one adult & one child	776	154	2	932
<i>Children under age 18</i>	<i>471</i>	<i>88</i>	<i>1</i>	<i>560</i>
<i>Persons age 18 to 24</i>	<i>38</i>	<i>34</i>	<i>1</i>	<i>73</i>
<i>Persons Over Age 24</i>	<i>267</i>	<i>32</i>	<i>0</i>	<i>299</i>
Persons in households with only children	13	5	7	25
Total	2,141	439	325	2,905

HUD 2020 Continuum of Care Homeless Assistance Programs Homeless populations and Subpopulations – Point in Time 2020 Count

Demographic Summary by Race	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Black or African American	807	162	96	1,065
White	1,067	245	207	1,519
Asian	14	1	1	16
American Indian or Alaska Native	27	5	2	34
Native Hawaiian or other Pacific Islander	10	0	0	10
Multiple Races	216	26	19	261
Total	2,141	439	325	2,905

HUD 2020 Continuum of Care Homeless Assistance Programs Homeless populations and Subpopulations – Point in Time 2020 Count

Demographic Summary by Ethnicity	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Hispanic/Latino	669	117	61	847
Non-Hispanic/Non-Latino	1,472	322	264	2,058
Total	2,141	439	325	2,905

HUD 2020 Continuum of Care Homeless Assistance Programs Homeless populations and Subpopulations – Point in Time 2020 Count

Demographic Summary by Gender	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Female	862	171	74	1,107
Male	1,271	266	248	1,785
Transgender	4	2	0	6
Gender Non-conforming	4	0	3	7
Total	2,141	439	325	2,905

HUD 2020 Continuum of Care Homeless Assistance Programs Homeless populations and Subpopulations – Point in Time 2020 Count

Summary of Chronically Homeless Persons in Each Household Type	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Chronically Homeless persons in households without children	115	0	50	165
Chronically Homeless persons in households with at least one adult and one child	6	0	0	6
Chronically Homeless persons in households with only children	6	0	0	6
Total	127	0	50	177

HUD 2020 Continuum of Care Homeless Assistance Programs Homeless populations and Subpopulations – Point in Time 2020 Count

Summary of all Other Populations Reported	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Severely Mentally Ill	227	58	61	346
Chronic Substance Abuse	94	25	47	166
Veterans	48	139	12	199
HIV/AIDs	21	22	3	46
Victims of Domestic Violence	444	80	23	547
Unaccompanied Youth	65	55	28	148
<i>Unaccompanied Youth Under 18</i>	<i>9</i>	<i>0</i>	<i>7</i>	<i>16</i>
<i>Unaccompanied Youth 18-24</i>	<i>56</i>	<i>55</i>	<i>21</i>	<i>132</i>
Children of Parenting Youth	15	28	1	44
<i>Parenting Youth under 18</i>	<i>2</i>	<i>1</i>	<i>0</i>	<i>3</i>
<i>Parenting Youth 18-24</i>	<i>13</i>	<i>27</i>	<i>1</i>	<i>41</i>
Children of Parenting Youth	19	28	1	48

HUD 2020 Continuum of Care Homeless Assistance Programs Homeless populations and Subpopulations – Point in Time 2020 Count

According to the Connecticut Coalition to End Homelessness (“**CCEH**”), initial data from the January 26, 2021 Point in Time (“**PIT**”) count shows that the overall homeless population has dropped 10.7% to 2,594. This year’s unsheltered PIT count does reflect a 32% increase in this population. The unsheltered population cannot be compared to previous year’s results due to a different methodology utilized for safety concerns over COVID-19. This year data in the Homeless Management Information system (“**HMIS**”) was utilized. The unsheltered data is managed by professional outreach teams who are familiar with this population and engage with them year-round. The method employed this year provided accurate data on demographics, disabling conditions, and chronic homelessness since it is entered and verified by outreach staff throughout the year.

Point in Time Count 2021:

Demographic Summary by Race	Sheltered			Unsheltered	Total
	Emergency Shelter	Transitional Housing	Safe Haven		
Black or African American	730	95	2	167	994
White	844	183	7	234	1,268
Asian	14	0	0	3	17
American Indian or Alaska Native	27	3	0	3	33
Native Hawaiian or other pacific Islander	8	3	0	3	14
Multiple Races	222	27	0	19	268
Total	1,845	311	9	429	2,594

Connecticut Coalition to End Homelessness PIT Dashboard January 2021

Demographic Summary by Ethnicity	Sheltered			Unsheltered	Total
	Emergency Shelter	Transitional Housing	Safe Haven		
Hispanic/Latino	523	94	0	83	700
Non-Hispanic/Non-Latino	1,322	217	9	346	1,894
Total	1,845	311	9	429	2,594

Connecticut Coalition to End Homelessness PIT Dashboard January 2021

Summary of Persons in Each Household Type	Sheltered				Unsheltered	Total
	Emergency Shelter	Transitional Housing	Safe Haven			
Persons in households without children	1,310	178	9		429	1,926
Persons in households with at least one adult and one child	528	133	0		0	661
Persons in households with only children	1	0	0		0	1

Connecticut Coalition to End Homelessness PIT Dashboard January 2021

Summary of Chronically Homeless Persons in Each Household Type	Sheltered				Unsheltered
	Emergency Shelter	Transitional Housing	Safe Haven		
Chronically Homeless All Adults	400	0	1		65
Chronically Homeless Single Adults	291	0	1		0
Chronically Homeless Adults in Families	41	0	0		0

Connecticut Coalition to End Homelessness PIT Dashboard January 2021

Summary of all Other Populations Reported	Sheltered			Unsheltered	Total
	Emergency Shelter	Transitional Housing	Safe Haven		
Severely Mentally Ill	211	43	2	98	354
Chronic Substance Abuse	98	24	3	53	178
Veterans	30	75	9	14	128
HIV/AIDs	22	12	0	7	41
Victims of Domestic Violence	409	93	0	22	524
Unaccompanied Youth	397	145	0	29	571
<i>Unaccompanied Youth Under 18</i>	<i>309</i>	<i>76</i>	<i>0</i>	<i>0</i>	<i>385</i>
<i>Unaccompanied Youth 18-24</i>	<i>88</i>	<i>69</i>	<i>0</i>	<i>29</i>	<i>186</i>

Connecticut Coalition to End Homelessness PIT Dashboard January 2021

Description of the unmet housing and service needs of qualifying populations, including but not limited to:

- **Sheltered and unsheltered homeless populations**
- **Those currently housed populations at risk of homelessness**
- **Other families requiring services or housing assistance or to prevent homelessness**
- **Those at greatest risk of housing instability or in unstable housing situations**

Since 2015 the State of Connecticut has been prioritizing its resources based on population need. This idea has been one of the cornerstones of the state's plan to address homelessness which utilizes a common assessment tool to rank those experiencing homelessness by their likelihood to die on the streets and deploys resources accordingly. This Needs Assessment and Gap Analysis will help Connecticut to direct HOME – ARP funding based on the identified housing needs of its most cost burdened populations first.

According to the recent study, *Connect Housing Assessment Current and Future Trends in Affordable and Accessible Housing Supply and Needs* (the Study), December 2020, conducted by Fairfield County Center for Housing Opportunity, Urban Institute, Corporation for Supportive Housing, and Datahaven, incomes among renters have stayed steady even as rental costs have risen by at least 10 percent and by more in areas where the rental stock remained constrained. Because of this, Connecticut's renter population faces significantly higher and rising rates of cost burdens than homeowners, and housing investments that support the economic wellbeing of renter may have higher marginal societal returns than those intended for homeowners.

The Study further indicates the population of cost burdened renters is particularly high in fast-growing markets such as those in Fairfield and New Haven Counties (figure 35, page 6, *Connecticut Housing Assessment Current and Future Trends in Affordable and Accessible Housing Supply and Needs*, December 2020, Fairfield County Center for Housing Opportunity, Urban Institute, Corporation for Supportive Housing, and Datahaven). While the number of cost burdened renters is highest in central cities, the share of cost burdened renters is particularly high in smaller towns (with the exception of Bridgeport), especially suburbs of larger cities. These data indicate that assisted housing is most needed in those central cities with high cost burdened populations, but also that regional coordination between large cities and their outlying suburbs may be necessary to ensure adequate production of rental housing to reduce the share of renters commuting into those central cities who are cost burdened.

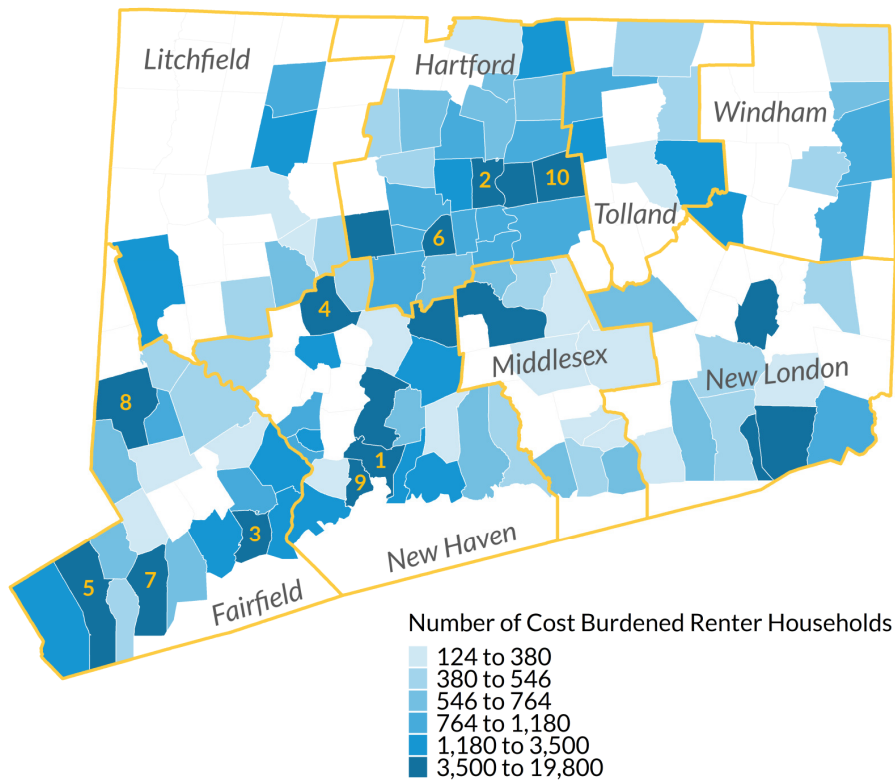


Figure 35

Source: ACS 2014-2018 data.

Note: Map shows towns with at least 400 renters. Top ten ranked townships are: 1) New Haven City, 2) Hartford City, 3) Bridgeport, 4) Waterbury, 5) Stamford, 6) New Britain, 7) Norwalk, 8) Danbury, 9) West Haven, and 10) Manchester.

The Study recommends focusing specifically on aging populations and the need for greater assisted accessible housing across the state but especially in town with high Black, indigenous, or persons of color (BIPOC) populations and especially in some of the state’s more rural counties.

As Figure 35 showed, the largest need for assisted accessible housing units is concentrated in the state’s urban counties: Fairfield, Hartford, and New Haven Counties. However, the share of very-low-income households with a member who has a disability is actually highest in Windham and New London Counties, indicating that a greater share of assisted housing in those counties needs to be made accessible for populations with disabilities.

Number and Share of Households with a Member with a Disability by Income Band and County

Income Category*	Number/Share of HHs within Income Band**	Connecticut	Fairfield	Hartford	Litchfield	Middlesex	New Haven	New London	Tolland	Windham
VLI	Number	76,498	19,392	21,676	3,147	3,670	17,337	6,077	2,533	2,666
	Share	38%	35%	41%	36%	39%	37%	42%	33%	46%
LI	Number	46,206	10,227	11,881	2,930	2,514	11,596	3,430	1,762	1,866
	Share	31%	27%	32%	34%	33%	31%	32%	26%	41%
MLI	Number	50,444	11,031	13,600	2,983	2,206	12,044	4,480	2,104	1,996
	Share	24%	22%	24%	25%	21%	23%	25%	26%	29%
MHI	Number	45,211	9,117	11,229	2,530	2,345	10,538	4,979	2,281	2,192
	Share	20%	17%	19%	17%	19%	20%	24%	22%	24%
HI	Number	84,087	18,072	22,105	4,415	3,572	21,438	7,957	2,959	3,569
	Share	15%	13%	15%	15%	13%	15%	18%	13%	20%

Table 26

Source: IPUMs ACS 2014-2018 data

Note: *VLI = Very-Low-Income; LI = Low-Income; MLI = Mid-High -Income; HI = High-Income

**Share represents the percentage of all households within that income band that have a least one member with a disability

More detailed data on the distribution of very-low-income households with at least one member with a disability offers even clearer directing for targeting the state’s assisted accessible housing resources (figure 36, page 9, *Connecticut Housing Assessment Current and Future Trends in Affordable and Accessible Housing Supply and Needs*, December 2020, Fairfield County Center for Housing Opportunity, Urban Institute, Corporation for Supportive Housing, and Datahaven). The Study indicates that Connecticut would best meet the most pressing accessible housing needs of very-low-income households by targeting assistance to and further exploring the town-by-town needs within:

- Northern Hartford County, which include East Granby, Enfield, Hartland, Simsbury, Windsor, Windsor Locks, Canton, East Windsor, Suffield, Granby Bloomfield, Ellington, Somers, Colebrook, and Barkhamsted towns.
- West Haven, Milford, and Orange towns

- Northern New London County, which include Lisbon, Bozrah, Franklin, Griswold, Norwich, Preston, Scotland, Canterbury, Plainfield, Sterling, Sprague, Voluntown towns
- Windham County
- Bristol, Southington, and Burlington towns

All of these groups of towns have high prevalence of disabilities among their very-low-income households. At least 44 percent of the very-low-income households within these PUMAs have a member with a disability. Considering that these areas aggregate town-level data, it is highly likely that the concentration of very-low-income households with disabilities is even higher in some towns and lower in others within these town groups.

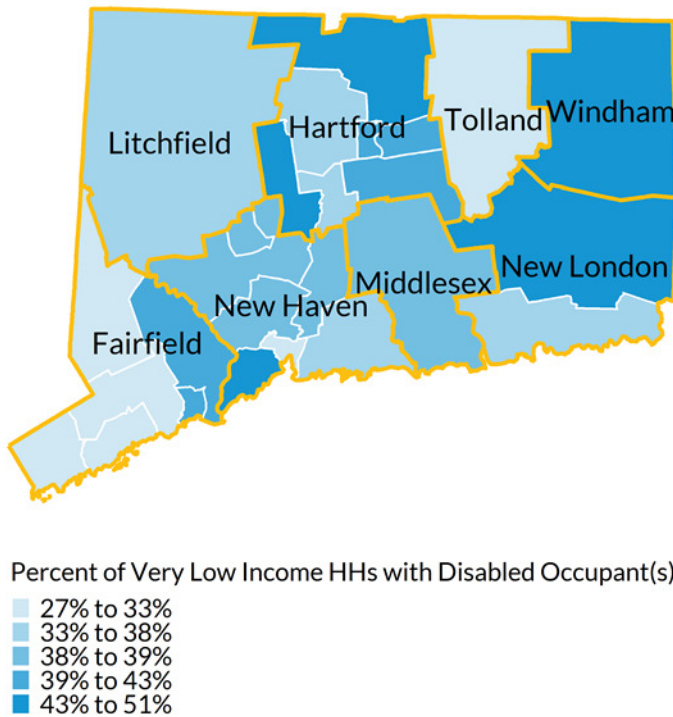


Figure 36
Source: ACS 2014-2018 data

Lastly, the Study notes that in addition to Connecticut’s current distribution of populations with disabilities, the population will age significantly even as it decreases, which means that there will be less demand for new assisted housing units than demand for modifications of

Other Related Initiatives

The Study also examined housing accompanied by a service component (supportive housing) that allows households living with a cognitive, independent living, or self-care disability to thrive in independent living situations. Units in this category include the state Rental Assistance Payments program for special populations, DMHAS Supportive housing Program, LIHTC and HTCC Supportive Housing Set-asides, the Section 811 PRA program, and federal Veterans Affairs Supportive Housing vouchers. Through administrative data sources, the study team identified 3,140 supportive housing units across these programs for individual and 588 for families.

Gaps within the current shelter and housing inventory as well as the service delivery system (shelter beds, housing inventory, service delivery):

Comparing the numbers of households (need) and housing units (supply) at respective income and cost bands indicates where there are gaps in affordable housing supply. According to the Study, there are currently 86,068 more very-low-income households than housing units affordable to such households. No county in Connecticut has a sufficient supply of affordable housing units to meet the needs of their very low-income households, with the largest gaps in Fairfield, Hartford, and New Haven Counties. Also, the decline in very-low-income households through 2040 will not be enough to close the current gap.

According to the ACS, there are 302,446 households (or 22 percent of total households) living in Connecticut that have at least one member with a disability. Generally, a larger percentage of low-and very-low-income households reported at least one member with a disability than households with higher incomes. Roughly one third of assisted housing in Connecticut needs to be designed for residents who have a disability, especially those with physical, ambulatory, and cognitive disabilities. Across the state, renter households with a member with a disability were more likely to be cost burdened, compared to renter households without a member with a disability.

The study showed that the need for Housing with Services (supportive housing) was identified using the following characteristic: having two or more active conditions (health/mental health/behavioral health) or one condition that rises to the level of a

disability, monthly income of less than \$750, and at least one episode of previous homelessness in the past three years. The current supply of supportive housing is insufficient to meet current needs.

Identification of priority needs for qualifying populations:

In order to effectuate long-term change, DOH intends to prioritize the creation and/or substantial rehabilitation of new affordable housing units, as well as the purchase or development of non-congregate shelter for individuals and families experiencing homelessness.

Explanation of how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:

A recently commissioned study, *Connecticut Housing Assessment Current and Future Trends in Affordable and Accessible Housing Supply and Needs*, December 2020, Fairfield County Center for Housing Opportunity, Urban Institute, Corporation for Supportive Housing, and Datahaven, offered county specific population and demographic trends and analyzed those trends against the backdrop of each county's current affordable and accessible housing inventory. This data and analysis offers an opportunity for Connecticut to develop an affordable and accessible housing strategy by prioritizing state funding of assisted units based on the identified housing needs of its most cost burdened populations first.

V. HOME – ARP Activities

A. Resources

Federal and state resources are being distributed to help communities provide housing, shelter, and services for the most vulnerable populations. This State of Connecticut 2021-2022 Action Plan – First Amendment – HOME Investment Partnership Program – American Rescue Plan for Housing and Community Development outlines the additional HOME – ARP funding the State of Connecticut will receive for the HOME Investment Partnership Program. Details on how the state will address the needs of our most vulnerable populations are found in the program-specific sections of this report.

This State of Connecticut 2021-2022 Action Plan – First Amendment – HOME Investment Partnership Program – American Rescue Plan for Housing and Community Development provides a detailed plan for expending HOME – ARP funds:

The State of Connecticut’s FY 2021 HOME-ARP allocation is \$35,939,963.

While the state cannot anticipate what other public or private funds may become available to support our most vulnerable populations, the state will endeavor to maximize and leverage the use of any such resources as they become available.

B. Method for Soliciting Applications

The Department of Housing in collaboration with the Connecticut Housing Finance Authority is inviting any Developer/Owner that is looking to apply for funding and/or other resources from DOH and/or CHFA for the new construction, substantial rehabilitation, and/or preservation of affordable housing in the next calendar year to participate in the *Development Engagement Process*.

This process is intended to identify and to create a pipeline of potential activity for future funding opportunities including but not limited to new construction, substantial rehabilitation and/or preservation of affordable and supportive housing.

Developers/applicants are requested to complete the DOH/CHFA Development Engagement Profile that describes the project, development or concept as it currently stands. There is no requirement to engage a consultant, prepare any formal documentation, obtain any approvals or expend any funds in order to complete and submit the *DOH/CHFA Development Engagement Profile*.

Upon receipt of a *DOH/CHFA Development Engagement Profile*, developers/applicants will be contacted by DOH to schedule a face-to-face meeting with DOH and CHFA staff to discuss the proposed activity outlined. The proposed activity, including the proposed target population to be served, will be evaluated across all available funding sources within the Department's resources, including HOME-ARP, and projects that address eligible target populations will be directed to the use of HOME-ARP.

- Applicants for HOME-ARP must meet the minimum program eligibility and threshold requirements;
- Depending on the nature of the proposed activity, site inspections may be conducted by DOH staff. An evaluation of the site's feasibility will be completed and considered as part of the review process.

C. Distribution of Administrative Funds to a Subrecipient

The State of Connecticut will not be distributing any portion of its HOME – ARP administrative funds to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan.

D. Geographic Distribution

Funding under the HOME – ARP program will be available in all 169 communities in accordance with program requirements and target population requirements. Proposals that include responsible growth, livability initiatives or community impact may be prioritized. Refer to **Section IX (D)(1)(d)** below for details.

E. Use of HOME – ARP Funding

The Department of Housing is prioritizing the creation of affordable housing opportunities for qualified populations, and creating non-congregate shelter opportunities. Other eligible activities may be considered, as opportunities arise.

HOME Investment Partnership Program – American Recovery Plan	
<u>TARGETED FUNDING</u>	<u>HOME - ARP</u>
AFFORDABLE HOUSING CREATION	\$ 25,000,000
NON-CONGREGATE SHELTER	\$ 5,548,969
ADMINISTRATION	\$ 5,390,994
TOTAL	\$ 35,939,963

The table above is the estimated allocation of funding per eligible activity. These are estimates only, and do not reflect actual limitations on use of funds.

HOME – ARP funds will only be used for individuals or families from the following qualifying populations: homeless; at-risk of homelessness; fleeing or attempting to flee domestic violence, sexual assault, stalking, or human trafficking; other populations where providing assistance would prevent the family’s homelessness or would serve those with the greatest risk of housing instability; and veterans and families that include a veteran family member that meet one of the preceding criteria.

DOH is **not** prioritizing one eligible qualifying population over another.

Description of how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provide a rationale for the plan to fund eligible activities:

The overall lack of affordable housing inventory, as well as the limited availability of non-congregate shelter options has put a significant strain on the qualified populations in Connecticut as well as the shelter delivery system. As part of the response to the COVID-19 pandemic, Connecticut has been a national leader in providing non-congregate shelter

options (deconcentration of our shelters) through the use of hotels/motels as temporary or short-stay options. A review of this effort has continued to show great success, both in terms of service delivery, as well as to offer more independence options to members of the qualified populations. The continuation of this effort through the end of the COVID-19 pandemic, and into the future appears to be a way to provide both direct and immediate assistance, as well as to provide opportunity for further opportunities to benefit the qualified populations into self-sufficiency over the long term.

Taking a similarly targeted approach to the production, preservation, and protection of affordable housing and in particular supportive housing, is seen as a way to transform the state's ability to make its vision of ensuring housing for everyone into a reality.

VI. HOME – ARP Housing Production Goals

A. Estimated number of affordable rental housing units for qualifying populations that the State of Connecticut will produce or support with its HOME-ARP allocation

It is anticipated that the HOME-ARP allocation will support the creation of 100 affordable housing units for qualifying populations, but will also leverage the creation of as many as 1000 affordable housing units, serving households across the affordable housing income spectrum.

B. Affordable rental housing production goal that the State of Connecticut will achieve and how it will address the state's priority needs.

The Department of Housing currently has an annual goal of producing 3,000 affordable housing units, using the wide variety of funding resources available, including both state and federal funds.

This level of production is achievable and will significantly impact both the affordability and availability of housing for low and moderate income households across the State.

VII. Preferences

Preferences identified, explaining how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the state’s needs assessment and gap analysis.

The Department of Housing does not intend to prioritize within the qualifying populations. Housing and non-congregate shelter opportunities will not be limited by qualifying population groups.

VIII. HOME – ARP Refinancing Guidelines

A. HOME – ARP Refinancing Guidelines

The State of Connecticut DOH does not intend to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds.

IX. Other Requirements

A. Eligible Applicants

Eligible applicants can include: units of general local government (including other PJ’s: Participation Jurisdictions), for-profit and nonprofit entities (including CHDO’s). HOME – ARP.

B. Eligible Activities – Production

HOME-ARP funds can be used for four eligible activities including the production or preservation of affordable housing; tenant-based rental assistance; supportive services, including homeless prevention services and housing counseling; and the purchase or development of non-congregate shelter for individuals and families experiencing homelessness. Additionally, HOME-ARP provides up to 15 percent of the allocation for administration and planning costs of the participating jurisdiction and for subrecipients administering all or a portion of the grant.

C. Eligible forms of Subsidy

Forms of assistance can include, but are not limited to: loans or advances (interest or non-interest bearing), deferred loans (forgivable or repayable), grants, interest subsidies, equity investments, loan guarantees, and loan guarantee accounts.

D. Program Eligibility and Threshold Requirements

1. Evaluation Criteria for HOME - ARP

The following are categories of evaluation criteria and descriptions of factors that may be considered within each category.

1. Affordability, Marketability, and Fair Housing and Equal Opportunity

The project must meet one or more of the priorities as outlined in the ConPlan. This category will consider: the overall housing and community development needs of the site; the neighborhood, the community, the municipality and the region in which the activity is proposed; the documented need for the specific activity proposed; the extent to which qualified populations will be served or will benefit; the extent to which health and safety issues apply; the extent to which the proposal addresses the community's special needs housing and a market analysis of the proposed activity and waiting lists (if appropriate). This category also includes a rating of the applications demonstration of how it will meet DOH established fair housing goals and requirements. DOH will consider the demonstration of a previously approved and active Fair Housing Action Plan, and the applicant's performance in achieving the goals of the plan. The extent to which the proposed activity addresses elements in the state's Analysis of Impediments Action Plan will be considered. This category will also consider the extent to which a proposal promotes racial and economic integration, the extent to which the proposal offers housing choice and opportunities to qualified populations.

b. Project Feasibility and Readiness to Proceed

DOH must expend federal funds in a timely manner; therefore, priority shall be given to all projects that have a "ready to proceed" status. "Ready to proceed" means that necessary approvals are in place, such as permits, funding, certifications, etc. This category will consider distinct areas: site, development, and operational feasibility.

Site feasibility will consider the environmental condition of the proposed activity, site control, current zoning and approvals, infrastructure condition and needs, the presence of hazardous materials, and historic preservation requirements. Development feasibility will consider project cost including total development cost, per unit cost and program cost (“soft cost”), proposed development budget, appraisals, funding commitments from other sources, the extent to which the HOME-ARP funds are used as gap financing or funding of last resort, relocation, project time line, and project readiness to proceed. Operational feasibility will consider proposed operating budget, proposed rents and/or purchase prices, the reasonableness of operating expenses including fees, and cash flow projections for the project.

c. Applicant/Sponsor Capacity

All applicants must meet all thresholds and be in full compliance with any and all assistance agreements with DOH and cannot be in default under any DOH, CHFA or HUD-administered program. This category will consider the applicant’s success with previous DOH funded projects, development experience, experience of the development team and staff, management experience, performance in administering previous grants and/or loans from DOH, and performance in promoting fair housing and equal opportunities.

d. Responsible Growth, Livability Initiatives, and Community Impact

Responsible growth¹ includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. DOH may give preference to projects that satisfy the following responsible growth criteria:

- Conformance with the goals and development and conservation criteria of the current Conservation and Development Policies Plan for Connecticut;
- Have regional development emphasis or are result of regional collaborations;

¹ As per the Governor’s Executive Order No. 15, DOH is actively adopting responsible growth principles in all its policies and programs.
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- Reuses and rehabilitates existing property, infrastructure, and land;
- Are sited within existing developed areas and promote infill development;
- Are sited within existing public utilities service areas (water, sewer, etc.);
- For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land;
- Promote transit-oriented development²;
- Provide or leverage educational opportunities at all grade levels;
- Promote the livable characteristics of the sustainable communities' initiative³;
- Promote mixed-use⁴ development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other);
- Integrate sustainable building characteristics such as energy/water conservation, energy efficiency and "green" building into project design; and
- Avoid adverse impacts to natural and cultural resources and open space.
- DOH may consider the community impact of a proposal and whether the proposal is part of a comprehensive planning process for the community, such as a Community Revitalization Strategy, Plan of Development or similar planning effort. The applicant must provide evidence of the planning effort supporting the project. This category will consider: the relationship between the proposed activity and the other housing; housing activities that are planned or underway in the impacted neighborhood; the relationship of the proposed activity to priorities identified in the municipality's or region's plan of development; the economic impact of the proposed activity; local government support for the proposed activity; neighborhood support for the proposed activity and if the proposed activity is located in a targeted investment area, such as a Neighborhood Revitalization Zone or Enterprise Zone.

² "Transit-oriented development" as defined in the June Special Session, Public Act No. 07-7 of the Connecticut General Assembly, is the development of residential, commercial and employment centers within one-half mile or walking distance of public transportation facilities, including rail and bus rapid transit and services, that meet transit supportive standards for land uses, built environment densities and walkable environments, in order to facilitate and encourage the use of those services.

³ HUD, the USDOT and the EPA have entered into a "partnership to help American families gain better access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities". This initiative, known as the Sustainable Communities Initiative, is based on livability principles that emphasize integration of land use with transportation - See "HUD and Dot Announce Interagency Partnership to Promote Sustainable Communities", HUD Press Release No. 09-023, March 18, 2009

⁴ Mixed-use refers to a variety of land uses such as residential, retail, commercial, business, office, public, and recreational.