

CONNECTICUT HOUSING & SEGREGATION STUDY

Appendices to Accompany the Final Report

January 2024

Prepared By

Urbanomics

Table of Contents

Appendix A: Housing Program Descriptions.....A-6

 Overview A-6

HOMEOWNERSHIP ASSISTANCE/SUBSIDIES.....A-6

1. Specially Adapted Housing Program..... A-7
2. Section 203(k) Rehab Mortgage Insurance & Loan Program A-8
3. Conventional AMI Loan Program (CALP) A-8
4. CT Fair Alternative Mortgage Lending Initiative and Education Services Program (CTFAMILIES)..... A-9
5. Downpayment Assistance Program (DAP)..... A-10
6. Emergency Mortgage Assistance Program (EMAP)..... A-10
7. Housing Finance Authority (HFA) Preferred Loan Program..... A-11
8. HFA Advantage Loan Program A-12
9. Home of Your Own Program for Persons with Disabilities A-12
10. Homebuyer Mortgage Program..... A-13
11. Homeownership Mortgage for Residents of Public Housing A-14
12. Limited Equity Cooperative A-14
13. Mobile Manufactured Home Loan Program..... A-15
14. Police Homeownership Program A-16
15. Teachers Mortgage Assistance Program A-16
16. Time to Own-Forgivable Down Payment Assistance Program A-18
17. Veterans & Military Service Members..... A-18
18. Smart Move Second Mortgage Program A-19
19. Veteran’s Homeownership Pilot Program A-19
20. Homeowner’s Equity Recovery Opportunity (HERO) Loan Program..... A-20
21. Pilot Downpayment Assistance and/or Closing Cost Program for Manchester A-21
22. Urban Rehabilitation Homeownership Mortgage Program (UR HOME) A-21
23. Bond Financing..... A-22
24. Energy Conservation Loan Program A-24
25. Habitat for Humanity A-24
26. PRIME (Private Rental Investment Mortgage and Equity)..... A-25

HOUSING DEVELOPMENT/PRESERVATION.....A-26

27. Federal Low-Income Housing Tax Credit (LIHTC) Program..... A-26

28.	HOME Investment Partnerships Program	A-27
29.	Loan Management Set-Aside (LMSA) Program	A-29
30.	National Housing Trust Fund (NHTF)	A-31
31.	Property Disposition (PD) /8 Existing.....	A-32
32.	RAD Public Housing Conversion.....	A-33
33.	Sections 207/223(F): Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing	A-35
34.	Section 220 Urban Renewal Housing.....	A-37
35.	Section 221(D)(4): Market Rate - Moderate Income/ Displaced Families.....	A-38
36.	Section 223(a)(7): Mortgage Insurance for Purchase for Refinancing of Existing Multifamily Rental Housing 40	
37.	Section 515: Rural Rental Housing Loans	A-41
38.	Section 515: Section 8 New Construction/Substantial Rehabilitation	A-42
39.	Section 538: Rural Rental Housing Loans	A-43
40.	Section 542(B): Risk-Sharing Program - Qualified Participating Entities (QPE)	A-44
41.	Section 542(C): Housing Finance Agency Risk Sharing	A-45
42.	Section 811: Supportive Housing for Persons with Disabilities (Project Rental Assistance Contract for the Disabled or the PRAC/811 Program)	A-47
43.	Small Cities CDBG Program.....	A-49
44.	Tax Credit Assistance Program and Section 1602 Tax Credit Exchange Program	A-51
45.	Congregate Housing for the Elderly.....	A-53
46.	Market Rate Conversion Program	A-53
47.	Mutual Housing Program.....	A-54
48.	State Housing Tax Credit Contribution (HTCC) Program	A-54
49.	PRIME (Private Rental Investment Mortgage and Equity).....	A-55
50.	Moderate Rental Housing Program (Developer)	A-55
51.	Affordable Housing Program (AHP) a.k.a. FLEX.....	A-56
52.	DOH Predevelopment Loan Program	A-57
53.	Incentive Housing Zone (IHZ) Program	A-57
54.	Land Bank Trust	A-58
55.	Competitive Housing Assistance for Multifamily Properties (CHAMP)	A-59
56.	Connecticut Housing Trust Fund.....	A-60
57.	State-Sponsored Housing Portfolio Moderate Rehabilitation Projects.....	A-61

58.	Deeded Affordable Housing Units	A-61
RENTAL SUBSIDIES AND ASSISTANCE		A-62
59.	Section 236: Preservation Program	A-62
60.	Farmers Home Administration (FmHA)/Section 515 Rural Rental Housing Program	A-63
61.	Housing Choice Voucher Program (HCV).....	A-64
62.	Mainstream Vouchers.....	A-66
63.	Non-Elderly Disabled (NED) Vouchers	A-67
64.	Project-Based Section 8 Voucher.....	A-69
65.	Public Housing.....	A-70
66.	Section 8 Rental Assistance Demonstration (RAD).....	A-73
67.	Section 8-Multifamily Preservation	A-74
68.	Section 202: Project Rental Assistance Contracts (PRAC)	A-75
69.	CT Rental Assistance Program (RAP)	A-78
70.	CT Security Deposit Guarantee Program (SDGP).....	A-79
71.	Elderly Rental Assistance Program (ERAP).....	A-79
72.	Renter’s Rebate Elderly and Disabled Relief Program.....	A-81
SUPPORTIVE/SPECIAL NEEDS HOUSING		A-81
73.	Section 202: Supportive Housing for the Elderly Program	A-82
74.	Section 811: Supportive Housing for Persons with Disabilities (811/PRA).....	A-83
75.	Shelter + Care (BEAU)	A-86
76.	Family Unification Program (FUP).....	A-87
77.	Permanent Supportive Housing (PSH)	A-88
78.	Veterans Affairs Supportive Housing Program (HUD-VASH)	A-89
79.	Assisted Living in Federal Facilities	A-90
80.	CT Supportive Housing Demonstration Program.....	A-91
81.	Frequent Users’ Service Enhancement (FUSE) Program	A-91
82.	Rapid Re-Housing.....	A-92
Appendix B: Project Database		B-1
Introduction		B-1
Project Data Sources.....		B-1
Database Overview		B-2
Database Development Methodology.....		B-2

Project Locations.....	B-2
Data Concerns.....	B-2
Deduplication Process	B-3
Race-Ethnicity Imputation	B-9
Appendix C: Town Database	C-1
Introduction	C-1
Database Overview	C-1
Database Access	C-1
Appendix D: All Data Viewer Tool.....	D-1
Use Instructions	D-1
Data Viewer Views #1 & 2	D-1
Multi-Area Data Viewer for Counts and Shares of Housing & Demographic Variables	D-2
Data Description	D-4
Geographic Areas.....	D-4
Data Variables.....	D-4
Indices	D-5
Population.....	D-5
Households	D-6
Housing Units.....	D-7
Subsidized Housing	D-7

Appendix A: Housing Program Descriptions

Overview

This section provides brief descriptions of the many housing assistance programs that exist in the State of Connecticut. Grouped by classification (homeownership assistance, housing development, rental assistance, and supportive housing¹), each profile provides basic information, where available, on the administration, history and funding of the program, along with an overview of the program as well as available information on eligibility, numbers of units and waitlists. Where informative, a more detailed discussion of policy issues and the impacts of the program on segregation and areas of further study are included.

Please note that program designations and unit counts vary from source to source, even within the same year. Some sources present all programs under a single section number in aggregate, while others identify sub-programs of each individual section. The unit counts provided are 2020 counts taken from the Town Level Program database unless otherwise stated.

Because of the discrepancies in labeling and the fact that multiple programs may be used to finance a single unit, the unit counts cannot be aggregated to provide the total subsidized units available in Connecticut.

HOMEOWNERSHIP ASSISTANCE/SUBSIDIES

This report focuses on affordable housing subsidies; however, the most prevalent housing subsidy in the United States is the Federal Home Mortgage Interest Deduction (HMID), which provided a benefit of \$30.2 billion in 2020 according to the Congressional Research Service. Further, 90.7 percent of these subsidies go to households with incomes of \$100,000 or more, with 63.9 percent of subsidies (\$19.3 billion) going to households with incomes of \$200,000 or more.² The HMID tax deduction is considered among the largest federal housing subsidy programs with a benefit equal to 58.7 percent of HUD's 2020 discretionary outlays of \$51.4 billion³ and is widely considered to be the engine that drives race and income inequality in the United States.⁴

The Connecticut Department of Housing (DOH) is required by statute P.A. 88-230 as part of the Affordable Housing Land Use Appeals Procedure to publish the Affordable Housing Appeals Listing (Appeals list), which provides the number of affordable housing units as a percentage of total housing units in a municipality for use in affordable housing development disputes.⁵ According to the Appeals list of 2020, there were some 31,493 households receiving single family homeownership assistance subsidies throughout the state. These types of programs are the most geographically diverse because they focus on the single-family housing stock prevalent throughout Connecticut; there are households receiving

¹ Supportive housing provides affordable housing combined with social services for individuals with disabilities or, more commonly, for those experiencing homelessness to transition to permanent housing. The social services could include case management, mental health counseling, medical care management, and/or job counseling.

² Keightley, M. P. (June 25, 2020). *An Economic Analysis of the Mortgage Interest Deduction*. Congressional Research Service. Retrieved from <https://sgp.fas.org/crs/misc/R46429.pdf>.

³ US Department of Housing and Urban Development, FY 2021 Budget Outlays by Program, Comparative Summary, 2019-2021. Available at: https://www.hud.gov/program_offices/cfo/reports/fy21_CJ

⁴ Matthew Desmond. May 9 2017. "How Homeownership Became the Engine of American Inequality." *The New York Times*. Retrieved from: <https://www.nytimes.com/2017/05/09/magazine/how-homeownership-became-the-engine-of-american-inequality.html>

⁵ Connecticut Department of Housing. (2022). Affordable Housing Appeals Listing. Retrieved from <https://portal.ct.gov/DOH/DOH/Programs/Affordable-Housing-Appeals-Listing>.

mortgage assistance in almost every municipality in the state. Because these programs are generally statewide and apply to existing housing stock, they do not face the same approvals and development challenges as multifamily housing that limit usage and contribute to segregation.

1. Specially Adapted Housing Program

Administrator: US Department of Veterans Affairs

Lineage: Introduced in 1948 following the inception of the Veterans Administration

Years Funded: 1948-present

Funding Source(s): US Department of Veterans Affairs

Overview: The Specially Adapted Housing (SAH) program provides grants to US service members and veterans that meet eligibility criteria due to the development of certain severe disabilities (loss of limb movement, blindness, or severe burns) received while engaged in service work. The SAH program provides grants to assist with building, remodeling, or purchasing an adapted home to support service members and veterans living a barrier-free lifestyle. Several grants are available within the SAH program including Specially Adapted Housing (SAH), Special Housing Adaptation (SHA), temporary SAH/SHA, Home Improvements and Structural Alterations (HISA) grants, as well as Vocational Rehabilitation and Employment (VR&E) - Housing Adaptation Assistance.⁶

Eligibility: Eligibility varies by grant and assistance type within the SAH program with general eligibility to veterans and service members suffering from severe disabilities received during service. For the SAH grant, veterans and service members with service-connected disabilities may be eligible if entitled to disability compensation for the following injuries: loss of arms or legs, blindness, and severe burn injuries. SHA grants are awarded to those with disabilities including loss of both hands or arms, severe burn injuries, and certain respiratory and breathing injuries. Temporary SAH/SHA grants are available to adapt the homes of family members. HISA grants allow wider eligibility for disabilities incurred beyond service work and provide assistance for any home improvement necessary for treatment or disability access. Veteran Readiness and Employment (VR&E) assistance is available to individuals who are not able to currently work due to service-connected disabilities or who require adaptations to achieve a vocational goal.⁷

Units: 16⁸

Annual Funding: annual funding awarded per year is unknown for the State of Connecticut.

Data Availability: Annual data for the State of Connecticut was not identified from VA databases

⁶ U.S. Department of Veterans Affairs. (2022, January). *Specially Adapted Housing Program*. Retrieved from <https://www.benefits.va.gov/BENEFITS/factsheets/homeloans/SAHFactsheet.pdf>.

⁷ Perl, L. (2017, May 26). *VA Housing: Guaranteed Loans, Direct Loans, and Specially Adapted Housing Grants* (CRS Report No. R42504). U.S. Congressional Research Service. Retrieved from https://ecommons.cornell.edu/bitstream/handle/1813/78041/CRS_VA_Housing_0517.pdf?sequence=1

⁸ Office of Veterans Affairs. Email correspondence with VA, dated 12/14/2023.

2. Section 203(k) Rehab Mortgage Insurance & Loan Program

Administrator: Federal Housing Administration

Years Funded: 1978-present

Funding Source(s): Federal Housing Administration

Overview: The Section 203(k) rehab program provides both mortgage insurance and loans for homebuyers and homeowners to purchase or refinance a home and the cost of its rehabilitation. Section 203(k) fulfills the needs of homebuyers to obtain a single long-term, fixed, or adjustable rate loan that covers both the acquisition and rehabilitation of a property, which are typically subject to high-interest rates, short repayment terms, and a balloon payment.⁹

Eligibility: Open to all first-time home buyers subject to credit score eligibility criteria with scores of less than 500 not eligible for any FHA-insured financing. The program is open to only owner-occupants as well as local government and nonprofits that gain approval through FHA's homeownership centers. Homes must be at least one year old since the purpose of the program is to fund not new construction but repairs of existing property. Damaged homes are also eligible, including those impacted by disasters.¹⁰

Eligible property types include one- to four-unit single-family homes, interior repairs for condominium units in FHA-approved condominium projects, manufactured housing where the rehabilitation does not affect the structural components, mixed-use properties with one to four units, provided that over half of the property's square footage is for residential use; or HUD real estate owned (REO) property.

Units: 168

Data Availability: CHFA Mortgage Database, by race-ethnicity, income.

Policy Restrictions and Impediments to Desegregation: Available only to homeowners with medium to high credit scores.

3. Conventional AMI Loan Program (CALP)

Administrator: CHFA

Lineage: Following changes by Freddie Mac and Fannie Mae to the HFA Advantage and HFA Preferred programs that contributed to increased costs to homebuyers exceeding 80% of Area Median Income (AMI) in the form of increased mortgage insurance coverage or loan level pricing adjustments (LLPA), CHFA developed the CALP program. CALP offers a conventional program for borrowers with income exceeding 80% of AMI with lower mortgage insurance coverage and no LLPAs.

⁹ HUD, (Date Unknown). *203(k) Rehab Mortgage Insurance*. Retrieved from https://www.hud.gov/program_offices/housing/sfh/203k/203k--df

¹⁰ Federal Deposit Insurance Corporation (FDIC) Affordable Mortgage Lending Center, (October 12, 2021). *Affordable Mortgage Lending Guide: FHA Title II Programs*. Retrieved from <https://www.fdic.gov/resources/bankers/affordable-mortgage-lending-center/guide/part-1-docs/203k-rehabilitation-mortgage-insurance.pdf>.

Years Funded: 2020-present

Funding Source(s): CHFA

Overview: The CALP program provides first mortgage loan financing to qualifying first-time homebuyers that do not qualify for the FNMA-HFA Preferred or FHLMC-HFA Advantage Loan programs due to qualifying income exceeding 80% of AMI. Benefits of the CALP program include cost savings for borrowers on insurance costs and CHFA's below-market interest rate. Non-first-time homebuyers are also eligible if purchasing within a Federal Targeted Area.¹¹

Eligibility: Eligibility is limited to first-time homebuyers or those that have not owned a home in the past three years with additional requirements including that the eligible home must be a homebuyer's primary residence, the sales price of the home must fall within CHFA's Sales Price Limits, and an applicant's qualifying gross income must be greater than 80% of the FNMA/FHLMC Area Median Income for the county where the property is located but cannot exceed CHFA established qualifying income limits based on household size. Non-first-time homebuyers are also eligible if purchasing within a Federal Targeted Area.¹²

Units: 148

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

4. CT Fair Alternative Mortgage Lending Initiative and Education Services Program (CTFAMILIES)

Administrator: CHFA

Years Funded: 2007-2014

Funding Source(s): funded on an annual basis from state funds with additional support from federal grants

Overview: CTFAMILIES was established in December 2007 by Governor M. Jodi Rell as a home mortgage assistance and refinancing program to reduce homeowner monthly payments in response to the subprime mortgage crisis. Considered one of the first programs in the nation to address the sharp rise in foreclosures at the time,¹³ the CHFA program assists low- and moderate-income borrowers holding sub-prime loans by offering refinancing options with 30-year fixed-rate loans. Beyond refinancing, the program provides free debt counseling. CT FAMILIES also provides a second mortgage assistance loan available in addition to the refinance loan to assist with paying closing costs, back taxes, and other arrearages. The second mortgage can also be used to balance the gap between the appraised value of a home and what is owed on the high-interest mortgage.¹⁴

¹¹ "CHFA Conventional AMI Loan Program (CALP)" (Connecticut Housing Finance Authority, 2023), <https://www.chfa.org/homebuyers-homeowners/homebuyers/chfa-conventional-ami-loan-program>.

¹² Ibid.

¹³ "Governor Rell: CT FAMILIES Helping To Untangle Mortgage Mess for Connecticut Homeowners" (State of Connecticut Executive Chambers, Press Release, November 12, 2008), <https://ct.gov/Governorrell/cwp/view.asp?A=3293&Q=427746>.

¹⁴ "Connecticut Fair Alternative Mortgage Lending Initiative and Education Services Program" (Connecticut Housing Finance Authority, 2010), <https://web.archive.org/web/20100410045026/http://www.chfa.org/Homeownership/for%20Homeowners%20at%20Risk%20of%20Foreclosure/CTFAMILIESProgram.aspx>.

Eligibility: Eligible homeowners include those with year-round primary residences with a delinquent mortgage under a fixed or adjustable rate. Eligibility is further restricted by CHFA’s income limits unless located in a Federal Target Area. Applicants must demonstrate financial responsibility before hardship by providing evidence that delinquency is the result of adjustments to interest rates or due to financial hardships beyond their control.

Units: 251

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

5. Downpayment Assistance Program (DAP)

Administrator: CHFA

Years Funded: 1985-present

Overview: DAP serves as Connecticut’s only statewide down payment assistance program and is available to qualifying borrowers to help finance down payments on CHFA home mortgage loans. This program provides a unique service to provide support for households that are capable of paying monthly homeownership expenses but not the up-front down payment expense. DAP loans maintain the same interest rate as the primary home mortgage loan, a low-interest loan financed through CHFA. DAP loans must range from \$3,000 to a maximum amount of the minimum down payment required for the home, (between 3.0% to 3.5% of sales price).¹⁵

Eligibility: Eligible homeowners must first be approved for a CHFA mortgage from a CHFA-participating lender and must provide evidence of their financial capability of paying off both the CHFA first mortgage and the DAP loan. Eligible homeowners must also attend a free Homebuyer Education class before closing in order to qualify.¹⁶

Units: 3,645

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

6. Emergency Mortgage Assistance Program (EMAP)

Administrator: CHFA

Years Funded: 1990-1999,2008-present

Funding Source(s): CT General Fund

Overview: Initially developed in response to the early 1990s recession, EMAP provides short-term homeowner financing assistance for a period of up to five years for eligible homeowners at risk of foreclosure due to financial hardship beyond the control of the mortgage holder including income reductions or expense increases. EMAP loans

¹⁵ “Down Payment Assistance Program (DAP) Loan” (Connecticut Housing Finance Authority, 2023), <https://www.chfa.org/homebuyers-homeowners/homebuyers/downpayment-assistance-program-dap-loan>.

¹⁶ Ibid.

provide an initial payment to bring the homeowner's delinquent mortgage current, repaid over a 30-year fixed rate term. Some homeowners may qualify for monthly mortgage assistance.¹⁷

Eligibility: Eligibility is subject to CHFA review, including but not limited to unemployment or underemployment; a loss, reduction, or delay in Social Security, public assistance, pension, disability, retirement, or annuity benefits; divorce or loss of support payments; disability, illness, or death of an owner or family member; a significant increase in monthly mortgage payments; and an unanticipated rise in housing expenses.

Additionally, hardships cannot include accumulated credit or installment debt for non-essential purchases. The program is also available to homeowners with mortgages insured by the FHA and homeowners facing foreclosure to delinquent taxes, condominium or common interest community fees, water, and sewer charges. Homeowners must be living in the property facing foreclosure and no business or commercial use of the property is allowed. Eligibility is further limited to properties including single-family homes, 2-4 family homes, condominium units, and homes in Planned Unit Developments (PUDs).¹⁸

Units: Data not available, or classified with "other" programs

7. Housing Finance Authority (HFA) Preferred Loan Program

Administrator: CHFA

Years Funded: 2014-present

Overview: Among the most popular loans offered by CHFA, the HFA (Housing Finance Authority) Preferred Loan program is a national partnership between Fannie Mae and state housing finance authorities, such as CHFA, to serve low- to moderate-income borrowers. Benefits of the Preferred Loan program include no upfront mortgage insurance costs, reduced mortgage insurance coverage, low down payment requirements (as low as 3% of home value for single-family homes and 5% for 2-4 unit homes), and access to CHFA down payment assistance program loans.¹⁹

Eligibility: Available to first-time homebuyers or those who have not owned a home in the past three years. Eligible homes must be for primary residency with exclusions for investment or vacation properties. Additionally, the sales price of the eligible home must be within CHFA Sales Price Limits. Finally, an applicant's qualifying gross income must not exceed CHFA eligibility income limits as determined by household size. If applicants are not first-time homebuyers or have owned a home within the past years, they may still be eligible for the program if the home to be purchased is located within a Federal Target Area although applicants must still meet income limits for targeted areas. Eligible properties include single-family homes, townhomes, Fannie Mae or Freddie Mac eligible condominiums, Planned Unit Developments (PUDs), and 2-4 unit homes. As a requirement of approval, applicants are required to complete homebuyer education programs.²⁰

¹⁷ "Emergency Mortgage Assistance Program" (Connecticut Housing Finance Authority, 2023), <https://www.chfa.org/homeowners/emergency-mortgage-assistance-program>.

¹⁸ Ibid.

¹⁹ "HFA Advantage® and HFA Preferred™ Loan Programs" (Connecticut Housing Finance Authority, 2023), <https://www.chfa.org/homebuyers-homeowners/homebuyers/hfa-preferred-mortgage>.

²⁰ Ibid.

Units: 9,610

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

Policy Restrictions and Impediments to Desegregation: Lower down payment requirements for single-family homes favor rural and suburban program participation over urban areas.

8. HFA Advantage Loan Program

Administrator: CHFA

Years Funded: 2017-present

Overview: Nearly identical to the HFA Preferred program, HFA Advantage, the HFA (Housing Finance Authority) Advantage Loan program is a national partnership between Freddie Mac and state housing finance authorities, such as CHFA, to serve low- to moderate-income borrowers. Benefits of the Advantage Loan program include no upfront mortgage insurance costs, reduced mortgage insurance coverage, low down payment requirements (as low as 3% of home value for single-family homes), and access to CHFA down payment assistance program loans. As a requirement of approval, applicants are required to complete homebuyer education programs.²¹

Eligibility: Requirements are slightly more restrictive than the HFA Preferred program, with loans only available for single-family homes. Available to first-time homebuyers or those who have not owned a home in the past three years. Eligible homes must be for primary residency with exclusions for investment or vacation properties. Additionally, the sales price of the eligible home must be within CHFA Sales Price Limits. Finally, an applicant's qualifying gross income must not exceed CHFA eligibility income limits as determined by household size. If applicants are not first-time homebuyers or have owned a home within the past three years, they may still be eligible for the program if the home to be purchased is located within a Federal Target Area although applicants must still meet income limits for targeted areas.²²

Units: 384

Data Availability: CHFA Mortgage Database, by race-ethnicity, income,

9. Home of Your Own Program for Persons with Disabilities

Administrator: CHFA

Years Funded: 1995-present

Overview: The CHFA's Home of Your Own (HOYO) program offers below-market rate loans for first-time homebuyers with disabilities or whose household includes a disabled family member.

²¹ Ibid.

²² Ibid.

Eligibility: Applicants must provide proof of disability for themselves or a family member expected to occupy the home to lenders via documentation from state or federal entities such as the Social Security Administration, State Department of Social Service, or Department of Developmental Services. Like the CHFA Preferred Loan program, applicants must be first-time homebuyers or have not owned a home over the past three years with an exception for home loans in Federal Target Areas. Additionally, the sales price of the home must fall within CHFA Sales Price Limits and gross income must be within CHFA Statewide Income Limits.²³

Eligible properties are similar to CHFA Preferred Loan requirements and are open to existing single-family homes, buildings with 2-4 units, condominiums, and townhomes/PUDs, subject to FNMA and FHA approval for multifamily units.

Units: 129 units

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

Policy Restrictions and Impediments to Desegregation: Eligibility favors single-family homes with more stringent requirements for multifamily homes.

10. Homebuyer Mortgage Program

Administrator: CHFA

Years Funded: 1970-present

Overview: The CHFA's Homebuyer Mortgage program is one of CHFA's oldest mortgage programs offering below-market interest rates and down payment assistance available to low- to moderate-income borrowers and stands out from the HFA Preferred and Advantage Loan programs for its considerably lower interest rates (0.4 percentage points lower as of July 2023).²⁴ Unlike the Advantage and Preferred loan programs, no mortgage insurance benefits are available through the Homebuyer Mortgage Program.²⁵

Eligibility: Like the CHFA Preferred Loan program, applicants must be first-time homebuyers or have not owned a home over the past three years with an exception for home loans in Federal Target Areas. Additionally, the sales price of the home must fall within CHFA Sales Price Limits and gross income must be within CHFA Statewide Income Limits.

Eligible properties are similar to CHFA Preferred Loan requirements and are open to existing single-family homes, buildings with 2-4 units, condominiums, and townhomes/PUDs, subject to USDA-Rural Development and FHA approval for multifamily units.

Units: Data not available, or classified with "other" programs

²³ "Home of Your Own Program" (Connecticut Housing Finance Authority, 2023), <https://www.chfa.org/homebuyers/disabled-programs>.

²⁴ Connecticut Housing Finance Authority. (2023). Homebuyer Mortgage Interest Rates. Retrieved from <https://www.chfa.org/homebuyer-mortgage-interest-rates>

²⁵ "Homebuyer Mortgage Program" (Connecticut Housing Finance Authority, 2023), <https://www.chfa.org/homebuyers-homeowners/homebuyers/homebuyer-mortgage-program>.

11. Homeownership Mortgage for Residents of Public Housing (Section 8 Homeownership Loan Program)

Administrator: CT DECD/ CHFA

Years Funded: 2001-present

Overview: CHFA offers low-interest mortgages and down payment assistance as part of the Homeownership Mortgage program for residents of Public Housing or individuals receiving rental assistance. Federal mortgage insurance through the FHA, VA, or USDA Rural Development may be required for mortgage applications with less than a 20% down payment.

Eligibility: Program eligibility is limited to residents of properties managed or financed by CHFA, subsidized by HUD, or managed by local housing authorities that meet minimum credit, income, and employment standards. Like other CHFA mortgage programs, applicants must be first-time homebuyers or have not owned a home over the past three years with an exception for home loans in Federal Target Areas. Additionally, the sales price of the home must fall within CHFA Sales Price Limits and gross income must be within CHFA Statewide Income Limits. As a requirement of approval, applicants are required to complete homebuyer education programs.

Eligible properties are similar to CHFA Preferred Loan requirements and are open to single-family homes and townhomes/PUDs as well as FHA-approved or Fannie Mae-eligible condominium units and 2-4 unit homes occupied as residences for the past five years.

Units: 82

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

12. Limited Equity Cooperative

Administrator: CHFA, previously DECD

Lineage: The Limited Equity Cooperative program was originally administered by the Connecticut Department of Economic and Community Development (DECD). Oversight was transferred to CHFA around 1995

Years Funded: 1990-present

Overview: Limited Equity Cooperatives (LECs) are a unique form of homeownership where, unlike condominium units, homeowners purchase shares in a housing development rather than the unit itself with a requirement that in the event of resale, the homeowner must commit to resell their shares at a formula determined price. This structure allows cooperative homes to maintain affordability at both point of sale and into the future. Under the LEC program, CHFA oversees a range of rental housing sites subject to compliance and reporting requirements depending on the funding source. To support the development of housing under this model, CHFA provides deferred or low-interest loans as well as loans or grants to non-profit corporations to build low- or moderate-income housing. Residents maintain their cooperative membership status through contributions of labor or cash. The

program is regulated by State of Connecticut statutory rules and provisions of loan documents between the owner and CHFA.²⁶

It is notable that LECs differ from market rate cooperatives due to the rules that limit the extent to which a co-op member can profit when they sell their shares. This mechanism contributes to the long-term affordability of LECs by protecting the shares from price inflation. According to a 2002 article on State Support for Cooperative Housing, share prices for LECs ranged from \$500 to \$1,000 compared with market rate share fees of \$30,000 to \$40,000. Thus, the initial purchase price was highly affordable but monthly fees could vary considerably with some units unlikely to be affordable at certain income levels. Nevertheless, LEC turnover was low, a sign that monthly fees were not a major barrier to affordability for co-op members.²⁷

Units: Data not available, or classified with “other” programs

13. Mobile Manufactured Home Loan Program

Administrator: CHFA/ DECD

Years Funded: 2008-present

Overview: CHFA’s Mobile Manufactured Home Loan program offers low below-market interest rates at comparable levels to the HFA Preferred and Advantage Loan programs as well as low closing costs and monthly payments for eligible home buyers purchasing a single or double-wide manufactured home located in a state-licensed mobile park. Approval is subject to the availability of annual funding.²⁸

Eligibility: Applicants may be prior homeowners but they cannot own other property at the time of closing. Additionally, the mobile home must be the applicant’s primary residence and the sales price of the home must be within CHFA Sales Price Limits and gross income must be within CHFA Income Limits. As a requirement of approval, applicants are required to complete homebuyer education programs.

Eligible properties must be attached to a permanent foundation with wheels, axles, and hitched removed, be occupied year-round, at a state-licensed mobile home park, and applicants are required to enter into a yearly renewable lot lease agreement before loan closing.

Units: 29

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

²⁶ “Limited Equity Cooperative Program” (Connecticut Office of Legislative Research , March 20, 2002), <https://www.chfa.org/compliance-and-reporting/limited-equity-coop-program/#:~:text=Originally%20administered%20by%20the%20Connecticut,%2D%20to%20moderate%2D%20income%20housing.>

²⁷ Rappa, J., & Moran, J. (2002, March 20). State Support for Cooperative Housing. Connecticut Office of Legislative Research. Retrieved from <https://cga.ct.gov/2002/rpt/2002-R-0293.htm>

²⁸ Connecticut Housing Finance Authority. (2023). Mobile Manufactured Home Loan Program. Retrieved from <https://www.chfa.org/homebuyers-homeowners/homebuyers/mobile-manufactured-home-loan-program>

14. Police Homeownership Program

Administrator: CHFA

Years Funded: 1997-present

Overview: Reduced below-market rate loans as well as down payment assistance and target area discounts are available to municipal police officers seeking home loans in a participating city or town where they are employed. State police officers are also eligible for loans in any participating community. Current loans as of July 2023 are between 0.125 and 0.4 percentage points less than the HFA Preferred and Advantage Loan programs.²⁹

Eligibility: Available to first-time homebuyers or those who have not owned a home in the past three years. Eligible homes must be for primary residency with exclusions for investment or vacation properties. Additionally, the sales price of the eligible home must be within CHFA Sales Price Limits and an applicant's qualifying gross income must not exceed CHFA eligibility income limits as determined by household size. As a requirement of approval, applicants are required to complete homebuyer education programs.³⁰

Loans are available only in participating communities including Bloomfield, Bridgeport, Cheshire, Danbury, East Haven, Enfield, Hamden, Hartford, Manchester, Meriden, Milford, New Britain, New Haven, New London, New Milford, Norwalk, Norwich, Putnam, Stamford, Stratford, Waterbury, and West Hartford.

If applicants are not first-time homebuyers or have owned a home within the past three years, they may still be eligible for the program if the home to be purchased is located within a Federal Target Area although applicants must still meet income limits for targeted areas. Eligible properties include existing single-family homes, townhomes, 2-4 unit homes (occupied for the past five years), as well as FNMA or FHA-approved condominiums and Planned Unit Developments (PUDs). New construction single-family and duplex units are also eligible if located in targeted areas only.

Units: 142

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

Policy Restrictions and Impediments to Desegregation: The program is generally active within urban areas in the state's larger towns and cities.

15. Teachers Mortgage Assistance Program

Administrator: CHFA

Years Funded: 2000-present

Overview: Below-market rate loans as well as down payment assistance and target area discounts are available to active and certified teachers seeking home loans in a Priority or Transitional School District, in communities that

²⁹ Connecticut Housing Finance Authority. (2023). Homebuyer Mortgage Interest Rates. Retrieved from <https://www.chfa.org/homebuyer-mortgage-interest-rates>

³⁰ Connecticut Housing Finance Authority. (2023). Police Homeownership Program. Retrieved from <https://www.chfa.org/homebuyers/police-programs>

are home to technical education or career centers where they are employed, or to those who teach in a state-identified Subject Matter Shortage Area. Current loans as of July 2023 are between 0.125 and 0.4 percentage points less than the HFA Preferred and Advantage Loan programs.³¹

Additional incentives including a 0.250% interest rate discount are available to minority teachers that graduated from public high schools in an Educational Reform District, a historically Black college or university, or a Hispanic-serving institution. A further 0.25% interest rate reduction is available for applicants purchasing in a Federal Target Area.

Eligibility: Available to first-time homebuyers or those who have not owned a home in the past three years. Eligible homes must be for primary residency with exclusions for investment or vacation properties. Additionally, the sales price of the eligible home must be within CHFA Sales Price Limits and an applicant's qualifying gross income must not exceed CHFA eligibility income limits as determined by household size. As a requirement of approval, applicants are required to complete homebuyer education programs. If homes are purchased with a down payment of less than 20%, loans must be insured through the FHA, VA, USDA Rural Development, or private mortgage insurance.³²

Loans are available for teachers employed in Priority, Transitional, or Alliance School District communities including Ansonia, Bloomfield, Bridgeport, Bristol, Danbury, Derby, East Hartford, East Haven, East Windsor, Enfield, Groton, Hamden, Hartford, Killingly, Manchester, Meriden, Middletown, Naugatuck, New Britain, New Haven, New London, Norwalk, Norwich, Putnam, Sprague, Stamford, Sterling, Stratford, Thompson, Torrington, Vernon, Wallingford, Waterbury, West Hartford, West Haven, Winchester, Windham, Windsor Locks, and Windsor.

Loans are also available for teachers employed in Connecticut in any district and that teach in one of the following state-identified Subject Matter Shortage Areas including: Bilingual Education, PreK-12; Mathematics, 4-12; Special Education*, PreK-12; School Library & Media Specialist**, PreK-12; School Psychologist, PreK-12; Science, 4-12; Speech and Language Pathology, PreK-12; Technology Education**, PreK-12; TESOL, PreK-12; and World Languages, 7-12.

If applicants are not first-time homebuyers, they may still be eligible for the program if the home to be purchased is located within a Federal Target Area although applicants must still meet income limits for targeted areas.

Eligible properties include existing single-family homes, townhomes, 2-4 unit homes (occupied for past five years), as well as FHA, FNMA, FHLMC, VA or USDA-RD approved condominiums and FNMA and FHA approved Planned Unit Developments (PUDs). New construction single-family and duplex units are also eligible if located in targeted areas only.

Units: 1,046

³¹ Connecticut Housing Finance Authority. (2023). Homebuyer Mortgage Interest Rates. Retrieved from <https://www.chfa.org/homebuyer-mortgage-interest-rates>

³² Connecticut Housing Finance Authority. (2023). Teachers Mortgage Assistance Program. Retrieved from <https://www.chfa.org/homebuyers/teacher-programs>

16. Time to Own-Forgivable Down Payment Assistance Program

Administrator: CHFA

Years Funded: 2022-present

Funding Source(s): \$80,000,00 annual funding as of June 30, 2023

Overview: The newly enacted Time to Own Forgivable Down Payment Assistance (DPA) loan program is administered by CHFA on behalf of DOH and covers financing up to a 20% down payment and up to five percent of closing costs. The DPA is fully forgivable over a ten-year period with a zero percent interest rate and no monthly payments required. Eligible homebuyers may also take advantage of the CHFA Down Payment Assistance (DAP) loan, in addition to the Time To Own - Forgivable Down Payment Assistance Loan Program. Forgivable loans vary by home location with High or Very High Opportunity Areas eligible for funding of up to \$50,000 while Very Low to Moderate Opportunity Areas are eligible for DPAs up to \$25,000. The minimum Time to Own loan is \$3,000.³³

Eligibility: Time to Own is available to applicants that qualify for and receive a CHFA first mortgage loan. However, applicants must be current residents and also prove state residency over the past three years. Applicants that are not first-time homebuyers are eligible if purchasing property in a Federal Target Area.

Units: None available in 2020, the final study year

17. Veterans & Military Service Members

Administrator: CHFA

Years Funded: 2001-present

Overview: Reduced below-market rate loans (0.125% less than CHFA's standard below-market rate loans) as well as down payment assistance and target area discounts are available to military families and surviving spouses or partners. Current loans as of July 2023 are between 0.125 and 0.4 percentage points less than the HFA Preferred and Advantage Loan programs.³⁴

Eligibility: Open to current members and veterans of any branch of Military Services, the Army National Guard, or the Air National Guard who are first-time homebuyers or those who have not owned a home in the past three years. Eligibility is also extended to unmarried, surviving spouses, or civil union partners of a veteran that died as a result of military service or service-connected disabilities.³⁵

Eligible homes must be for primary residency with exclusions for investment or vacation properties. Additionally, the sales price of the eligible home must be within CHFA Sales Price Limits and an applicant's qualifying gross income

³³ Connecticut Housing Finance Authority. (2023). Time To Own - Forgivable Down Payment Assistance. Retrieved from <https://www.chfa.org/homebuyers-homeowners/homebuyers/time-to-own-down-payment-assistance-program-loan>

³⁴ Connecticut Housing Finance Authority. (2023). Homebuyer Mortgage Interest Rates. Retrieved from <https://www.chfa.org/homebuyer-mortgage-interest-rates>

³⁵ Connecticut Housing Finance Authority. (2023). Military Homeownership Program. Retrieved from <https://www.chfa.org/homebuyers/military-program>.

must not exceed CHFA eligibility income limits as determined by household size. As a requirement of approval, applicants are required to complete homebuyer education programs.

If applicants are not first-time homebuyers or have owned a home within the past three years, they may still be eligible for the program if the home to be purchased is located within a Federal Target Area although applicants must still meet income limits for targeted areas. Eligible properties include existing single-family homes, townhomes, and Planned Unit Developments (PUDs) as well as 2-4 unit homes (occupied for the past five years), FHA/VA-approved or Fannie Mae-eligible condominiums, and new construction duplex buildings that meet FHA energy efficiency standards.

Additionally, applicants must obtain mortgage insurance if the mortgage financed exceeds 80% of appraised value or purchase price.

Units: 669

18. Smart Move Second Mortgage Program

Administrator: CHFA

Years Funded: 2005-2017

Overview: A former CHFA program limited to New Haven, Fairfield, and Litchfield County low- and moderate-income households that assisted with down payment and closing costs. CHFA provided low-interest second mortgages to eligible households that were approved for a first home mortgage. The second mortgage had interest rates of 3% over a 20-year term limited to up to 20% of the purchase price and was used to pay down payment and closing costs. As an added benefit, SmartMove borrowers were not required to pay for mortgage insurance and could pay a down payment as low as one percent of the purchase price. There was a \$1,500-\$2,000 service fee required for SmartMove borrowers in the form of closing costs.³⁶

Eligibility: For households approved for first mortgages through CHFA with properties in New Haven County, Fairfield County, and parts of Litchfield County. Eligible applicants were required to meet income limits and attend HDF orientation sessions, one-on-one counseling sessions, and a post-purchase counseling session.

Units: Data not available, or classified with “other” programs

19. Veteran’s Homeownership Pilot Program

Administrator: CHFA

Years Funded: 2014-2016

³⁶ Connecticut Housing Finance Authority. (2015). Smart Move Second Mortgage Program. Retrieved from <https://web.archive.org/web/20150723051307/http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/SmartMoveSecondMortgageProgram.aspx>.

Overview: Veteran’s Homeownership was a short-lived pilot program for veterans that provided a below-market rate first mortgage as well as a secondary loan for a down payment at 0% interest over a 30-year term. The program had limited funding available on a first-come, first-served basis with a maximum secondary loan of \$10,000.³⁷

Eligibility: Eligible applicants were limited to US military veterans who were first-time home buyers that met CHFA income guidelines with an exception for first-time ownership of homes purchased in a Federal Target Area. Eligible properties included single-family homes, 2-4 unit homes, Planned Unit Developments (PUDs), and FHA- or VA-approved condominium units. Homebuyers were also required to attend homebuyer education or landlord education classes.

Units: Data not available, or classified with “other” programs

20. Homeowner’s Equity Recovery Opportunity (HERO) Loan Program

Administrator: CHFA

Years Funded: 2011-2015

Overview: The HERO mortgage program was a short-lived effort to support neighborhood stabilization during the recovery period following the 2007-2009 Housing Crisis by providing first mortgage financing assistance to first-time homebuyers and existing homeowners to purchase and rehabilitate foreclosed or abandoned homes including those conveyed by deed in lieu of foreclosure or short sale. These mortgages were underwritten in conjunction with the guidelines of the FHA Mortgage Insurance program. For homes in need of repairs, a full 203K rehabilitation loan or FHA 203k Streamline program loans were available.³⁸

Eligibility: Eligible applicants include first-time homebuyers or existing homeowners that agree to occupy the home being financed as a primary residence. Existing homeowners were not required to sell their homes but were required to occupy the home being financed as a primary residence. Each home financed had deed restrictions on the properties for a period of five years that restricted selling or transfer of ownership for a period of five years from the purchase date.

Eligible property types include single-family detached homes, 2-4 unit buildings, FHA-approved condominiums, and Planned-Unit Developments (PUDs) while cooperatives, unfinished homes, and demolished homes are ineligible.

Unlike other CHFA homebuyer financing programs, there were no sales price limits for the HERO program, unless financing was combined with other CHFA programs such as DAP. All applicants were required to complete homebuyer counseling with a CHFA-approved counseling agency prior to loan closing.

Units: 31

³⁷ Connecticut Housing Finance Authority. (2015). Veterans Homeownership Pilot Program. Retrieved from <https://web.archive.org/web/20150712162036/http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/PilotVeteransHomeownershipProgram.aspx>.

³⁸ Connecticut Housing Finance Authority. (2015). Homeowner's Equity Recovery Opportunity (HERO) Loan Program. Retrieved from <https://web.archive.org/web/20150702143333/http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/HomeownersEquityRecoveryOpportunityLoanProgram.aspx>.

21. Pilot Downpayment Assistance and/or Closing Cost Program for Manchester

Administrator: CHFA

Years Funded: 2007-2009

Overview: A short-term pilot program for the Town of Manchester that offered financial assistance in the form of low-interest down payment loans at 0.25% below CHFA's regular Homebuyer Mortgage Program rate over a 30-year year term at a fixed rate and reduced closing costs. The program also included a 0% interest rate loan up to a maximum of \$4,000 available from the Town of Manchester to cover a portion of the down payment and closing expenses. This loan was 100% forgiven over a five-year period unless sold five years after closing. Borrowers were also eligible for CHFA DAP loans.³⁹

Eligibility: Program participation was limited to first-time homebuyers as well as income and sales price limits within the Town of Manchester and further limited to selected neighborhoods within the town which included Census/Block Group numbers: 5142003; 5144001-5144004; 5145002; 5146001-5146005; 5147001-5147004; 5148003; portions of 5142001 and 5142002; and portions of 5144005. All applicants were required to complete homebuyer counseling with a CHFA-approved counseling agency before loan closing.

Units: 35

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

22. Urban Rehabilitation Homeownership Mortgage Program (UR HOME)

Administrator: CT DECD/ CHFA

Years Funded: 2000-2012

Overview: The UR Home program provided rehabilitation financial assistance to urban neighborhoods within Bridgeport, Hartford, New Haven, New London, Waterbury, and Windham for use in home purchases and repairs. Home purchase loans were available at 30-year fixed terms at below-market interest rates along with home improvement loans at no interest to eligible borrowers. The home improvement loans were forgivable in 20% annual increments over a period of five years and fully forgivable at year five if not sold prior.

Eligible repairs included improvements to correct structural damage, repairs to eliminate safety and health hazards, and repairs to improve disabled accessibility and energy efficiency. All repairs were required to be in compliance with state and local codes and ordinances.⁴⁰

³⁹ Connecticut Housing Finance Authority. (2013). Pilot Downpayment Assistance and/or Closing Cost Program for Manchester. Retrieved from <https://web.archive.org/web/20130530005710/http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/PilotDAPClosingCostProgramForManchester.aspx>.

⁴⁰ Connecticut Housing Finance Authority. (2011). Urban Rehabilitation Homeownership Program. Retrieved from <https://web.archive.org/web/20110902080614/http://www.chfa.org/Homeownership/for%20Homebuyers/Homebuyer%20Mortgage%20Programs/UrbanRehabilitationHomeownershipProgram.aspx>

Home loans were capped at a maximum of \$20,000 for single-family home repairs and \$25,000 for multifamily home repairs. Availability was limited to existing funding on a first-come, first-serve basis. All repairs were required to be completed within six months of loan closing and to be completed by licensed contractors. UR Home borrowers were required to attend homebuyer counseling sessions.

Eligibility: Eligible applicants were limited to borrowers willing to purchase and occupy a home in need of repairs in one of the five participating cities where borrowers also worked full-time. Eligibility was limited to state employees employed in the five cities, municipal employees, and employees of private companies within the five cities.

Program eligibility was unique from other CHFA home loan programs in that it was restricted to first-time homebuyers and income limits were not applied unless borrowers sought DAP assistance. Sales price limits were additional restrictions, as set by CHFA for each of the five cities. All applicants were required to sell any previously owned homes prior to closing and the qualifying home needed to be occupied year-round by the applicant.

Eligible properties included single-family homes or multifamily homes with a maximum of four units.

Units: 631

Data Availability: CHFA Mortgage Database, by race-ethnicity, income

23. Bond Financing

Administrator: CHFA

Years Funded: 1972-present

Funding Source(s): bond issuances directly raised by CHFA

Overview: Since 1972, CHFA has issued billions of dollars to finance the development of affordable housing in all 169 Connecticut towns. According to EMMA, a service of the Municipal Securities Rulemaking Board, CHFA has issued more than 600 bonds over the past 50 years to support its goal of providing affordable housing assistance to state households in need. Most recently, CHFA reports that it has lent more than \$500 million each year to support more than 150,000 Connecticut residents that have obtained financing assistance for first homes and another 60,000 affordable multifamily apartments developed with CHFA investments. In total, more than \$15 billion in bonds have been issued by CHFA subject to oversight by a publicly appointed board, regular audits from three major auditors, and the IRS as per federal tax law on state HFA tax-exempt debt.⁴¹ CHFA's bonds directly finance its below-market-rate homebuyer mortgage program as well as multifamily housing development of new construction, rehabilitation, and redevelopment of housing.⁴²

⁴¹ U.S. Securities and Exchange Commission (SEC). (2010). Disclosure for Asset-Backed Securities Acquired by Section 943 of the Dodd-Frank Wall Street Reform and Consumer Protection Act: Comments of CHFA. Retrieved from <https://www.sec.gov/comments/s7-24-10/s72410-18.pdf>

⁴² Connecticut Housing Finance Authority. (2023). About Us: More than 50 Years of Investment in Affordable Housing. Retrieved from <https://www.chfa.org/about-us>

CHFA serves as the allocating agency in the state of Connecticut for the Low-Income Housing Tax Credit (LIHTC) Program, which was established by federal legislation in 1986 under the U.S. Treasury Department, Internal Revenue Service (IRS). The LIHTC program is an indirect subsidy program that provides an incentive for private investment in affordable housing through a dollar-for-dollar reduction in federal income tax liability. Investors receive the credit over a 10-year period, and projects financed with LIHTC equity must remain affordable for a period of at least 30 years. (Connecticut has adopted a longer affordability requirement of 40 years.) There are two types of LIHTC, 9% credits and 4% credits, both of which are allocated by CHFA. The 9% LIHTC is typically used for new construction and larger renovation projects and is awarded annually on a competitive basis in accordance with the current Qualified Allocation Plan. The 4% LIHTC is used primarily for preservation and acquisition-rehab projects and is automatically awarded to affordable housing projects that are supported with tax-exempt bonds.

CHFA additionally serves as the administrator of the State of Connecticut's Housing Tax Credit Contribution (HTCC) program, an entirely separate tax credit program from LIHTC. Connecticut General Statutes ("C.G.S.") Section 8-395, as amended, provides for tax credit vouchers for Business Firms making cash contributions to Nonprofit Corporations that develop, sponsor or manage Housing Programs which benefit low-and moderate-income individuals or families. \$10 million annually is available to offset specific state income taxes. Nonprofit applicants may receive a credit award of up to \$500,000 that they then sell to an eligible Business Firm in exchange for a lump sum payment to be used as equity in their development.

Using tax credits as well as other housing developer financing products, CHFA supports the financing of multifamily housing development through bond issuances and a range of financial tools including but not limited to construction-only loans; construction/permanent loans; permanent-only loans; tax-exempt, taxable, and special financing generated from the proceeds of the sale of tax-exempt and taxable bonds.⁴³

CHFA's financing of construction and permanent loans is generated largely through proceeds from its tax-exempt and taxable bond sale activities. To support multifamily development programs, CHFA operates two programs, Tax-Exempt Financing and Taxable Financing. As of July 2023, multifamily housing loans issued by CHFA as part of its tax-exempt financing program range from 5% interest rates for two-year construction loans to 5.7% to 6.1% fixed rates for 30- to 40-year term permanent loans. Taxable permanent loans with 30-year terms are available at 6.4% interest rates.⁴⁴

Eligibility:

Tax-Exempt Financing is offered by CHFA for projects with a minimum of 20% of units affordable at 50% of Area Median Income (AMI) where 4% LIHTC units are utilized. Applications for financing are received and reviewed in collaboration with DOH.

⁴³ Connecticut Housing Finance Authority. (2023). Housing Developer Financing Products. Retrieved from <https://www.chfa.org/developers/financing-products>

⁴⁴ Connecticut Housing Finance Authority. (2023). Multifamily Housing Interest Rates. Retrieved from <https://www.chfa.org/developers/multifamily-interest-rates>

CHFA's Taxable Financing activities are available for projects using 9% LIHTCs or non-LIHTC developments that meet CHFA's affordability limits. Applications for financing are not subject to competitive CHFA or DOH requests for competitive resources and may be submitted on a rolling basis.

Units: Since inception bond financing has provided mortgage assistance for 150,000 first homes and 60,000 affordable multifamily rental apartments

Data Availability: CHFA

24. Energy Conservation Loan Program

Administrator: DOH/Capital for Change

Years Funded: 1979-present

Overview: The Energy Conservation Loan Fund was established by the State Legislature in 1979 under 79-509 (codified at CGS § 16a-40 et seq.) and has been updated several times over the years. DOH as the program funding source while Capital for Change (C4C) serves as the program administrator, providing low-interest loans to Connecticut residents for the purchase and installation of approved insulation, energy conservation, and alternative energy equipment.⁴⁵ Today the program is limited to emergency situations only (non-working heating systems and leaking roofs) with interest-free loans available over a ten-year term for projects ranging from \$400 to \$25,000.⁴⁶

Eligibility: Applicants must be found ineligible for other programs including Smart-E and EnergizeCT loans before qualifying for an emergency loan through the program. Projects must be verified by C4C participating contractors to confirm emergency status and are further limited to the replacement of furnaces/boilers with equivalent Energy Star natural gas or oil/propane furnaces/boilers or the replacement of leaking roofs. Property eligibility is limited to single-family homes and residential buildings with up to four housing units. Eligibility is limited by income level with varying limits by town and household size.

Units: Data not available, or classified with "other" programs

25. Habitat for Humanity

Administrator: Habitat for Humanity

Years Funded: 1968-present (active in CT since 1988)

Overview: Habitat for Humanity is a nonprofit organization with a mission to create safe and affordable homes in partnership with qualifying families in need. Within the State of Connecticut, Habitat has completed the

⁴⁵ McCarthy, K. (2006, October 12). Energy Conservation Loan Fund. Connecticut Office of Legislative Research. Retrieved from <https://www.cga.ct.gov/2006/rpt/2006-R-0613.htm>

⁴⁶ Energize CT. (2023). Energy Conservation Loan. Retrieved from <https://energizect.com/financing/energy-conservation-loan>.

development of several hundred homes since 1988 across the state with activities spanning eight regional affiliates.⁴⁷

Eligibility: Eligible homebuyers must contribute several hours of “sweat equity” or labor time to help build their own home or the homes of others within Habitat’s building program or volunteer at a Habitat ReStore. Additional prerequisites include classes in personal finance, home maintenance, and other relevant topics. Applicants must be able to qualify for Habitat’s low-cost mortgages and show need based on income, disability status, or current building quality.

Units: 100+ units

26.PRIME (Private Rental Investment Mortgage and Equity)

Administrator: DECD/CHFA

Years Funded: 1993 to present

Overview: The PRIME program was administered by DECD wherein CHFA-financed loans and grants were awarded to housing developers in exchange for guarantees of not less than 15 years that a share of housing units developed would be set aside for low-income residents. The subsidy covered the difference in a unit’s rent and utility costs and 30% of the tenant’s income and was received by developers in exchange for an equity interest in the property.⁴⁸

Eligibility: Eligible projects included multifamily and mixed-use developments with housing units with low-income units accounting for 20% to 40% of total rental units and not less than 25 rental units in total. The total amount of grants or deferred loans was limited to an amount equal to one-half of the cost of the project divided by the number of rental units in the project multiplied by the number of low-income units in the project.

Rental subsidy certificates were issued to developers based on annual monitoring of tenant household income. The annual aggregate family income of a tenant for the year before the occupancy of a low-income unit by the tenant was limited to not less than fifty percent of the area median income, adjusted for family size. If such annual aggregate family income after occupancy exceeds seventy percent of the area median income, adjusted for family size, the unit occupied by the tenant was no longer considered a low-income unit. No tenant residing in a project received financial assistance through a rental subsidy certificate if the aggregate family income of the tenant in the prior year exceeded sixty percent of the area median income, adjusted for family size.

Units: 929

⁴⁷ Habitat for Humanity. (2023). Qualifications for Habitat homeownership. Retrieved from <https://www.habitat.org/housing-help/apply/qualifications-for-habitat-homeownership>

⁴⁸ Stewart, C., Tatian, P., Lo, L., Davila, K., & Walker, F. (2021, February). Housing Connecticut’s Future: Meeting the State’s Affordable and Accessible Housing Needs. Research Report. Urban Institute. Retrieved from https://www.urban.org/sites/default/files/publication/103553/housing-connecticuts-future_0_0.pdf; Connecticut General Assembly. CHAPTER 138h: PRIVATE RENTAL INVESTMENT MORTGAGE AND EQUITY PROGRAM. Retrieved from https://www.cga.ct.gov/current/pub/chap_138h.htm

HOUSING DEVELOPMENT/PRESERVATION

Housing development/preservation programs have the potential to make a significant impact on segregation. However, in practice, outside of the more urban areas it is generally difficult for developers to get site local zoning board approvals for even small (<20 unit) sites. Subsequently, many of these developments are located in areas that already have disproportionately high shares of people of color and lower income people as shown in the descriptive statistics chapter.⁴⁹

27. Federal Low-Income Housing Tax Credit (LIHTC) Program

Administrator: Internal Revenue Service (IRS) of the U.S. Department of the Treasury at the federal level and Connecticut Housing Finance Authority (CHFA) at the State level.

Lineage: Established via the “Tax Reform Act of 1986” and administered by the US Department of the Treasury since that time. Within the State of Connecticut this Program is administered by CHFA.

Years Funded:

Federal: 1986-Present

Connecticut: 1986-Present

Funding Source(s): Federal tax credits

Overview: The LIHTC Program provides financing for the construction, rehabilitation, and preservation of affordable housing for lower-income households.⁵⁰ The Program leverages private investment through providing a tax credit in the form of a dollar-for-dollar reduction in federal taxes owed on other income in accordance with the Internal Revenue Code. While the Program stems from the federal government, the CHFA maintains purview over the allocation of the State of Connecticut’s share of the federal housing tax credits.

The Program can be used to support a variety of projects, which may include multi-family or single-family housing, new construction or rehabilitation, special needs, housing for elderly people or people with disabilities, and permanent supportive housing for homeless families and individuals. This Program is often used in conjunction with additional funding from the National Housing Trust Fund (“NHTF”), HOME Investment Partnerships program (“HOME”), and other sources and is not designed to provide 100% of the financing on its own.⁵¹

Eligibility: Households with income either less than 60 percent of area median income (AMI) or 50 percent AMI.

Units: 18,009 in 2020

Wait list: Each LIHTC project maintains a wait list for the units within each development. The number of households on the wait list varies for each development.

Further Study: LIHTC projects are typically subject to a 15-year compliance period followed by a 15-year extended use period; however, additional time periods of restricted affordability out to 45 years has become an option that helps extend the affordability controls on these projects. While many LIHTC projects are owned by nonprofit

⁴⁹ See maps in Section 4, pages 21-46.

⁵⁰ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies” Retrieved from: <https://nlihc.org/explore-issues/publications-research/advocates-guide>.

⁵¹ Ibid.

entities, who may continue the projects and income restricted affordable housing, LIHTC projects owned by the for-profit private sector may be at increased risk of being converted to market rate housing upon the expiration of the applicable income restriction period. It is recommended that the State closely monitor the LIHTC projects and encourage the maximum period of affordability. In cases where projects are at risk of being converted to market rate housing it is recommended that the State explore incentives and mechanisms to help ensure that the units remain affordable.

Policy Restrictions and Impediments to Desegregation: While LIHTC has successfully increased the number of affordable units in states across the country, studies demonstrate that many LIHTC developments have historically been built in neighborhoods with higher rates of poverty. More recent Qualified Allocation Plans (QAP), which is a plan for the allocation of tax credits that is relevant to the housing needs of Connecticut's residents and consistent with the state's housing priorities, have adjusted their criteria to try to reduce the concentration of poverty. For example, the LIHTC 2022 and 2023 QAP issued by the CHFA provides point incentives for locating a LIHTC development in an area containing "Opportunity Characteristics", such as within municipalities where there is less than 10% assisted and deed restricted housing, which is known as the "Municipalities with Less Assisted and Deed Restricted Housing" criterion. The other criterion under the "Opportunity Characteristics" umbrella is the "Development Located in Area of Opportunity" criterion, where proposed developments containing non-age restricted units of which more than 50 percent of the project's total units contain two or more bedrooms, and where the development is located in a municipality with measured improvements in family outcomes in education, employment and neighborhood domains. The "Municipalities with Less Assisted and Deed Restricted Housing" and "Development Located in Area of Opportunity" provide a developer applicant with the opportunity to obtain six points and two to nine points, respectively.

One of overarching challenges in affordable housing development is the difficulty in obtaining local approval, especially in areas of increased educational and economic opportunity. As obtaining local approval is a threshold requirement within the QAP, this criterion is often the factor that prevents some LIHTC projects from moving forward with a complete application and creates substantial delay and expense for others due to litigation to win local approval.

28.HOME Investment Partnerships Program

Administrator: HUD's Office of Community Planning and Development (CPD), DOH, and Local Participating Jurisdictions (PJs).

Lineage: Created through the Cranston-Gonzalez National Affordable Housing Act of 1990 (P.L. 101-625) and administered by the Connecticut DOH.⁵²

Years Funded: Federal: 1992 - Present

Funding Source(s): Federal block grant subject to formula-based annual appropriations.

⁵² Ibid.

Overview: The HOME Program is a federal block grant program, which provides funding to states and local jurisdictions to implement affordable housing activities that benefit low- and moderate-income households. The HOME Program was created through the Cranston-Gonzalez National Affordable Housing Act of 1990.⁵³

HOME is the largest federally-funded program administered by the DOH and is designed to create affordable housing for low- and moderate-income households. The Program has been utilized by Connecticut’s DOH to create a total of 11,396 affordable housing units statewide.⁵⁴ The Program’s flexibility permits HOME funds to be allocated for grants, direct loans, loan guarantees or other forms of credit enhancements, and rental assistance or security deposits. In addition, the design of the Program has helped leverage private sector participation and expand the capacity of non-profit housing development organizations. HOME funds are commonly utilized in conjunction with other funding sources and tax credits, such as the LIHTC program.

Program activities may include the following:

- Rehabilitation
- New Construction
- Demolition
- American Dream Down payment Initiative
- Homeownership
- Rental Housing
- Relocation
- Pre-Development Loans
- Operating Expenses (CHDOs only) Community Housing Development Organizations (CHDOs)
- Homebuyer Education

HOME funds are awarded annually as formula grants to participating jurisdictions (PJs), including DOH. The formula is based upon six factors pertaining to measures of poverty and the condition and supply of the rental housing stock. These factors determine which local jurisdictions are eligible to be PJs. Based upon this formula, 60 percent of the HOME funding is appropriated by Congress to local governments and consortia on an annual basis⁵⁵ and the remaining 40 percent is allocated to states, including Connecticut. Connecticut’s PJs include Bridgeport, Hartford, New Britain, New Haven, Stamford and Waterbury. Open projects that have received HOME funds from Connecticut are located in Greenwich, Hartford, Litchfield, Middletown, New Britain, New Haven, and Norwalk.⁵⁶

According to the State’s HOME – ARP Allocation Plan, dated May 3, 2022,⁵⁷ Connecticut received a special HOME-ARP allocation of \$35,939,963, which is available for expenditure until September 2030. HOME-ARP funds are authorized for use for the following eligible activities: 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.

⁵³ Ibid.

⁵⁴ U.S. Department of Housing and Urban Development. (2022, December 31). Frequently Requested Ad Hoc HOME Reports: HOME Units Completed by State. Retrieved from <https://www.hudexchange.info/programs/home/ad-hoc-reports>

⁵⁵ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”

⁵⁶ U.S. Department of Housing and Urban Development. (2023, November 30). HOME PJs Open Activities Reports - Connecticut - November 30, 2023. Retrieved from <https://www.hudexchange.info/programs/home/home-pjs-open-activities-reports>

⁵⁷ State of Connecticut, Department of Housing. (2022, May 3). HOME Investment Partnership Program - American Rescue Plan: HOME-ARP Allocation Plan. Retrieved from <https://www.hud.gov/sites/dfiles/CPD/documents/HOME-ARP/ALLOCATIONPLANS/ConnecticutAllocationPlan.pdf>

Additionally, up to 15 percent of the allocation can be utilized for administration and planning costs incurred by the participating jurisdictions and for the subrecipients administering all or a portion of the grant award. HOME-ARP funding can also provide up to five percent of the grant for operating costs of CHDOs and other nonprofit organizations, such as those that serve the homeless. Further, additional funding for capacity building is available to CHDOs and nonprofit organizations.

DOH has indicated that, with respect to HOME – ARP funds, it is prioritizing the creation of affordable housing opportunities for qualified populations, and creating non-congregate shelter opportunities with other eligible activities being considered as opportunities arise. The Draft Plan states that proposals for funding that include responsible growth, livability initiatives, or community impact may be prioritized.

Eligibility: Households with income less than 80 percent AMI. When utilized to assist renters, a total of 90 percent of a jurisdiction’s HOME-assisted rental units must be occupied by households with income less than 60 percent AMI.

HOME-ARP funding is subject to the following additional eligibility criteria: 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.

Units: 2,422

29. Loan Management Set-Aside (LMSA) Program

Administrator: Federal: HUD, Office of Multifamily Housing Management, Operations Division administers this program. Regional and Field Offices handle applications and distribution of Section 8 vouchers to approved projects.

Lineage:

The LMSA Program was created in 1976 as a “spin-off” of the Section 8 Program in accordance with the Housing and Community Development Act of 1974.⁵⁸ This Program is authorized by Section 8 of the U.S. Housing Act of 1937, as amended, and has been codified within Federal regulations at 24 CFR Part 886 Subpart A.⁵⁹

Years Funded:

Federal: 1976 - Present

Funding Source(s): HUD

Overview: According to the Section 8 Loan Management Set-Aside Program for Projects (4350.2) HUD Handbook⁶⁰, the Section 8 Loan Management Set Aside (“LMSA”) Program was developed to assist multi-family rental housing projects that have HUD-insured and HUD-held mortgages that have immediate or potentially serious financial problems. A key aspect of the Program is that it provides Section 8 rental assistance to the project. The Section 8

⁵⁸ U.S. General Accounting Office. (1984, November 16). Improving the Process for Allocating Loan Management Set-Aside Funds to Multifamily Housing Projects. Retrieved from <https://www.gao.gov/assets/rced-85-29.pdf>

⁵⁹ U.S. Department of Housing and Urban Development (HUD). (n.d.). Section 8 Loan Management Set-Aside Program for Projects (4350.2). Retrieved from https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsg/43502

⁶⁰ Ibid.

assistance is a mechanism that allows tenants to afford rent levels necessary to maintain the project and allows increases in income. The rental subsidy for the residents makes it possible for the owner to receive higher unit rents, which helps improve financial stability. To qualify for the program, owners must demonstrate how LMSA assistance will enable them to address the financial problems that the project has been experiencing.

HUD also provides rental assistance under the LMSA Program to properties subject to mortgage loans held by FHA. The assistance is typically utilized to provide rental subsidies to multi-family properties subject to FHA insured mortgage loans that are experiencing or have the potential to experience financial difficulty. This assistance reduces the volume of mortgage loan defaults as well as the number of claims for FHA mortgage insurance benefits from private lenders that hold the FHA insured mortgage loans.

The LMSA program also provides assistance for other purposes, such as incentives to owners to prevent prepayment of HUD mortgages, and incentives in exchange for extending low-income affordability restrictions or conversions to the Section 8 program from Rent Supplement, Rental Assistance Payment (RAP), or other defunct HUD subsidy programs. A Notice of Fund Availability (NOFA) is advertised in the Federal Register when funds become available for conversion of Section 101 Rent Supplement and Rental Assistance Payments Program (RAP) programs. A substantial number of projects under these two former Project Based Rental Assistance Programs have been converted to LMSA Section 8 contracts.⁶¹

The four types of HUD multifamily projects that are eligible for LMSA assistance include the following:

1. HUD-Insured projects and HUD-Held mortgages with or without subsidy are eligible for new units, except such projects which already have a contract for project-based Section 8 assistance for all units;
2. Any project described in (1) above that has been assigned to the Secretary of HUD;
3. Any multifamily project acquired by the Secretary and thereafter sold under a Secretary-held purchase money mortgage; or
4. A property financed under Section 202 of the Housing Act of 1959.

The LMSA Program is a competitive program rather than an entitlement program. HUD uses a competitive awards process to select projects to receive assistance, within which HUD considers the type of project (insured or HUD-held projects), the urgency of the financial problems being experienced, the quality of the plan for correcting the issues at hand, and the likelihood that the assistance will avoid an insurance claim. This competitive awards process does not apply to certain types of LMSA assistance, such as the kind which is provided as incentives to prevent mortgage prepayment, Rent Supplement/RAP conversions, and other special purpose uses.

HUD is authorized to make a commitment of LMSA assistance to a mortgaged property for a maximum fifteen-year period. In recent years LMSA assistance has been provided by HUD for a maximum single five-year term; however, according to HUD's website, as of December 2022 Congress has not appropriated the necessary funds to enable HUD to provide any new contracts for LMSA assistance except in the context of one-year renewals of expiring existing LMSA agreements."⁶²

⁶¹ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

⁶² U.S. Department of Housing and Urban Development (HUD). (n.d.). Multifamily Housing - Section 8 Background Information. Retrieved from https://www.hud.gov/program_offices/housing/mfh/rfp/s8bkinfo

Eligibility: Individuals or families whose annual incomes do not exceed 80 percent of the median income for the area in which the project is located, adjusted for family size, as determined by HUD.

Units: 4,390

Wait list: Not applicable, as this Program is directed toward the owners of affordable housing developments.

30. National Housing Trust Fund (NHTF)

Administrator: HUD’s Office of Affordable Housing Programs, which is operated out of HUD’s Office of Community Planning and Development. Connecticut DOH receives the NHTF grant.⁶³

Lineage: The NHTF was enacted by the “Housing and Economic Recovery Act of 2008” on July 30, 2008 and was subsequently implemented in May, 2016.⁶⁴

Years Funded:

Federal: 2016-Present

Connecticut: 2016-Present

Funding Source(s): Federal, via an assessment of 4.2 basis points (0.042 percent) on new business transactions of Fannie Mae and Freddie Mac, which is subsequently transferred to HUD to fund the NHTF.

Overview: The NHTF is primarily intended to assist in addressing the housing needs of extremely low-income renter households. The statute appears to require that at least 90 percent of the funds be utilized to build, rehabilitate, preserve, or operate rental housing; however, HUD guidance sets the minimum at 80 percent.⁶⁵ A minimum of 75 percent of the funds are required to be used for rental housing that benefits extremely low-income households and the remaining 25 percent may be utilized for housing for very low-income households.

Typical uses of NHTF funds include uses that provide for the production, rehabilitation, preservation, and operation of rental housing for extremely low-income households, which are those with income of less than 30 percent of the area median income (AMI) or with income less than the federal poverty line. In addition for homeowner activities, the statute requires that all assisted homeowners have income less than 50 percent of AMI. When there is less than \$1 billion for the NHTF, the rule requires 100 percent of a state’s allocation benefit extremely low-income households. The interim regulations for the NHTF Program require that units must remain affordable for at least 30 years.

The NHTF is implemented as a block grant to states with funds being distributed by formula based upon factors that focus on renter household needs. The NHTF does not compete with other existing HUD programs since it is funded from a mandatory allocation from a dedicated source of revenue rather than being funded by appropriations from the discretionary portion of the federal budget. This funding has grown to be more substantial

⁶³ HUDEXchange. (n.d.). HTF Grantees: State Agencies and State-Designated Entities. Retrieved from <https://www.hudexchange.info/programs/htf/grantees>

⁶⁴ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

⁶⁵ Ibid.

over the years with initial funding of \$174 million in 2016 and funding of \$690 million and \$739.6 million in 2021 and 2022, respectively.⁶⁶

The DOH administers this funding in the State of Connecticut. The total amount of funding received by Connecticut for FY 2022 was \$9,720,275.

Eligibility: Extremely low-income renters (“ELI”) is defined as households with income of less than 30% of the area median income (AMI) or income less than the federal poverty line.

Units: 5,729 units completed since 2010

31. Property Disposition (PD) /8 Existing

Administrator: HUD.

Lineage: This program originated as a HUD program and has continued as such.

Funding Source(s): Federal

Overview: The Property Disposition (PD)/8 Existing Program (“PD”) focuses on contracts for Section 8 projects, typically for existing properties that defaulted on HUD-assisted financing and were sold by HUD to new owners.

If an owner of a project-based Section 8 program chooses not to renew their expiring Section 8 project based HAP contract, or if HUD is terminating the project-based Section 8 HAP contract, or if HUD is not offering the owner the option to renew an expiring contract due to an owner’s failure to comply with the terms of the HAP contract or other HUD requirements, a defined regulatory process must take place in order to transition the units to non-section 8. This process also serves to protect the households in need of affordable housing. HUD Property Disposition (PD) Program is utilized in conjunction with any other pertinent HUD program requirements to facilitate the disposition.⁶⁷

In instances where a HUD enforcement action is the impetus for the disposition, the enforcement action may result from material adverse financial or managerial actions or omissions, which lead to either owner default under an FHA-insured mortgage (monetary or technical), or a documented material violation of one or more of the obligations under the project’s Regulatory Agreement. In these situations, housing choice vouchers would typically be provided to eligible families affected by the enforcement action in cases where the property conditions or other significant issues will not allow tenants to safely remain within the development.⁶⁸

⁶⁶ Ibid.

⁶⁷ HUD: Office of Multifamily Housing. (2017). Section 8 Renewal Policy Guidance for the Renewal of Project-Based Section 8 HAP Contracts. Retrieved from www.hud.gov/sites/documents/508FIN_CONSOL_GUIDE6_8_17.PDF

⁶⁸ Ibid.

Additionally, when housing conversion actions that tie in with property disposition constitute an “eligibility event,” HUD is required to provide an opportunity for enhanced voucher assistance to eligible households. Tenants in other types of housing conversion actions are offered regular housing choice voucher assistance.

HUD’s Property Disposition Division is the division responsible for managing and disposing of multifamily housing developments, through foreclosure sale or otherwise in a manner that is in accordance with the National Housing Act. The Division is also charged with protecting the financial interests of the Federal government, preserving certain housing so that it can remain available to and affordable to low-income households, maintaining the existing housing stock in a safe and sanitary condition, minimizing the involuntary displacement of tenants, and other related responsibilities that support HUD’s mission.⁶⁹

Eligibility: Owners of project-based Section 8 developments that either choose not to renew their expiring Section 8 project-based HAP contract, or are subject to termination of their project-based Section 8 HAP contract by HUD, or are not offered the option to renew their contract due to the owner’s failure to comply with the terms of the HAP contract or other HUD requirements.

Units: 589

32. RAD Public Housing Conversion

Administrator: HUD, Office of Multifamily Programs, Office of Recapitalization manages the program while PHAs apply to partake in RAD. In Connecticut, the following PHAs are involved in the program: Bridgeport, Brooklyn, Greenwich, Hartford, Manchester, New Britain, New Haven, New Canaan, Putnam, Stamford, and Windsor Locks.⁷⁰

Lineage: The Rental Assistance Demonstration Program (RAD) was authorized by Congress in the 2012 Consolidated and Further Continuing Appropriations Act.⁷¹ It has been amended several times, most recently by a 2022 proposed bill.⁷²

In Connecticut, the first Commitments to Enter into Housing Assistance Payments (CHAP) were delegated to the Housing Authority of New Haven in 2014. In 2022 CHAP’s were awarded to the Housing Authority of New Haven and the Housing Authority of New Britain, and in 2023 a CHAP was awarded to the Housing Authority of New Britain.⁷³

⁶⁹ U.S. Department of Housing and Urban Development. (n.d.). Property Disposition Division. Retrieved from https://www.hud.gov/program_offices/housing/mfh/pd

⁷⁰ RAD Resource Desk. (n.d.). Rental Assistance Demonstration (RAD) in Connecticut. RAD for PHAs - Data & Resources. Retrieved from https://www.radresource.net/pha_data2020.cfm

⁷¹ United States Congress. (2011, November 18). Public Law 112–55—Consolidated and Further Continuing Appropriations Act, 2012. Retrieved from <https://www.govinfo.gov/content/pkg/PLAW-112publ55/pdf/PLAW-112publ55.pdf>

⁷² U.S. Department of Housing and Urban Development. (2022, March 15). Rental Assistance Demonstration 112-55 Comprehensive Ramseyer 3-15-22. Retrieved from https://www.hud.gov/sites/dfiles/Housing/documents/RAD_112-55_Comprehensive_Ramseyer_3-15-22.pdf

⁷³ RAD Resource Desk. (n.d.). Rental Assistance Demonstration (RAD) in Connecticut. RAD for PHAs - Data & Resources. Retrieved from https://www.radresource.net/pha_data2020.cfm

Years Funded: Federal: 2014 - Present. Connecticut: 2014-Present.⁷⁴

Funding Source(s): Federal funding is not allocated for the RAD program. Instead, approved PHAs are granted federal funds from HUD to administer the voucher programs, which in turn helps them leverage private funds.

In Connecticut, Public Housing that underwent RAD conversion has secured \$217,132,797 in construction investment, about \$110,052 per unit.⁷⁵ For a list of open and closed projects in Connecticut, see the RAD Resource data.⁷⁶

Overview: RAD enables PHAs to raise private debt and equity for capital improvements to public housing and other HUD-assisted housing by leveraging housing choice vouchers and Section 8 Project-Based Rental Assistance (“PBRA”). There is a backlog of approximately \$35 million in capital needs in public housing across the nation.⁷⁷ Public housing participating in the RAD program will change their capital and operating funding source to a long-term contract for Section 8 PBRA or Project-Based Vouchers (“PBV”). The contract must be renewed in perpetuity to ensure units are permanently affordable to low-income tenants. The RAD program establishes rules regarding ongoing ownership of the housing by the PHA or a non-profit.

Residents maintain the same rights and protections they have as tenants of public housing when a property undergoes RAD conversion. Additional protections include rights to stay, relocation provisions, and access to information. Residents continue to pay only 30% of their adjusted income towards rent, as they did in the public housing program. They are given the benefit of requesting tenant-based assistance if they want to move elsewhere.

HUD sets a limit for the number of public housing units that can convert in a certain time period. Initially, in 2012, HUD approved up to 60,000 public housing and other eligible units to convert by 2015.⁷⁸ Congress has raised the limit three times. The current limit is set at 455,000 public housing units by 2024. A 2022 bill proposed raising the cap to 500,000 units and the deadline to 2028.

Eligibility: Residents of public housing undergoing RAD conversion have the first right to stay in their unit without being rescreened. New residents of the converted properties are screened based on the program that the public housing converted to—either Section 8 PBRA or PBV.

Units: In Connecticut, 25 properties including 1,973 units have been converted to Section 8 under the RAD program.⁷⁹ See table below. 17 additional projects are in the works.

⁷⁴ While the program was authorized in 2012, PHAs applied in 2013-2014 and began receiving commitments for funding in 2014.

⁷⁵ RAD Resource Desk. (n.d.). Rental Assistance Demonstration (RAD) in Connecticut. RAD for PHAs - Data & Resources.

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

⁷⁹ RAD Resource Desk. (n.d.). Rental Assistance Demonstration (RAD) in Connecticut. RAD for PHAs - Data & Resources.

Table: PHAs in Connecticut with Closed RAD Conversions

Housing Authority	Closed Transactions	Closed Units
Housing Authority of the City of New Haven	17	1,468
Hartford Housing Authority	3	215
Housing Authority of the City of Stamford	3	160
Greenwich Housing Authority	1	130
New Canaan Housing Authority	1	40

Source: “Rental Assistance Demonstration (RAD) in Connecticut,” RAD for PHAs - Data & Resources, accessed January 6, 2023, https://www.radresource.net/pha_data2020.cfm.

Wait list: There is a wait list for PHA applications because HUD sets a cap on the number of units that can be converted through RAD.

Policy Restrictions and Impediments to Desegregation: The RAD program is a demonstration program that has yet to adequately demonstrate its benefits and operability. Advocates are especially concerned about the violation of public housing residents’ rights in developments undergoing conversion and the ability to monitor the program to ensure compliance.⁸⁰

33.Sections 207/223(F): Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing

Administrator: HUD, Office of Multifamily Housing Programs

Lineage: 1934 – The National Housing Act of 1934 established low-cost housing insurance authorized through Section 207 which provides insurance of mortgages covering certain property types, for the overall purpose of providing housing for persons of low incomes. The housing was required to be regulated by the Federal Housing Administration, and the mortgage could not exceed \$10 million.⁸¹ 1974 - Section 223(f) of the National Housing Act was added by Section 311(a) of the Housing and Community Development Act of 1974. Currently, Section 207 mortgage insurance, although still authorized, is no longer used for new construction and substantial rehabilitation. It is, however, the primary insurance vehicle for the Section 223(f) refinancing program.⁸²

⁸⁰ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

⁸¹ Congressional Research Service. (2023). “A Chronology of Housing Legislation and Selected Executive Actions 1982-2003.” Retrieved from: <https://www.govinfo.gov/content/pkg/CPRT-108HPRT92629/html/CPRT-108HPRT92629.htm>.

⁸² U.S. Department of Housing and Urban Development. (n.d.). Program Section 207. Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec207

Years Funded: The section 207/223(f) program has been funded since 1954, with the most recent round of insured mortgages occurring in 2022, when HUD insured five projects with 905 units for \$261.3 million.⁸³

Funding Source(s): The Federal Housing Administration (FHA) provides the loans for this program.

Overview: Section 207 provides insurance for multifamily mortgages, and Section 223(f) provides insurance for multifamily mortgage refinancing. Both were established through the National Housing Act of 1934; Section 207 was included in the original 1934 document, and Section 223(f) was added in 1974 through Section 311(a) of the Housing and Community Development Act of 1974. Together, Section 207/223(f) provides FHA insurance to support the mortgage refinancing or purchase of existing multifamily rental housing. The purpose of this program is to increase the supply of decent reasonably priced housing for families. Loans acquired through Section 207/223(f) are meant to insure HUD approved mortgage lenders against potential losses from mortgage defaults. Section 207/223(f) financing typically provides a 35-year fixed-rate, fully amortizing loans, which offer attractively low interest rates compared to other lenders, such as Freddie Mac and Fannie Mae. The minimum loan amount is \$2M USD, with no explicit maximum. Both nonprofit and for-profit entities are eligible to apply for Section 223(f) funding, so long as the money is used for purchasing or refinancing multifamily properties. Eligible housing types include detached, semi-detached, row, walkup, or elevator-type with at least five units. Properties can be market-rate, low-to-moderate income, subsidized multifamily, cooperative housing, or affordable housing. Applicants can receive funding regardless of the origin of their original mortgage, whether it was financed through FHA or through conventional means, they may still be eligible for Section 207/223(f) funding.

Section 207/223(f) requires that borrowers pay a MIP (Mortgage Insurance Premium), submit an annual audit of operations, complete any critical repairs their property may need before applying, and complete any necessary but non-critical repairs twelve months after the loan is closed. However, Section 207/223(f) loans still serve as an affordable financing option for entities looking to refinance or purchase multifamily housing.

According to HUD's Multifamily Insured Mortgage Database, there are currently 82 properties in Connecticut under Section 207/223(f). There are a median of 88 units in each project.

Eligibility:

Property Eligibility

- Properties must contain at least five residential units (with complete kitchen and bathrooms)
- Properties must be at least three years old, or have been substantially renovated in the three years prior to application
- Any property requiring substantial renovations, such as the repair of a major system, is *not* eligible to apply
- The remaining economic life of the property must be long enough to warrant a ten-year mortgage. The mortgage term cannot exceed 35 years or 75% of the estimated life of the physical improvements, whichever is less.
- Any existing commercial and/or retail space must occupy less than 20% of net rentable area or generate less than 20% of effective gross income.
- Properties must have an average actual occupancy of at least 85% for the six months prior to application. This level of occupancy must be maintained throughout the process until funding. The maximum

⁸³ U.S. Department of Housing and Urban Development. (n.d.). Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing: Sections 207/223(F). Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdsc/purchrefi223f

underwritten occupancy for market-rate properties is 93%; for affordable properties and rental assistance properties, it's 95%.

Borrower Eligibility: Borrowers must be single-asset, bankruptcy-remote, and can be for-profit or nonprofit entities.

Units: 482

34. Section 220 Urban Renewal Housing

Administrator: HUD, Office of Multifamily Housing Programs, Office of Production, Program Administration Division. The local Multifamily Region issues a commitment to the HUD-approved lender for mortgage insurance.

Lineage: The Housing Act of 1954 created the Section 220 mortgage insurance program for housing rehabilitation or new construction in urban renewal areas.⁸⁴

In Connecticut, the first property to receive a mortgage under the Section 220 program was University Towers in New Haven. The Mortgage was endorsed in 1959 and was prepaid and terminated in 1979. From 1961 through 2011 new Section 220 projects were initiated in Connecticut. Since 2005, four Section 220 Urban Renewal projects have been refinanced under the Section 223(a)(7) mortgage refinancing program. See Section 223(a)(7) in this document for more information.

Years Funded: Federal: 1954 - Present. Connecticut: 1959 - Present.⁸⁵

Funding Source(s): FHA mortgage insurance for HUD-approved lenders.

Overview: The Section 220 program authorizes FHA mortgage insurance for rehabilitation or new construction of rental housing in urban renewal areas. Urban renewal areas, areas that were determined to be slums, blighted or deteriorating that had an approved urban renewal plan and plan for the “elimination and prevention of the spread of slums and urban blight”.⁸⁶

HUD has expanded Section 220 to include urban development projects, code enforcement program areas, urban areas receiving rehabilitation assistance due to natural disaster, or Concentrated Development Areas.⁸⁷ Localities can request that HUD designate a Concentrated Development Area to allow Section 220 to be applied in an area. Mortgagees may be private or public entities approved by HUD.

Qualifying rental housing includes projects with two or more units, which may be detached, townhouse, or multi-family buildings. Mortgages may finance new construction, rehabilitation of existing residential structures, or the purchase of properties rehabilitated by a PHA.

Mortgages may vary according to the scale of the project. The maximum loan amount cannot be more than 90% of the estimated replacement cost for new construction or 90% of the cost of a preexisting property and the estimated

⁸⁴ Congressional Research Service. (2023). “A Chronology of Housing Legislation and Selected Executive Actions 1982-2003.” Retrieved from: <https://www.govinfo.gov/content/pkg/CPRT-108HPRT92629/html/CPRT-108HPRT92629.htm>.

⁸⁵ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database." Retrieved from https://www.hud.gov/program_offices/housing/comp/rpts/mfh/mf_f47t

⁸⁶ Congressional Research Service. (2023). “A Chronology of Housing Legislation and Selected Executive Actions 1982-2003.”

⁸⁷ U.S. Department of Housing and Urban Development. (n.d.). Program Section 220. Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec220

rehabilitation costs. The mortgage term can be no longer than 40-years or 75% of the “remaining economic life of the project.”⁸⁸

The program helps protect lenders against potential losses and provides incentive to revitalize distressed areas with improved housing stock and other approved facilities that support the primary residential use.

Section 220 projects are eligible for Multifamily Accelerated Processing (MAP). MAP is a way to streamline and expedite the application process for lenders seeking FHA mortgage insurance for six HUD programs: Sections 220, 221(d)(4), 223(a)(7), 223(f), 231, and 241(a).⁸⁹

Eligibility: Anyone can be a resident of a project financed by the 220 program. Residents are not screened based on income, age, disability, or other status. HUD-FHA will determine the fair rent an owner may charge, which is based on the costs of management, operating expenses, mortgage payments, reserves, and a “reasonable profit.”⁹⁰

Units: According to HUD’s Multifamily Insured Mortgage Database, there are currently three properties in Connecticut under Section 220 with a total of **634 units**.⁹¹ Park Place Towers in Hartford CT has a Section 220 mortgage that will mature in 2029. Trumbull Centre in Hartford and Center Pointe Apartments in New Haven both have Section 220 Mortgages that have been refinanced under Section 223(a)(7). Their mortgages mature in 2054 and 2056, respectively. HUD’s Multifamily Insured Mortgage Databases list 16 Properties containing 2,591 units in Connecticut backed by the Section 220 Program since 1959.⁹²

Data Availability: HUD’s Multifamily Insured Mortgage Database⁹³ and HUD’s Terminated Multifamily Insured Mortgage Database⁹⁴ provide data on each multi-family FHA insured mortgage since 1935.

35. Section 221(D)(4): Market Rate - Moderate Income/ Displaced Families

Administrator: HUD

Lineage: Paragraph (4) of subsection (d) of Section 221 was added in the 1959 amendment to the National Housing Act of 1934, referred to as the 1959 Housing Act.

Years Funded: Since 1959⁹⁵

Funding Source(s): FY2022, HUD insured mortgages for 180 projects with 32,533 units, totaling \$5.1 billion.

⁸⁸ Ibid.

⁸⁹ U.S. Department of Housing and Urban Development (HUD). (2021, March 19). Multifamily Accelerated Processing (MAP) Guide. Retrieved from <https://www.hud.gov/sites/dfiles/OCHCO/documents/4430GHSGG.pdf>

⁹⁰ U.S. Department of Housing and Urban Development. (1973, March 12). Rental Housing in Urban Renewal Areas For Project Mortgage Insurance, Section 220. Retrieved from <https://www.hud.gov/sites/documents/45551HSGH.PDF>

⁹¹ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

⁹² U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database; U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database." Retrieved from https://www.hud.gov/program_offices/housing/comp/rpts/mfh/mf_f47t

⁹³ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

⁹⁴ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database."

⁹⁵ GovTrack. (1959). Text of S. 2654 (86th): An Act to Extend and Amend Laws Relating to the Provision and Improvement ... (Passed Congress Version). Retrieved from <https://www.govtrack.us/congress/bills/86/s2654/text>

Overview: The Section 221(d)(4) program was initially codified in a 1959 amendment of the 1934 National Housing Act (12 U.S.C. 17151 (d)(4))⁹⁶, and insures mortgage loans in order to promote the construction or substantial rehabilitation of multifamily rental projects, cooperative housing, and SRO projects. Substantial rehabilitation is defined as a building requiring repairs above \$15,000 per unit, or a building that requires a replacement of two or more major systems. The target demographic for tenants of Section 221(d)(4) projects are individuals with moderate-income, especially families experiencing displacement, elderly and handicapped people, and those who are “priced out” of the traditional apartment market. However, there are no income requirements/limits for occupancy stipulated under the Section 221 (d)(4) program; market rate, affordable, and subsidized housing can all be financed under this loan.

Section 221(d)(4) loans allow for long-term mortgages of up to 40 years, and convert to fully-amortized loans two months after the construction/rehabilitation period. These loans also feature a low, fixed interest rate. The minimum loan amount is \$4 million, with no set maximum. These features, combined with the lack of income limits or requirements, results in most developers leveraging Section 221(d)(4) financing to build or rehabilitate higher end market rate multifamily housing. There are some incentives for developers involved in building/rehabilitating subsidized and affordable housing: for a Section 221(d)(4) loan under \$75 million, a developer will receive 85% LTC for a market rate housing project, 87% LTC for an affordable housing project, and 90% LTC for a subsidized housing project. This makes Section 221(d)(4) an attractive loan type to entities already looking to build affordable housing, especially because it can be combined with other forms of federal financing, but it may not in and of itself be enough of an incentive to influence developers to build affordable or subsidized housing.⁹⁷

Eligibility: Properties: Building type allowed includes detached, semi-detached, row, walkup, or elevator-type rental or cooperative housing containing five or more units. Any commercial space is limited to 25% of net rentable area and 15% of effective gross income except in qualified urban renewal areas, where HUD allows up to 25% of net rentable area and 30% of effective gross income for projects.⁹⁸

Borrowers: Eligible mortgagors include public, profit-motivated sponsors, limited distribution, nonprofit cooperatives, builder-seller, investor-sponsor, and general mortgagors.⁹⁹

Customers: All families and individuals are eligible to occupy dwellings in a structure whose mortgage is insured under this program, subject to normal tenant selection with no income limits.¹⁰⁰

According to HUD’s Multifamily Insured Mortgage Database, there are currently ten properties under section 221(d)(4) in Connecticut.

Units: 2,200

Policy Restrictions and Impediments to Desegregation: Section 221(d)(4) was meant to help provide affordable, clean homes for families experiencing displacement, and disabled, elderly, or otherwise disadvantaged people, yet

⁹⁶ Legal Information Institute. (n.d.). 12 U.S. Code § 17151 - Housing for moderate income and displaced families. Cornell Law School. Retrieved from <https://www.law.cornell.edu/uscode/text/12/17151>

⁹⁷ Janover HUD Loans. (n.d.). HUD 221(d)(4) Construction & Rehab Loans. Retrieved from <https://www.hud.loans/fha-221d4/>

⁹⁸ Adroc Capital LLC. (n.d.). HUD 221(d)4 Multifamily Construction Loan Program. Retrieved from <https://www.adroccap.com/fha/221d4>

⁹⁹ U.S. Department of Housing and Urban Development (HUD). (n.d.). Program Section 221(d)(4). Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec221d4

¹⁰⁰ U.S. Department of Housing and Urban Development (HUD). (n.d.). Mortgage Insurance for Rental and Cooperative Housing: Section 221(D)(4). Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/rentcoopshg221d3n4

there are no income limits, nor affordability requirements, nor Federal rental subsidies attached to this loan. Developers can take advantage of this fixed rate, low cost, non-recourse loan, and build, seemingly, whatever type of multifamily housing they want in the economically strongest neighborhood they can, and set the rents to whatever is most lucrative. Since this loan has no affordability requirements, and few requirements in general, it stands to reason that most developments that are built or rehabilitated as a result of this loan are not necessarily affordable for this section's target demographic. Indeed, according to Adroc Capital's Section 221(d)(4) webpage, most of the projects that are financed with Section 221 (d)(4) are "unrestricted market-rate multifamily projects, including Class A apartment complexes." The SRO component of Section 221(d)(4) is especially troubling, since HUD itself explicitly says that "although SRO housing is intended for very low-income persons, the program does not impose income limits for admission," and that the construction of an SRO project usually requires the support of local government or not-for-profits to keep rents affordable. It seems that Section 221(d)(4) offers very little in the way of incentives for building SRO projects, which are typically the most affordable housing type insured under this program. Overall, it's not clear how effective Section 221(d)(4) actually is at producing rental units that are affordable for those that have been "priced out" of the apartment market.

36. Section 223(a)(7): Mortgage Insurance for Purchase for Refinancing of Existing Multifamily Rental Housing

Administrator: HUD's Office of Multifamily Production, Program Administration Division

Lineage: Section 223(a)(7) was in existence since at least 1958, at which time it was the subject of an amendment. Subsequently, in 1994, Section 103(d) of Multifamily Assisted Housing Reform and Affordability Act (MAHRA) required that a streamlined refinancing program be instated under the authority of Section 223 of the NHA. This requirement was ultimately fulfilled in 1997 resulting in the current version of Section 223(a)(7).

In Connecticut, projects have been refinanced under Section 223(a)(7) since 2000.¹⁰¹ The first project refinanced under this program was Riverside Health Care Center in East Hartford.

Years Funded: Nationally: 1998 - Present. Connecticut: 2000 - Present.

Funding Source(s): Loans to refinance FHA mortgage insurance for HUD-approved lenders.

Overview: Section 223(a)(7) insures mortgage loans to refinance projects with pre-existing HUD-FHA mortgages, including projects with Sections 221 BMIR, 232, 221(d)(4), 241(f), and 223(f) FHA-insured mortgages. The refinanced mortgage will follow guidelines of the existing HUD-FHA mortgage insurance program. HUD-held loans, including Section 202 loans, risk-sharing, and co-insured mortgages are ineligible. Refinancing under the Section 223(a)(7) program prevents default and loss by allowing participants to enter into terms up to twelve years beyond the term of the existing mortgage and by providing a lower interest rate. Projects typically reduce project debt service and increase their cash flow.¹⁰²

¹⁰¹ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database. Retrieved from https://www.hud.gov/program_offices/housing/comp/rpts/mfh/mf_f47; U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database." Retrieved from https://www.hud.gov/program_offices/housing/comp/rpts/mfh/mf_f47t

¹⁰² U.S. Department of Housing and Urban Development. (n.d.). Mortgage Insurance for Purchase for Refinancing of Existing Multifamily Rental Housing: Sections 223(A)(7). Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdsc/refiexisthous223a7

Permissible activities for the use of the loan include paying off an existing FHA debt, costs associated with refinancing, qualifying repairs, and reserves for replacement accounts.¹⁰³ The loans may not be used for new construction or expansion work.

Section 223(a)(7) projects are eligible for Multifamily Accelerated Processing (MAP). MAP is a way to streamline and expedite the application process for lenders seeking FHA mortgage insurance for six HUD programs: Sections 223(a)(7), 221(d)(4), 220, 223(f), 231, and 241(a).¹⁰⁴

In Connecticut, Section 223(a)(7) has been used to refinance the following mortgage insurance types: Sections 220, 223(f), 232, 221(d)(4), 236(j)(1) and 241(f).¹⁰⁵

Eligibility: Refinancing under Section 223(a)(7) does not affect the eligibility requirements for residents of the housing.

Units: There are currently 46 active mortgages in Connecticut under Section 223(a)(7) comprising 7,803 units.¹⁰⁶ A total of 125 mortgages have been refinanced under Section 223(a)(7) since 2000, according to HUD's Multifamily Insured Mortgage Database.¹⁰⁷ In some cases, a property has been the subject of this type of mortgage refinancing on more than one occasion.

Data Availability: HUD's Multifamily Insured Mortgage Database¹⁰⁸ and HUD's Terminated Multifamily Insured Mortgage Database¹⁰⁹ provide data on each multi-family FHA insured mortgage since 1935.

37. Section 515: Rural Rental Housing Loans

Administrator: United States Department of Agriculture ("USDA") Office of Rural Development

Lineage: This program has been administered by the USDA since its inception in 1963. Currently, the program is run out of the Southern New England Rural Development State Office in Amherst, Massachusetts.

Years Funded: 1963-Present

Funding Source(s): Federal. \$50 million has been allocated for FY22 nationally.

Overview: The Section 515 Rural Rental Housing Program has provided housing for the lowest income rural residents since its inception in 1963. Under the Section 515 program, the USDA makes direct loans to developers to finance affordable multifamily rental housing for very low-income, low-income, and moderate-income families, for elderly people, and for persons with disabilities in rural areas. Section 515 loans have an interest rate of 1%, amortized over 50 years, to finance modest rental or cooperatively owned housing. Sections 515 funds can be used

¹⁰³ Ibid.

U.S. Department of Housing and Urban Development (HUD). (2021, March 19). Multifamily Accelerated Processing (MAP) Guide. Retrieved from <https://www.hud.gov/sites/dfiles/OCHCO/documents/4430GHSGG.pdf>

¹⁰⁵ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

¹⁰⁶ Ibid.

¹⁰⁷ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database." Retrieved from https://www.hud.gov/program_offices/housing/comp/rpts/mfh/mf_f47t

¹⁰⁸ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

¹⁰⁹ Ibid.

for new construction as well as for the rehabilitation of existing properties. Funds may also be used to buy and improve land, and to provide necessary facilities.

Subsequent to the 2011 fiscal year, USDA has not issued Notifications of Funding Availability (“NOFAs”) for Section 515 loans; rather, the USDA has used all of its Section 515 funds for preservation purposes. Preservation pertains to either renovating a property or maintaining the units as affordable for very low-income, low-income, and moderate-income tenants, or both.

Eligibility: Eligible households/individuals include very low-income, low-income, and moderate-income families, senior citizens, and persons with disabilities. Total income must be less than the USDA definition of moderate income, which is 80% of AMI plus \$5,500. Households in substandard housing are given priority. Section 515 resident incomes average about \$13,640 per year nationally. Notably, 92% of Section 515 tenants have incomes less than 50% of area median income.

Units: 1,956

Wait list: Varies by project and region.

Policy Restrictions and Impediments to Desegregation: Currently, rental assistance such as USDA’s Section 521 rental assistance is only available to tenants while USDA funding is in place for Section 515 projects; once a Section 515 mortgage is paid off, Section 521 rental assistance will no longer be available on a given property. Many Section 515 mortgages are nearing the end of their terms and the pace of mortgage maturities will increase starting in 2028. This has the potential to leave Section 515 beneficiaries, who are already incredibly vulnerable, in dire straits. Potential workarounds or solutions include offering new or amortized USDA mortgages so that Rental Assistance (RA) can continue, providing vouchers, or “decoupling” RA from USDA mortgages so RA can continue even when a mortgage has been paid off.

Another option is to identify local or regional housing organizations that may be able to assist with preserving the affordability of the units by helping owners who want to leave the program, which includes those whose mortgages are expiring, to find ways to do so while maintaining affordability. This can often mean purchasing the property and refinancing to obtain sufficient funding to update and renovate it.

38. Section 515: Section 8 New Construction/Substantial Rehabilitation

Administrator: The USDA administers the Section 515 Program and HUD administers the Section 8 New Construction/Substantial Rehabilitation at the federal level. The Connecticut DOH acts as a "traditional" contract administrator to ensure that HUD-subsidized properties are: a) serving eligible families at the correct level of assistance; and b) properly maintained as decent, safe and sanitary affordable housing.

Lineage: The Section 515 Program was initiated in 1963. The Section 8 New Construction/Substantial Rehabilitation (“Section 8 NC”) Program was authorized by Congress in 1974. HUD has not approved any new projects since 1983, but projects approved prior to that time still receive subsidy

Years Funded:

Section 515: 1963 - present

Section 8 NC: 1974 - present

Funding Source(s): Federal appropriation. The USDA provides funding for the 515 Program. HUD provides Section 8 project-based assistance to public housing authorities (PHAs) or private owners for up to 20 or 40 years after completion of the construction or substantial rehabilitation of rental housing. Financing for the rehabilitation or new construction of these units was originally provided by the State.

Overview: The Section 515 program provided subsidized mortgage loans that developed more than 550,000 rental units for very low- to moderate-income households. Started in 1963, Section 515 production dropped dramatically after 1979 due to budget cuts. The stock of Section 515 units has dwindled due to mortgage prepayment and physical obsolescence.

Developed by HUD, the Section 8 Program provides rental subsidies for eligible tenants residing in newly constructed, rehabilitated and existing rental and cooperative apartment projects. Section 8 rental subsidies are provided to project owners on behalf of families that are eligible low-income families at the time of their admission by the project owners to the program. Under the Act, "low income families" are defined as those families whose annual incomes do not exceed eighty percent (80%) of the median income for the area in which the project is located, adjusted for family size, as determined by HUD at least annually.

The Section 8 New Construction/Substantial Rehabilitation program through the Department provides project-based federal rental assistance to 21 projects throughout Connecticut in order to assist very low and low income families afford rental housing.

Eligibility: Very low-, low-, and moderate-income households.

Units: 191

39. Section 538: Rural Rental Housing Loans

Administrator: USDA Rural Development ("RD") Rural Housing Service ("RHS")

Lineage: This program has been administered by the USDA since its inception in 1996. Currently, the program is run out of the Southern New England Rural Development State Office in Amherst, Massachusetts.

Years Funded: 1996 - Present

Funding Source(s): Federal.

Overview: The Section 538 program is a loan guarantee program, which guarantees loans made by banks to develop rural rental housing for tenants with incomes up to 115 percent of the area median income. Section 538 loan guarantees are permitted to be utilized for new construction and for rehabilitation of existing properties. Most Section 538 properties also use Low-Income Housing Tax Credit financing as part of the capital stack for the project. Through Section 538 loan guarantees, the USDA can provide up to 90 percent of the total development cost or the property value, whichever is less, for for-profit developers, and 97 percent for non-profit developers. Instead of having its own rent restriction agreement, the program requires a property to have some form of Land Use Restriction Agreement or other measure that preserves the affordability of the units, such as LIHTC, USDA Section 515, or HUD Section 8. The combination of multiple subsidy programs facilitates the preservation of rural multi-family housing where lenders may not otherwise be as active due to credit concerns and small loan sizes.

Eligibility: Section 538 units are available for tenants with incomes up to 115 percent of area median income, which is above the commonly accepted affordable housing threshold of 80 percent of area median income. Housing for households with incomes in the 80-115 percent of area median income range is generally considered workforce housing.

Units: 161

Wait list: Varies by project and region.

40. Section 542(B): Risk-Sharing Program - Qualified Participating Entities (QPE)

Administrator: Office of Multifamily Housing Programs, Office of Production, Program Administration Division

Lineage: The Housing and Community Development Act of 1992 authorized the Section 542(b) Risk-Sharing Program for Qualified Participating Entities (QPE) as a pilot program.¹¹⁰ HUD's 2001 Fiscal Year Appropriations Act amended Section 542(b) making it a permanent program.¹¹¹

In Connecticut, existing records indicate that only two projects have used this program. The first was Asylum Hill Ventures in Hartford CT which prepaid and terminated its mortgage in 2004.¹¹² Augustana Homes in Bridgeport initiated its 25-year mortgage in 2013.¹¹³

Years Funded:

Nationally: 1994 - Present.

Connecticut: 1999 - Present.

Funding Source(s): FHA mortgage insurance for HUD-approved lenders.

Overview: Initially a demonstration program, 542(b) tested the effectiveness of new federal credit enhancement products to support multi-family loans that were originated and underwritten by a Qualified Participating Entity (QPE). HUD evaluated risk-sharing agreements, reinsurance, and other alternatives to determine appropriate incentives to encourage the participation of major financial institutions in the production of multi-family affordable housing. Now an official program, HUD enters into risk-sharing agreements with Fannie Mae and Freddie Mac and other qualified public financial and housing institutions and lenders. A similar program, Section 542(c), provides risk-sharing agreements for qualified HFAs.

Program 542(b) provides guaranteed insurance for existing mortgages on affordable multi-family housing provided by a Qualified Participating Entity (QPE).¹¹⁴ HUD splits the risk with the QPE 50/50 and provides various federal credit enhancements in the case of default. A new insurance authority, separate from the NHA, was created to underwrite affordable housing loans and provide reinsurance on mortgages under Section 542.

¹¹⁰ "Housing and Community Development Act of 1992," Pub. L. No. 102-550 (1992).

¹¹¹ Public Law 106-377, 106th Congress. (2000). Retrieved from <https://www.congress.gov/106/plaws/publ377/PLAW-106publ377.pdf>

¹¹² U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database."

¹¹³ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

¹¹⁴ U.S. Department of Housing and Urban Development. "Program Section 542(b)." Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/progsec542b

Eligibility: Qualified Participating Entities (QPE) must be invited by HUD to participate in the program. Mortgagors can be investors, builders, developers, public entities, or nonprofits who apply to the QPE.

Households eligible for affordable housing live in the units.

Units: In Connecticut, there is one property, Austina Homes in Bridgeport CT, under the 542(b) program.¹¹⁵ The property has 186 units. Historically, only one other property has used this program in the State, Asylum Hill Ventures in Hartford CT.¹¹⁶ The 177 unit project was supported by the program between 1999 and 2004, when the loan was prepaid.

Data Availability: HUD's Multifamily Insured Mortgage Database¹¹⁷ and HUD's Terminated Multifamily Insured Mortgage Database¹¹⁸ provide data on each multi-family FHA insured mortgage since 1935.

Additionally, HUD provides data here: <https://egis.hud.gov/cart/#>

41. Section 542(C): Housing Finance Agency Risk Sharing

Administrator: Office of Multifamily Housing Programs, Office of Production, Program Administration Division. Connecticut Housing Finance Agency (CHFA) is an approved HFA under this program and enters into agreements with HUD.

Lineage: The Housing and Community Development Act of 1992 authorized the Section 542(c) Risk-Sharing Program for Housing Finance Agencies (HFA) as a pilot program.¹¹⁹ HUD's 2001 Fiscal Year Appropriations Act amended Section 542 making it a permanent program.¹²⁰

In 2020 proposed rule changes were adopted effective January 2021 to amend section 542(c).¹²¹ The ruling updated language and terminology to conform with current standards and definitions, and allowed HUD and HFAs for more flexibility when they are the party assuming the larger share of the risk. It also made changes to make the program more compatible with other FHA programs and rental subsidy programs.

In Connecticut, four projects were initiated under the Section 542(c) program in 2001: Wyllys Lisbon Cooperative Apartments in Hartford, Charles Street Place in Meriden, Sunset Ridge in New Haven, and Westwoods in Farmington (mortgage matures 2028). All but Westwoods have terminated their mortgages. In 2003, two additional projects came under this program: Watertown Crossing in Waterbury (terminated) and Florence Virtue Homes in New Haven (mortgage matures in 2032). In 2011, two additional projects came under the program, Sycamore Place in

¹¹⁵ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database. Retrieved from https://www.hud.gov/program_offices/housing/comp/rpts/mfh/mf_f47

¹¹⁶ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database

¹¹⁷ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

¹¹⁸ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database.

¹¹⁹ "Housing and Community Development Act of 1992," Pub. L. No. 102-550 (1992).

¹²⁰ Public Law 106-377, 106th Congress (2000).

¹²¹ U.S. Department of Housing and Urban Development. (December 22, 2020). Final Rule: Section 542(c) Housing Finance Agency Risk Sharing Program. Retrieved from <https://www.federalregister.gov/documents/2020/12/22/2020-27914/section-542c-housing-finance-agency-risk-sharing-program>

Bridgeport (matures in 2053) and the Huntington Woods Apartments in Bristol came under the program (matures in 2052).

Years Funded:

Nationally: 1994 - present.

Connecticut: 2001 to present.

Funding Source(s): FHA mortgage insurance for HUD-approved lenders.

Overview: Section 542(c) is similar to Section 542(b), the difference being 542(c) is for risk-sharing agreements with state and local HFAs, rather than QPEs. Section 542(c) supports HFAs and enables more insurance and credit for loans for multifamily housing. A new insurance authority, separate from the NHA, was created to underwrite affordable housing loans and provide reinsurance on mortgages under Section 542.

HFAs originate and underwrite affordable multifamily housing loans for new construction, substantial rehabilitation, refinancing, and elderly housing. HUD provides FHA mortgage insurance, making HFA bonds attractive to investors. Unlike the 542(b) program which sets the risk-share proportion at 50%, HUD and the HFA can determine a risk-sharing proportion from 10% to 90%. Amendments to the 542(c) program in 2021 provide additional flexibility for whichever entity holds more of the share.¹²²

The HFA can provide information to potential borrowers. Approved lenders submit applications to the HFA on behalf of the borrower. The HFA will gain approval from the HUD Multifamily Regional Coordinator.

Eligibility: Only HFAs that are approved by HUD may participate in the 542(c) program. HFAs must be “top tier,” have a rating of “A” for its general obligation bonds by a nationally recognized rating agency, or demonstrate capacity and management strength, have at least five years experience underwriting multifamily housing, and be a HUD-approved multifamily mortgagee in good standing.¹²³

Mortgagors can be investors, builders, developers, public entities, or nonprofits who apply to the HFA.

Households eligible for affordable housing live in the units.

Units: In Connecticut, there have been four properties under the 542(c) program.¹²⁴ These properties total 561 units. They are located in Farmington, New Haven, Bristol and Bridgeport. There are four ongoing 542(c) program risk-sharing agreements in Connecticut.¹²⁵

¹²² Ibid.

¹²³ U.S. Department of Housing and Urban Development (HUD). (Date Unknown). Multifamily Housing - Program Description: Housing Finance Agency Risk-Sharing: Section 542(c). Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/riskshare542c

¹²⁴ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

¹²⁵ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database."

Project Name	Project Address	Project City	Units	Initial Endorsement date	Status
WESTWOODS	308-312 SCOTT SWAMP ROAD	FARMINGTON	34	9/28/2001	Mortgage Maturity Date: 5/1/2028
FLORENCE VIRTUE HOMES	CHARLES STREET	NEW HAVEN	129	9/30/2003	Mortgage Maturity Date: 7/1/2032
SYCAMORE PLACE	285 MAPLEWOOD AVE.	BRIDGEPORT	118	11/30/2011	Mortgage Maturity Date: 3/1/2053
HUNTINGTON WOODS APARTMENTS	200 BLAKESLEE STREET	BRISTOL	280	12/14/2011	Mortgage Maturity Date: 1/1/2052
WYLLYS LISBON COOPERATIVE APTS	SCATTERED SITES	HARTFORD	35	9/28/2001	Voluntarily Terminated: 11/10/2014
CHARLES STREET PLACE	122 CHARLES STREET	MERIDEN	80	9/28/2001	Voluntarily Terminated: 11/10/2014
SUNSET RIDGE	341 SMITH AVENUE	NEW HAVEN	312	9/28/2001	Prepayment: 7/24/2012
WATERTOWN CROSSING	100 FULKERSON DRIVE	WATERBURY	108	9/30/2003	Voluntarily Terminated: 7/18/2014

Data Availability: HUD’s Multifamily Insured Mortgage Database¹²⁶ and HUD’s Terminated Multifamily Insured Mortgage Database¹²⁷ provide data on each multi-family FHA insured mortgage since 1935.

42.Section 811: Supportive Housing for Persons with Disabilities (Project Rental Assistance Contract for the Disabled or the PRAC/811 Program)

Administrator: HUD, Office of Asset Management and Portfolio Oversight. In Connecticut, this program is administered by the DOH.

Lineage: HUD Program authorized by Section 811 of the National Affordable Housing Act of 1990 (P.L. 101-625) as amended by the Housing and Community Development Act of 1992 (P.L. 102-550), the Rescission Act (P.L. 104-19) the American Homeownership and Opportunity Act of 2000 (P.L. 106-569), and the Frank Melville Supportive Housing Act of 2010 (P.L. 111–374).¹²⁸ Section 811 of the National Affordable Housing Act of 1990, 42 U.S.C. 8013

¹²⁶ U.S. Department of Housing and Urban Development (HUD). (2022). HUD Insured Multifamily Mortgages Database.

¹²⁷ U.S. Department of Housing and Urban Development (HUD). "HUD Terminated Multifamily Mortgages Database."

¹²⁸ U.S. Department of Housing and Urban Development. "Multifamily Housing - Program Description: Section 811 Supportive Housing for Persons With Disabilities." Retrieved from https://www.hud.gov/program_offices/housing/mfh/progdesc/disab811

replaced the Section 202 Program of Housing for Handicapped People as authorized by Section 202 of the Housing Act of 1959, as amended by Section 162 of the Housing and Community Development Act of 1987.

Years Funded: National: 1992-2022.

Connecticut DOH was granted \$4,112,906 in 2015 for the first five years of the CT811 program. In 2020, the DOH received an additional \$6,979,172 towards CT811 funding.¹²⁹

Funding Source(s): Federal (HUD). Before 2011, projects were funded through two components: capital advances and operating subsidies; and project rental assistance.

The most recent NOFA for 811 capital advances was released in 2019 and closed in February 2020.¹³⁰

Project rental assistance is allocated to state housing agencies and can be used in multi-family housing complexes that are funded through a variety of federal affordable housing programs (e.g. LIHTC and HOME).¹³¹ The most recent NOFA for the project rental assistance component was released in 2019 and is anticipated to rollover in 2023.¹³²

Overview: The Section 811 Supportive Housing for Persons with Disabilities is a HUD program that focuses on assistance for the lowest income people with the most significant and long-term disabilities. The Program enables these individuals to live independently in the community by providing affordable housing linked with voluntary services and support. A key aspect of the Program is the provision of funds to nonprofit organizations to utilize to develop affordable rental housing that includes supportive services. The Program also provides rent subsidies for these projects to keep the resulting units affordable. The Modernized Capital Advance/Project Rental Assistance Contract (PRAC) multi-family Program, also known in the State of Connecticut as the “Project Rental Assistance Contract for the Disabled (PRAC/811) Program,” is one of two relatively new approaches created by HUD to provide integrated permanent supportive housing (The other is the Project Rental Assistance, or “PRA”, Program).

Notably, only 501(c)(3) nonprofit entities are eligible to apply for under this Program. Key aspects include that the project owner enters into a Rental Assistance Contract (RAC) with the Connecticut DOH to establish a set-aside of units, known in Connecticut as CT811 units, within an eligible multi-family housing development. Once the RAC is in place the DOH will refer eligible applicants (“clients”) to the development when there is an existing or anticipated vacancy of a CT811 unit. In addition, Project Rental Assistance (PRA) subsidies are provided to project owners on behalf of clients that are determined as eligible at the time of their admission to the program.

The DOH is identifying eligible projects and interested owners to participate in the CT811 program.¹³³ A total of \$325M was allocated for FY 2022 nationally.¹³⁴

¹²⁹ State of Connecticut, Department of Housing. (2020, August 25). "New' Resource for Supporting Housing: Section 811 PRA". Retrieved from <https://portal.ct.gov/-/media/DOH/CT811-Presentation-Slides-8-25-2020.pdf>

¹³⁰ Department of Housing and Urban Development. (2019). FY 2019 Section 811 Supportive Housing for Persons with Disabilities (Capital Advance). Retrieved from https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy2019_section811_capadvance

¹³¹ U.S. Department of Housing and Urban Development. (n.d.). Multifamily Housing - Program Description: Section 811 Supportive Housing for Persons with Disabilities.

¹³² U.S. Department of Housing and Urban Development. (n.d.). Funding Opportunities. Retrieved from <https://www.hud.gov/grants>

¹³³ Connecticut Department of Housing. (n.d.). Section 811 Project-Based Rental Assistance Program CT811. Retrieved from <https://portal.ct.gov/DOH/DOH/Programs/Section-811-ProjectBased-Rental-Assistance-Program-CT811>

¹³⁴ U.S. Department of Housing and Urban Development (HUD). (2023) “Assisted Housing: National and Local | HUD USER.” Retrieved from: <https://www.huduser.gov/portal/datasets/assthsg.html>.

A total of \$2,344,035 was allocated for Section 811/PRAC for FY21 in Connecticut. As of 2022, statewide there were 237 811/PRAC units providing housing for 250 people. Additional information regarding these units is included in the tables below. The units benefit households with very-low incomes (17% AMI).

Table: 811/PRAC in Connecticut

Program	State	Subsidized Units Available	% occupied	Number of people per unit	Number of people total	Average family expenditure per month (\$)	Average HUD expenditure per month (\$)
811/PRAC	CT	237	95%	1.2	250	306	814

Household Income per year	Percent of local median (household income)	Minority	Black non-Hispanic	Black Hispanic	Hispanic	White non-Hispanic	White Hispanic
\$13,084	17%	48%	29%	1%	18%	46%	10%

Source: "Assisted Housing: National and Local | HUD USER," accessed January 6, 2023, <https://www.huduser.gov/portal/datasets/asstshg.html>.

Eligibility: Households must be extremely low income, 30% of the area median income, with at least one adult family member having a disability. The disability may be physical disability, a developmental disability, or a chronic mental illness.

Units: 237

43.Small Cities CDBG Program

Administrator: HUD, Office of Community Planning and Development

The Connecticut DOH administers the distribution of CDBG funds for the Small Cities Program, while large local jurisdictions (Entitlement Districts) are responsible for their own CDBG funding. Small localities apply to DOH for CDBG funds.

Lineage: 1974 Housing and Community Development Act, Title I, merged seven pre-existing programs to form the Community Development Block Grant (CDBG).¹³⁵ This passed discretion over community development projects from the federal government to local and state governments.

Connecticut State and its 22 entitlement districts have received CDBG funding since 1975.¹³⁶

¹³⁵ U.S. Department of Housing and Urban Development. (n.d.). CDBG Laws and Regulations. Retrieved from <https://www.hudexchange.info/programs/cdbg/cdbg-laws-and-regulations>

¹³⁶ U.S. Department of Housing and Urban Development. (2014). CDBG Allocations History by Year 1975-2014. Retrieved from <https://www.hudexchange.info/programs/cdbg/cdbg-reports-program-data-and-income-limits>

Years Funded:

Nationally: 1975 - Present.

Connecticut: 1975 - Present.¹³⁷

Since 1982, Connecticut has received over 13 million dollars each year towards the Small Cities CDBG.¹³⁸

Congress has appropriated funding annually since 1975. National CDBG funding was \$3.475 billion in 2021, \$3.4 billion in 2020, and \$3.3 billion in 2019.¹³⁹

Funding Source(s): The U.S. The Department of Housing and Urban Development (HUD) uses a formula to distribute CDBG accounting for indicators of poverty, poor housing conditions, and economic stagnation. Entitlement Jurisdictions, municipalities with more than 50,000 people and counties with more than 200,000 people, automatically receive 70 percent of CDBG funding. The remainder goes to States for the Small Cities Program and distribution to rural communities.

Overview: Community Development Block Grants (CDBG) allow local governments and states to determine the use of funding for projects that meet the national objective of providing viable communities through decent living conditions and expansion of economic activities.¹⁴⁰ The majority of CDBG funding (70 percent) must be used to support projects that help low- and moderate-income households. The intent of eligible community development activities are paraphrased: elimination of “slums and blight;” public health and safety; production and preservation of affordable housing; improvement of community services; rational land-use; reduction of income-based segregation and the concentration of low-income housing; historical preservation and restoration; leveraging of private investment in areas of economic distress; and energy conservation and renewability. CDBG funds may also be used when there is an urgent need and no other funding is available. Projects can be carried out through a variety of methods: property acquisition, rehabilitation, construction, modification of structures, removing lead-based paint, public service provision (capped at 15 percent of total CDBG), capacity building, technical assistance, down-payment assistance, and provision of loans.¹⁴¹

Eligibility: At least 70 percent of eligible activities should serve households with income less than 80 percent of the area median income (AMI).

Small Cities CDBG funding goes to Connecticut to distribute to cities with populations of less than 50,000 people, who apply for funding (see list below).

¹³⁷ Ibid.

¹³⁸CTDOH. (n.d.). Community Development Block Grant: Small Cities. "The Key to Connecticut's Community Development Future." Retrieved from <https://portal.ct.gov/DOH/DOH/Programs/Small-Cities-Program>

¹³⁹ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies" Retrieved from: <https://nlihc.org/explore-issues/publications-research/advocates-guide>.

¹⁴⁰ Community Development (HCD) Act of 1974, Title 42 The Public Health and Welfare § Chapter 69, Section 5301. (n.d.). Retrieved from <https://www.govinfo.gov/content/pkg/USCODE-2010-title42/html/USCODE-2010-title42-chap69-sec5301.htm>

¹⁴¹ State of Connecticut, Department of Housing. (n.d.). Eligible Activities: (Section 105a of the Housing and Community Development Act). Retrieved from <https://portal.ct.gov/-/media/DOH/CDBGSCBrochurepdf5820.pdf>

<p>Eligible for Small Cities CDBG Funding:¹⁴²</p>	<p>Andover, Ansonia, Ashford, Avon, Bantam (Litchfield), Barkhamsted, Beacon Falls, Berlin, Bethany, Bethel, Bethlehem, Bloomfield, Bolton, Bozrah, Branford, Bridgewater, Brookfield, Brooklyn, Burlington, Canaan, Canterbury, Canton, Chaplin, Cheshire, Chester, Clinton, Colchester, Colebrook, Columbia, Cornwall, Coventry, Cromwell, Danielson (Killingly), Darien, Deep River, Derby, Durham, East Granby, East Haddam, East Hampton, East Haven, East Lyme, East Windsor, Eastford, Easton, Ellington, Enfield, Essex, Farmington, Fenwick (Old Saybrook), Franklin, Glastonbury, Goshen, Granby, Griswold, Groton, Groton-City, Groton Long Point, Guilford, Haddam, Hampton, Hartland, Harwinton, Hebron Jewett City (Griswold), Kent, Killingly, Killingworth, Lebanon, Ledyard, Lisbon, Litchfield (Borough), Lyme, Madison, Mansfield, Marlborough, Middlebury, Middlefield, Monroe, Montville, Morris, Naugatuck, New Canaan, New Fairfield, New Hartford, New Milford, Newington, Newtown, Newtown (Borough), Norfolk, North Branford, North Canaan, North Haven, North Stonington, Old Lyme, Old Saybrook, Orange Oxford, Plainfield, Plainville, Plymouth, Pomfret, Portland, Preston, Prospect, Putnam, Redding, Ridgefield, Rocky Hill, Roxbury, Salem, Salisbury, Scotland, Seymour, Sharon, Shelton, Sherman, Simsbury, Somers, South Windsor, Southbury, Southington, Sprague, Stafford, Sterling, Stonington, Stonington (Borough), Suffield, Thomaston, Thompson, Tolland, Torrington, Trumbull, Union, Vernon, Voluntown, Wallingford, Warren, Washington, Waterford, Watertown, Westbrook, Weston, Westport, Wethersfield, Willington, Wilton, Winchester, Windham, Windsor, Windsor, Locks, Wolcott, Woodbridge, Woodbury, Woodstock.</p>
--	--

A total of 22 Entitlement Districts in Connecticut receive CDBG funds directly from HUD and serve communities with populations greater than 50,000 (see list below).

<p>Entitlement Districts (Ineligible for Small Cities CDBG funding)¹⁴³</p>	<p>Bridgeport, Bristol, Danbury, East Hartford, Fairfield, Greenwich, Hamden, Hartford, Manchester, Meriden, Middletown, Milford Town, New Britain, New Haven, New London, Norwalk, Norwich, Stamford, Stratford, Waterbury, West Hartford, and West Haven.</p>
---	---

Units: More than 1,000 units have been developed with support from CDBG funds from 2010 to 2022 according to CHFA. Several hundred to several thousand more have been rehabilitated.

44. Tax Credit Assistance Program and Section 1602 Tax Credit Exchange Program

Administrator: HUD and the US Department of the Treasury, CHFA

Lineage: The Tax Credit Assistance Program (“TCAP”) and Section 1602 Tax Credit Exchange (“Exchange Program”) Programs were enacted via the American Recovery and Reinvestment Act of 2009.

¹⁴² State of Connecticut, Department of Housing. (n.d.). CDBG - Eligible Connecticut Towns. Retrieved from <https://portal.ct.gov/-/media/DOH/eligibletownspdf.pdf>

¹⁴³ State of Connecticut, Department of Housing. (2020). 2020-24 Consolidated Plan for Housing and Community Development. Retrieved from <https://portal.ct.gov/-/media/DOH/20-24-ConPlan-and-Action-Plan.pdf>

Years Funded:

National: 2009, covering the 2009-2010 time period.

Connecticut: 2010-2011

Funding Source(s): American Recovery and Reinvestment Act of 2009

Overview: The 2009 American Recovery and Reinvestment Act (“ARRA”) created two provisions to enhance the Section 42 Rental Housing Tax Credit program, which included \$2.25 billion in HOME Program funding for the Tax Credit Assistance Program (“TCAP”), and the ability for housing agencies to exchange certain allocations as they pertain to Low Income Housing Tax Credit projects (known as the “Exchange Program”).

TCAP provides grant funding for capital investment in Low Income Housing Tax Credit (“LIHTC”) projects via a formula-based allocation to State housing credit allocation agencies. The Department of Housing and Urban Development has federal oversight responsibility for the program. The primary use of TCAP funds is to provide financing for gaps caused by the collapse of the tax credit equity market and associated decline in investor demand, to assist stalled development projects, and to stimulate economic activity primarily in the form of job creation. Under TCAP, HUD awarded grants to eligible agencies in each State using a formula and these agencies provided “...subawards for projects that received, or will receive, LIHTC in fiscal years 2007, 2008 and 2009.”¹⁴⁴

The 52 State Housing Credit Agencies that administer the Low-Income Housing Tax Credit Program are the only eligible applicants (the 50 states plus the District of Columbia and the Commonwealth of Puerto Rico). Recipient agencies are only permitted to provide subawards to projects that are qualified low-income buildings under Section 42 of the Internal Revenue Code. The subaward amount is not permitted to exceed the amount required to ensure the financial feasibility of the applicant’s development through the 15-year compliance period.¹⁴⁵

The Section 1602 TCE Program serves the dual purpose of boosting job creation and security, and increasing the affordable housing supply by using appropriated funds to help start construction on early-phase LIHTC developments. The Section 1602 Exchange program “...was expected to address funding gaps created by diminished investor demand for rental housing tax credits.” ([Indiana Housing & Community Development Authority](#)). Only the agencies that file Form 8610 (Annual Low Income Housing Credit Agencies Report) for their state are eligible to receive funds from the Section 1602 program¹⁴⁶. These agencies administer the Program and allocate the funds to owners/developers of LIHTC projects. The funds from this program are allocated in the form of a loan for LIHTC. Eligible projects were those that had a LIHTC award of 9% tax credits from 2008, 2009, or 2010, which also required additional funding to be completed and placed into operation. Additionally, the owner must have either an equity investment or made good faith efforts to obtain one. ([Indiana Housing & Community Development Authority](#))

Eligibility: Owners/developers of LIHTC projects.

Units: 910

¹⁴⁴ Morton, T. D., & Moore, K. C. (June 2009). Treasury and HUD Issue Guidance on Section 1602 and Tax Credit Assistance Programs. Pillsbury Law: Client Alert 1900, No. 1931. Retrieved from:

<https://www.pillsburylaw.com/images/content/2/5/v2/2501/B18FA1737DF5C0B458F7D870842308E5.pdf>

¹⁴⁵ Ibid.

¹⁴⁶ Ibid.

Wait list: Not applicable, as these programs provide funding at the owner/developer level.

45. Congregate Housing for the Elderly

Administrator: CT DECD/ CHFA

Lineage: P.A. 77-582 under Section 8-119.¹⁴⁷

Years Funded: 1990- Present

Funding Source(s): General Fund

Overview: P.A. 77-582 created the Congregate Housing for the Elderly program. The program responded to a growing segment of the older population who, because of increasing age, infirmity and other functional limitations, are not able to perform all personal and household functions associated with complete independent living.

The program provides grants, interim loans, permanent loans, deferred loans or any combination thereof for the development of congregate housing for frail elderly persons. Additionally, subject to available appropriations, the Commissioner may provide financial assist to offset the cost of congregate services in state-financed congregate housing for frail elderly persons. Congregate services include one main meal a day, housekeeping services, and a 24-hour emergency service to enable semi-independent living in a residential setting.¹⁴⁸

Eligibility: Any sponsor of state-assisted congregate housing may apply for the grant to offset the costs of services not paid by tenants. This includes rental assistance for tenants who pay no more than 30% of their income toward rent.

Units: 9,382

Data Availability: 1990-current from DOH Appeals list, but inconsistent labeling.

46. Market Rate Conversion Program

Administrator: CHFA

Years Funded: 2013-present

Funding Source(s): CHFA

Overview: CHFA provides financing (taxable debt) for conversion of market rate developments to mixed income. Property owners and managers of older developments in need of renovation and upgrading received longer-term financing from the State for these improvements in exchange for putting income restrictions on 40% of units: 20% at 80 AMI and 20% at 60% AMI.

¹⁴⁷ CT Office of the Secretary of State. Title 8-119g-1. Connecticut eRegulations System. Retrieved from https://eregulations.ct.gov/eRegsPortal/Browse/RCSA/Title_8Subtitle_8-119gSection_8-119g-1/

¹⁴⁸ CTDOH. (Date unknown). Congregate Facilities Operating Cost Program. Retrieved from <https://portal.ct.gov/DOH/DOH/Programs/Congregate-Facilities-Operating-Cost-Program>

Eligibility: Any market rate development for which owner is willing to convert to mixed-income.

Units: 1,094

Policy Restrictions and Impediments to Desegregation: None. Actively creates income desegregation.

47. Mutual Housing Program

Administrator: CHFA/ DECD

Lineage: CGS § 8-214f

Years Funded: 1990- present

Overview: Designed to offer low-interest loans and/or grants to developers and owners of low- to moderate-income rental housing. Recipients of funds under this program are required to regularly provide CHFA and/or DECD with documentation that demonstrates compliance with specific financial, insurance, property, tenant and lease requirements.

The Mutual Housing Program is subject to relevant Connecticut Regulations, as well as the provisions of the Assistance Agreement between the owner and the CHFA.

Eligibility: low- to moderate-income (60-80% of AMI)

Units: 110

Wait list: Each property manager must maintain tenant profiles and wait list survey annually.

48. State Housing Tax Credit Contribution (HTCC) Program

Administrator: CT DOH

Lineage: CGS § 8-395

Overview: The HTCC program helps nonprofit developers build affordable housing in Connecticut and gives local businesses an opportunity to invest in the projects. CHFA allocates up to \$10 million annually in state tax credits under the HTCC program to nonprofits developing very low-, low- and moderate-income housing in Connecticut. Private business can buy the tax credits and apply them to their corporate tax. Nonprofit developers use the money for their affordable housing project.

Funding from HTCCs has supported the development of an average of 650 affordable units per year and often provides gap financing, allowing many projects to advance.

Units: 205

Data Availability: Inconsistent. HTTC is often one small piece of the capital stack. As such, it is rarely¹⁴⁹ designated in the CHFA Multifamily rental dataset.

Policy Restrictions and Impediments to Desegregation: Applies to projects that are approved for affordable multi-family development. While in theory, this funding could be used to promote desegregation of the state, these projects are most likely to be approved in more urban areas that allow multi-family development.

49.PRIME (Private Rental Investment Mortgage and Equity)

Administrator: CT DOH

Lineage: CGS § 8-400 - 409

Years Funded: 1993 - present

Funding Source(s): Housing Repayment and Revolving Loan Fund¹⁵⁰

Overview: A 1993 program that allowed the state to provide loans and grants to developers to create developments with a certain percentage of units set aside for low-income residents, with subsidies lasting for at least 15 years. These subsidies cover the difference between the unit's rent and utility costs and 30 percent of the tenant's income. In return for its investment, the state received equity interest in the property.

Units: 929

Policy Restrictions and Impediments to Desegregation: Applies to projects that are approved for affordable multi-family development. While in theory, this funding could be used to promote desegregation of the state, these projects are most likely to be approved in more urban areas that allow multi-family development.

50.Moderate Rental Housing Program (Developer)

Administrator: CHFA

Lineage: CGS § 8- 69 -94

Years Funded: 1949-present

Funding Source(s):

Overview: The Moderate Rental Housing Program is overseen by the Connecticut Housing Finance Authority (CHFA) and was created to offer low-interest loans, and/or grants to developers and owners of low- and moderate-income rental housing. Recipients of funds under this program are required to regularly provide CHFA and/or DOH with

¹⁴⁹ Only four properties in the CHFA Multifamily Rental Data 2010-October 2022 dataset were identified as having received HTCC funding; three in the name and one in the funding details.

¹⁵⁰ Connecticut General Assembly. CHAPTER 138h: PRIVATE RENTAL INVESTMENT MORTGAGE AND EQUITY PROGRAM. Retrieved from https://www.cga.ct.gov/current/pub/chap_138h.htm

documentation that demonstrates their compliance with specific financial, insurance, property, tenant and lease requirements.

Units: 324

Policy Restrictions and Impediments to Desegregation: Applies to existing and approved development. While in theory, this funding could be used to promote desegregation of the state, these projects are most likely to be approved in more urban areas that allow multi-family development.

51. Affordable Housing Program (AHP) a.k.a. FLEX

Administrator: CT DOH

Lineage: CGS § 8-37

Years Funded: 2001-present

Funding Source(s): General Obligation Bonds

Overview: The FLEX program¹⁵¹ provides grants, loans, loan guarantees, deferred loans or any combination thereof for the development and preservation of affordable housing to:

- Municipalities
- Nonprofits
- Local Housing Authorities
- For-Profit Developers

Eligibility: Applicants must meet applicable eligibility requirements as listed in Sec. 8-119jj-18.¹⁵²

Eligible uses are as follow:

- Acquisition
- Rehabilitation
- New Construction
- Demolition
- Homeownership
- Multi-family rental housing
- Adaptive re-use of historic structures
- Special needs housing
- Redevelopment of vacant properties
- Infrastructure improvements
- Housing for individuals or families with incomes up to 100% of Area Median Income

¹⁵¹ CTDOH. (Date unknown). Affordable Housing Program (FLEX). Retrieved from <https://portal.ct.gov/DOH/DOH/Programs/FLEX>

¹⁵² CTDOH. (1996, October). Affordable Housing Program, Sec. 8-119jj, page 1. Retrieved from <https://portal.ct.gov/-/media/DOH/119zjjpdf.pdf>

Units: 11,244 in total including 7,184 in 272 **Public Housing** buildings. FLEX has contributed to the capital stack of most project-based affordable developments in CT since 2001. As such, the program is rarely identified in State level datasets. FLEX is identified as DOH source funding in HUD's Public Housing Building's dataset¹⁵³, however FLEX funds used in other State and private-developments are not identified as such.

Policy Restrictions and Impediments to Desegregation: This funding could be used to promote desegregation of the state, however these projects are most likely to be approved in more urban areas that allow multi-family development.

52.DOH Predevelopment Loan Program

Administrator: CT DOH

Lineage: CGS § 8-410

Years Funded: 1990-present

Funding Source(s): FLEX or Housing Repayment and Revolving Loan Fund/federal HOME funds

Overview: Provides financial assistance in the form of an interest free loan to the Developer for predevelopment costs incurred in connection with the construction, rehabilitation or renovation of decent, safe and sanitary dwelling units for low and moderate income families.

Eligible expenses include architectural designs, feasibility studies, market studies, appraisals, and option payments to acquire a site. Loans are available for up to \$300,000. All loans are 0% interest and available for a term of 24 months. The majority of projects serve households with incomes of 25%-60% of the area median income (AMI).

Policy Restrictions and Impediments to Desegregation: This funding could be used to promote desegregation of the state, however these projects are most likely to be approved in more urban areas that allow multi-family development.

53.Incentive Housing Zone (IHZ) Program

Administrator: CT DOH

Lineage: CGS § 8-13m13x

Years Funded: 2014- present

Overview: Incentive Housing Development (IHD) means a residential or mixed-use development that is:

- located within an DOH approved IHZ,

¹⁵³ HUD GIS Helpdesk. (2022, December). Public Housing Buildings. Retrieved from <https://hudgis-hud.opendata.arcgis.com/maps/52a6a3a2ef1e4489837f97dcedaf8e27>

- is eligible for financial incentive payments,
- and sets aside lower cost units for a minimum of 20% of the households earning 80% or less of the area median income (AMI) for minimum of 30 years.

Upon completion of development, provides grants for:

- pre-development costs of up to \$20,000.
- Zone Adoption Grants of up to \$50,000¹⁵⁴ to municipalities for the purpose of providing technical assistance and predevelopment funds in the planning of incentive housing zones, the adoption of incentive housing zone regulations, and design standard.
- Building Permit Grants of up to \$2,000 per multifamily unit and \$5,000 per single family unit.

Eligibility: Any area with transit access or concentrated development, or due to other existing, planned, or proposed infrastructure improvement is suitable for development as an incentive housing zone.

Units:

- 50 approved Technical Assistance Grants: \$1.95 million
- 11 Zone Adoption Grants: \$220,000
- 2 Building Permit Grants: \$30,000
- 355.61 acres of IHZ in twelve communities.
- **46 affordable units**¹⁵⁵.

Data Availability: Annual IHZ Report from DOH

Further Study: There has been no new program activity since the January 2018 annual report. ¹⁵⁶

Policy Restrictions and Impediments to Desegregation: Designed to incentivize affordable housing in communities throughout the state, this program has had limited success in actual development of new units.

54. Land Bank Trust

Administrator: CT DOH

Lineage: CGS § 8-214b – § 8-214e/ P.A.87-441

Years Funded: 1949-Present

Funding Source(s): General Obligation Bonds

Overview: This LB/LT program provided grants for the costs of acquiring land or interest in land and the costs of holding and managing land to be developed as housing for low and moderate-income families.

¹⁵⁴ Connecticut General Assembly. CHAPTER 124b: Incentive Housing Zones. Retrieved from https://www.cga.ct.gov/current/pub/chap_124b.htm

¹⁵⁵ Connecticut Department of Housing (CTDOH). (2022, January). Annual Report to the Governor and the General Assembly on Incentive Housing Zones. Retrieved from <https://portal.ct.gov/-/media/DOH/IHZ-2022-Report-for-Publication.pdf>

¹⁵⁶ Ibid. p. 6.

The program is divided into two components: (1) Land Bank – grants, loans or deferred loans to purchase land, which an eligible applicant can "bank" or hold the land for a period of up to two years, and (2) Land Trust – grants, loans and deferred loans for acquisition, holding and managing costs, but land must be developed right away. The land underlying the units must be held in trust.

Eligibility: Nonprofit organization or limited equity cooperatives

Units: Unknown

Data Availability: Inconsistent. LBLT is often one small piece of the capital stack. As such, it is rarely¹⁵⁷ designated in the Government Assisted dataset. Further, "With increasingly limited resources, DOH most often is a partial or "gap" financier on projects. The Flexible Housing Program will most likely be used rather than Land Bank & Land Trust Program."¹⁵⁸

Policy Restrictions and Impediments to Desegregation: This funding could be used to promote desegregation of the state; however, these projects are most likely to be approved in more urban areas that allow multi-family development.

55. Competitive Housing Assistance for Multifamily Properties (CHAMP)

Administrator: CT DOH

Lineage: gap financing under CGS§8-37pp and CGS§8-336m

Years Funded: 2008-2018

Funding Source(s): Housing Trust Funds, Affordable Housing Program, federal HOME

Overview: Through the Competitive Housing Assistance for Multifamily Properties (CHAMP) initiative DOH provides gap funding to owners of existing developments and developers of proposed new developments to increase the supply of safe, decent and affordable housing in Connecticut. Through this initiative, DOH seeks to leverage non-State funds to catalyze the creation and/or preservation of affordable multifamily housing to promote healthy lives, strong communities and a robust economy. DOH funds may be provided in the form of grants, loans or a combination thereof. In addition, funds awarded under this initiative may be combined with financial assistance from the Connecticut Housing Finance Authority, including 4% low-income housing tax credits and taxable and/or tax exempt bond financing.

Eligibility: Must create 20 new units, 20% of which are rentals.

Units: Information bundled with LIHTC data much of the time.

¹⁵⁷ Only one property in the 2020 DOH Appeals List dataset were identified as having received LBLT funding.

¹⁵⁸ Connecticut Department of Housing (CTDOH). Land Bank & Land Trust Program. Retrieved from <https://portal.ct.gov/DOH/DOH/Programs/Land-Bank-Land-Trust>

Data Availability: As a financing tool, CHAMP is part of the capital stack and not necessarily detailed in the DOH project descriptions.

Policy Restrictions and Impediments to Desegregation: This funding could be used to promote desegregation of the state, however these projects are most likely to be approved in more urban areas that allow multi-family development.

56. Connecticut Housing Trust Fund

Administrator: CT DOH

Lineage: P.A. 05-5 https://www.cga.ct.gov/current/pub/chap_137e.htm

Years Funded: 2005-Present

Funding Source(s): General Obligation Bonds

Overview: The Housing Trust Fund Program is administered by the DOH and is designed to create affordable housing for low and moderate-income households. The funds are awarded as loans and/or grants to eligible sponsors of affordable housing. The program encourages the creation of homeownership housing for low and moderate-income families, promotes the rehabilitation, preservation and production of rental housing and the development of housing which aids the revitalization of communities by providing gap financing, grants, loan guarantees, and loans for the Connecticut Individual Development Account housing program.

Eligibility: A competitive program that solicits applications twice per year, recipients can be:

- Municipalities
- Nonprofit Organizations
- Local Housing Authorities
- For-Profit Organizations
- CHFA

Eligible projects include:

- Acquisition
- Rehabilitation
- New Construction
- Demolition
- Homeownership
- Multi-family rental housing
- Adaptive re-use of historic structures
- Special needs housing
- Redevelopment of vacant properties
- Infrastructure improvements
- Housing for individuals or families with incomes up to 120% of Area Median Income

Units: Unknown

Policy Restrictions and Impediments to Desegregation: This funding could be used to promote desegregation of the state, however these projects are most likely to be approved in more urban areas that allow multi-family development.

57.State-Sponsored Housing Portfolio Moderate Rehabilitation Projects

Administrator: CT DOH

Lineage: Governor’s Capital Plan 2012

Years Funded: 2012-2022

Funding Source(s): Governor’s capital budget

Overview: State-Sponsored Housing Portfolio Moderate Rehabilitation Projects is a competitive program intended to provide funding to eligible sponsors to address capital improvements where such improvements coupled with a long-term plan regarding the physical, financial and management operations will result in a sustainable and market competitive development and/or the occupancy of off-line units serving a diversified economic population with incomes of up to 80% of Area Median Income.

Eligibility: Existing State-sponsored housing portfolio property owners NOT applying for 9% LIHTC.

Units: 500

Policy Restrictions and Impediments to Desegregation: This funding is applied to make capital improvements to existing state-sponsored projects. While improving quality of life for residents, this funding does not have an impact on segregation.

58.Deeded Affordable Housing Units

Administrator: CT DOH

Lineage: C.G.S. Section 8-39a

Years Funded: NA

Funding Source(s): NA

Overview: Properties with deeds containing covenants or restrictions that require such dwelling unit(s) be sold or rented at or below prices that will preserve the unit(s) as affordable housing as defined in C.G.S. Section 8-39a for persons or families whose incomes are less than or equal to 80% of the area median income. Deed restrictions include:

- Permanent (including in perpetuity, indefinite use, lifetime, with options for transfer, sale or loan payoff);

- Specific term (number of months or years (e.g. ten years, ten years + five year extension), including refinancing and extension options);
- Specific date (calendar date)

Units: 5,235¹⁵⁹

Data Availability: 2010-2020 Deed-restricted database includes each individual property.

Policy Restrictions and Impediments to Desegregation: Deed-restricted units may be of any structure type and located anywhere in the state. As such, they can work to reduce segregation.

RENTAL SUBSIDIES AND ASSISTANCE

Rental subsidies and assistance include a broad array of programs designed to provide targeted rental assistance to low-income households. The majority of programs fall under three categories: Housing Choice Vouchers, Project-Based Section 8 Housing, and Public Housing.

59. Section 236: Preservation Program

Administrator: HUD, Office of Multifamily Housing Programs and Office of Recapitalization

Lineage: In 1968, Section 236 replaced the Section 221(d)(3) Below Market Interest Rate (BMIR) mortgage insurance program, which was created by the National Housing Act of 1961. In 1974, the Section 8 New Construction and Substantial Rehabilitation program (Project-Based Section 8 program) replaced Section 236. In 2013, the Section 236 Preservation Program was introduced by HUD to streamline the process to prevent the loss of affordable units as Section 236 mortgage terms mature or are prepaid.¹⁶⁰

Years Funded: Since 1968 funding has been allocated to incentivize ongoing rental subsidy contracts. This has included mortgage insurance and interest reduction payments (IRP subsidies) for building owners to enable them to provide affordable housing.

Funding Source(s): In this Program, the Federal Housing Administration (FHA) provided mortgage insurance, while annual federal funding was allocated for IRP subsidies and rental subsidies.

Overview: *This program is a low interest rate mortgage program to incentivize landlords to provide affordable rental units and/or accept rental program vouchers.* Section 236 provided FHA mortgage insurance on private loans with a subsidy that lowered the interest rate to 1%.¹⁶¹ To receive this incentive, affordable housing producers agreed to serve low- and moderate-income households for a 40-year mortgage term. Owners could also prepay their mortgage after 20 years. In some cases, rental subsidies, now under Section 8 contracts, were also provided to make rents affordable to the target population.

When Section 236 terms complete, and mortgages mature, or are paid off, the owners are no longer obligated to provide affordable housing or renew Section 8 contracts. Owners could convert their properties to market-rate rental or owner units, potentially displacing households of modest means and reducing the affordable housing

¹⁵⁹ Connecticut Department of Housing (CTDOH). (2020). Affordable Housing Appeals List - Exempt Municipalities.

¹⁶⁰ HUDExchange, Section 236 Preservation Program. Retrieved from <https://www.hudexchange.info/programs/section-236-preservation>

¹⁶¹ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

stock. Residents of properties that have prepaid their mortgage and have Section 8 contracts are qualified for Tenant Protection Vouchers (TPV) or enhanced vouchers to help them stay in place or find other affordable housing. Residents of properties that do not have Section 8 contracts do not qualify for enhanced vouchers.

Because of the danger of losing Section 236 units as agreement terms run out or mortgages are prepaid, HUD created the Section 236 Preservation Program.¹⁶² Under this Program, owners of Section 236 properties must seek approval from the Office of Recapitalization for any future changes to their units.

This program serves predominantly low-income households. Notably, households currently served by housing created under Section 236 have a median annual income of approximately \$11,500.¹⁶³

Eligibility: The Program initially served households of low- and moderate-incomes. New residents of housing created under the Section 236 program can have incomes up to 80% of AMI.

Units: 23 Subsidized Units under Section 236 or Section 221(d)(3) are available in CT.¹⁶⁴ The data does not distinguish between the two programs. Statistics on these properties are not readily available because less than 50% of them have been reported to HUD.

Policy Restrictions and Impediments to Desegregation: Section 236 is a legacy program that requires preservation to prevent the loss of affordable units as terms expire or mortgages are prepaid.

60. Farmers Home Administration (FmHA)/Section 515 Rural Rental Housing Program

Administrator: USDA

Lineage: Farmers Home Administration (FmHA) was established via the Farmers Home Administration Act (60 Stat. 1062), on August 14, 1946. This Program is no longer in operation, as its responsibilities were transferred over to the USDA Rural Housing Service in 1994, then to the USDA Office of Rural Development in 1995.

Years Funded:

National: 1946-1994

Funding Source(s): Federal. The FY22 spending bill provided \$50 million for Section 515 specifically¹⁶⁵.

Overview: The Farmers Home Administration (FmHA) was created in 1946 to help distribute loans to farmers and rural communities in the wake of the Great Depression. The Program provided loans to farmers to help them establish self-sufficient farms. Then in 1961, Congress authorized the FmHA to broaden its programs and finance

¹⁶² HUDExchange, Section 236 Preservation Program. Retrieved from <https://www.hudexchange.info/programs/section-236-preservation>

¹⁶³ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

¹⁶⁴ U.S. Department of Housing and Urban Development (HUD). (2023) "Assisted Housing: National and Local | HUD USER." Retrieved from: <https://www.huduser.gov/portal/datasets/assthsg.html>.

¹⁶⁵ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

general water projects and housing for non-farming households in rural municipalities. Subsequently, the U.S. Government Accountability Office launched a study in 1992 on the efficacy of the program and found that approximately 70% of the loans distributed by the FmHA were at risk of default due to poor lending practices. The FmHA was subsequently dissolved in October 1994 and its responsibilities were first transferred to another branch of the USDA, the Rural Housing Service, then to the Office of Rural Development where those responsibilities currently reside. ([Investopedia](#))

The USDA's Office of Rural Development runs several rental and homeownership housing programs through its Rural Housing Service, some of which are utilized in Connecticut, as described in other subsections herein. The USDA provides loans to developers of rental housing for elderly persons and families through the Section 515 program as well as to farm workers through the Section 514 program. The loans to farm workers are often utilized in combination with Section 516 grants. In addition, the USDA provides project-based rental assistance to some of the properties it finances as well as loan guarantees through the Section 521 Rental Assistance (RA) program and the Section 538 program, respectively. The Office of Rural Development also offers several tools designed to preserve the affordability of the USDA-financed rental projects.

- **Units:** 1,956

61. Housing Choice Voucher Program (HCV)

Administrator: HUD's Office of Public and Indian Housing (PIH), Office of Housing Choice Vouchers and about 2,200 state and local Public Housing Authorities (PHAs) administer the Housing Choice Voucher Program (HCV). Over 40 Connecticut PHAs and the State DOH administer Housing Choice Vouchers: the PHAs administer vouchers within their jurisdictions, while DOH facilitates other areas. In Connecticut, John D'Amelia & Associates LLC has been designated to administer Section 8 Housing Choice and Rental Assistance Programs (RAP) on behalf of CT DOH.¹⁶⁶

Lineage: In 1974, the Housing and Community Development Act, under Section 8 created the HCV program. In 2016, the Housing Opportunity Through Modernization Act (HOTMA) modified the HCV program.

Years Funded: 1974-present

The 2022 federal spending bill provided \$24 billion for voucher contract renewals, including HCV, and \$2.4 billion for PHA administration costs.¹⁶⁷ \$200 million went to funding approximately 25,000 new incremental vouchers. In 2021, \$23 billion went to contract renewals while 2.2 billion went to PHA's to administer the program. In 2020, \$21.5 billion was provided for contract renewals and \$1.98 billion for PHAs.

In 2022, Connecticut PHAs budgeted \$478,038,135 for the Housing Choice Voucher program.¹⁶⁸

¹⁶⁶ J. D'Amelia & Associates, LLC. Retrieved from <https://jdamelia.com/>

¹⁶⁷ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

¹⁶⁸ U.S. Department of Housing and Urban Development (HUD). (2023). "Housing Choice Voucher (HCV) Data Dashboard." Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard.

Funding Source(s): PHAs apply for competitive federal funding from HUD for vouchers and the cost to administer the HCV program.¹⁶⁹

Overview: The HCV program provides housing assistance for very low-income households, elderly persons, disabled persons, and veterans. Recipients who receive the voucher can find their own rental housing in the private market, which can range from a single-family home to an apartment, and could even be their current residence. Rather than limiting these households to subsidized housing projects, the aim of this program is to allow flexibility and choice in the location and type of housing appropriate for each family. However, the housing must meet certain requirements of the program and the landlord must agree to rent under the HCV program.

Once a lease is established, the PHA will pay the landlord the difference between the rent the family pays (30% of their adjusted monthly income, 40% when a new rental unit exceeds the payment standard) and the actual rental value for the property. In rare cases, vouchers may be granted to assist in the purchase of a home.

The Housing Choice Voucher (HCV) program is the largest rental assistance program under HUD. People commonly refer to this program as Section 8 vouchers. It is important to clarify that Section 8 also includes a range of housing choice and project-based voucher types.

A total of 9.11% of HCVs issued nationally are dedicated to Special Purpose Vouchers including Mainstream Housing Opportunities Program for Persons with Disabilities (Mainstream Vouchers), Non-Elderly Disabled Vouchers (NEDs), Family Unification Program Vouchers (FUP), and Veterans Affairs Supportive Housing Vouchers (VASH). See sections on each of these programs.¹⁷⁰ DOH and their agent, John D’Amelia & Associates, LLC, offer Section 8 HCV vouchers and the following special purpose voucher programs: FUP, Mainstream, and Nursing Facility Transition Preference (NFP).¹⁷¹

Up to 20% of a state’s Section 8 HCV can be used for Project-Based Vouchers (PBV). In Connecticut, PBVs make up 13.2% of the Section 8 HCV program.¹⁷² See section on Project-Based Section 8 Vouchers for additional information.

Eligibility: In each State 75% of voucher households must be extremely low-income (less than 30% AMI, or below the federal poverty line) and up to 25% can be low-income (below 80% AMI).¹⁷³ In Connecticut, the remaining 25% of vouchers is generally reserved for very-low income households (below 50% of AMI).¹⁷⁴ Definitions of a family as determined by each PHA may limit who is eligible for HCV further. For those who are not U.S. Citizens, an eligible immigration status is required to receive a HCV.

Units: 30,102

Wait list: PHAs in Connecticut keep wait lists and wait list openings vary. Wait lists are open only until they reach a capacity threshold, then close until the majority of recipients on the list have been served. Once closed, a voucher

¹⁶⁹ “Housing Choice Voucher Program Section 8,” HUD.gov / U.S. Department of Housing and Urban Development (HUD), September 20, 2017, https://www.hud.gov/topics/housing_choice_voucher_program_section_8.

¹⁷⁰ U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.”

¹⁷¹ State of Connecticut Department of Housing. (2023). “Section 8 Housing Choice Voucher Program.” Retrieved from: <https://portal.ct.gov/DOH/DOH/Programs/Section-8-Housing-Choice-Voucher-Program>.

¹⁷² U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.” Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard.

¹⁷³ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ‘22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

¹⁷⁴ State of Connecticut Department of Housing. (2023). “Section 8 Housing Choice Voucher Program.”

wait list may remain closed for years before reopening to take new names. On average, households in Connecticut spend 28 months on a PHA wait list for HCVs.¹⁷⁵

Connecticut DOH last opened the wait list in 2017 and received 48,000 applications for the HCV and Rental Assistance Program (RAP) wait lists.¹⁷⁶ 7,000 were selected for placement on the HCV wait list. Seven years later, there were still 1,410 households on the wait list. The wait list in Connecticut is currently closed and will only reopen when the majority of the remaining people already on the list have been served.¹⁷⁷ The DOH will publish a notice of pre-application before the list opens.

Data Availability: The Housing Choice Voucher Data Dashboard¹⁷⁸ provides data on each of the Connecticut PHAs including their budget, reserves, number of contracted units, and number of units leased.¹⁷⁹ They also provide data on the number of people who are admitted into the program, changes over time, and the cost per unit. There is also data by PHA on Special Purpose Vouchers and Project-Based Vouchers that fall under the Housing Choice Voucher Program.

HUD User also provides data on assisted housing nationally and locally.¹⁸⁰ See the table below for some data points on Connecticut's housing choice voucher program.

Policy Restrictions and Impediments to Desegregation: HCVs are the most effective existing tool to alleviate segregation because voucher-holders can live anywhere within the administrative jurisdiction for the first year and then transfer to any other jurisdiction in the state thereafter. The reality is that most voucher holders remain in low-income and/or low-opportunity areas for a variety of reasons, including the following:

- Fair market rent (FMRs) values for vouchers are less than market rate asking rents in many higher opportunity areas.
- It is difficult to find landlords in higher opportunity areas willing to take vouchers.
- Voucher-holders sometimes wish to remain in familiar neighborhoods where they have community support.

62. Mainstream Vouchers

Administrator: HUD's Office of Housing Choice Vouchers, HUD's Office of Public and Indian Housing (PIH), and about 2,200 state and local public housing agencies (PHAs) administer the Housing Choice Voucher Program (HCV), including the Mainstream Program. 14 CT PHAs have Mainstream Vouchers.

¹⁷⁵ U.S. Department of Housing and Urban Development (HUD). (2023) "Assisted Housing: National and Local | HUD USER." Retrieved from: <https://www.huduser.gov/portal/datasets/assthsg.html>.

¹⁷⁶ State of Connecticut Department of Housing. (2023) "How to Apply for RAP and Section 8." Retrieved from: <https://portal.ct.gov/DOH/DOH/Additional-program-pages/How-to-Apply-for-RAP-and-Section-8>.

¹⁷⁷ State of Connecticut Department of Housing. (2023). "Section 8 Housing Choice Voucher Program." Retrieved from: <https://portal.ct.gov/DOH/DOH/Programs/Section-8-Housing-Choice-Voucher-Program>.

¹⁷⁸ U.S. Department of Housing and Urban Development (HUD). (2023). "Housing Choice Voucher (HCV) Data Dashboard.

¹⁷⁹ Ibid.

¹⁸⁰ U.S. Department of Housing and Urban Development (HUD). (2023) "Assisted Housing: National and Local | HUD USER." Retrieved from: <https://www.huduser.gov/portal/datasets/assthsg.html>.

Lineage: In 1990, alongside the creation of the Section 811 program, vouchers for non-elderly disabled persons were authorized.¹⁸¹ Vouchers were not distributed until 1997 under the Section 811 Voucher Program, aka the Mainstream Program. In 2010, the Frank Melville Supportive Housing Investment Act aligned the Mainstream Voucher program with the HCV program.

Years Funded: Mainstream Vouchers were first funded by HUD in 1997. Until 2002, HUD redirected 25% of Section 811 funds to the tenant based vouchers. The 2017, 2018, and 2019 Appropriations Acts provided over \$500 million in funding for Mainstream Vouchers, the first funding since 2005.¹⁸² In 2022, the annual spending bill dedicated \$459 million towards Mainstream Vouchers.

Funding Source(s): Federal. HUD Issues NOFAs when it will provide Mainstream Voucher funds, which are a separate funding stream apart from HCVs. PHAs respond to the NOFAs.

Overview: Mainstream vouchers are tenant-based rental assistance subsidies for extremely low-income persons with disabilities and their households. The Mainstream Voucher program is a Special Purpose Voucher program that falls under HCV regulations and guidance but has a distinct funding stream. A similar Special Purpose Voucher program under HCV is the Non-Elderly Disabled (NED) Voucher Program. Both programs provide non-elderly disabled persons with housing choice vouchers. The difference is that Mainstream Vouchers are distributed to those on the PHA's wait list whereas NED Vouchers allow people to access affordable housing on the private market or subsidize those "currently residing in nursing homes or other healthcare institutions to transition into the community."¹⁸³

Eligibility: Extremely low-income (less than 30% AMI) households with at least one person with a disability who is aged between 18-62 years of age.

Units: 208

Wait list: Mainstream vouchers are distributed to those on the HCV wait list. Candidates on the list will be evaluated by the PHA to determine whether they qualify under the Mainstream category.¹⁸⁴ See the Housing Choice Voucher section for more information about the DOH HCV wait list.

63. Non-Elderly Disabled (NED) Vouchers

Administrator: HUD's Office of Housing Choice Vouchers, HUD's Office of Public and Indian Housing (PIH), and state and local public housing agencies (PHAs) administer the Housing Choice Voucher Program (HCV), including the Non-Elderly Disabled (NED) vouchers. Twelve CT PHAs have NED Vouchers. John D'Amelia & Associates LLC has been designated to administer Section 8 Housing Choice Vouchers on behalf of CT DOH.¹⁸⁵

Lineage: The 1990 Cranston-Gonzalez National Affordable Housing Act separated programs serving non-elderly disabled from elderly populations. The law authorized vouchers for non-elderly disabled persons, but no funding

¹⁸¹ National Low Income Housing Coalition. (2022). "HUD Updates Mainstream Voucher Policies, Retrieved from: <https://nlihc.org/resource/hud-updates-mainstream-voucher-policies>.

¹⁸² U.S. Department of Housing and Urban Development (HUD). (2023). "Mainstream Vouchers," Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/mainstream

¹⁸³ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

¹⁸⁴ State of Connecticut Department of Housing. (2023). "Section 8 Housing Choice Voucher Program."

¹⁸⁵ J. D'Amelia & Associates, LLC.

was provided until 1997 creating a gap in funding for this group.¹⁸⁶ To fill the gap, from 1997-2011 Congress appropriated NED voucher funding. In 2011, HUD issued Notice PIH 2011-32 to clarify how NED vouchers must be reestablished as NED vouchers as they turn over.

Years Funded: 1997-2011 (Since 2011, funding is through HCV). NED Vouchers were first funded by HUD in 1997. The last NOFA was released in 2009 for NED funds which resulted in funding awards in 2010 and 2011. No new NED vouchers are being allocated. Pre-existing NED Vouchers receive annual funding under the HCV program.

Funding Source(s): NOFAs resulted in initial funding awards to PHAs. Pre-existing NED Vouchers receive annual funding under the HCV program.

Overview: Non-Elderly Disabled (NED) Vouchers are tenant-based rental assistance subsidies for low-income non-elderly adults with disabilities and their households. The NED Voucher program is a Special Purpose Voucher program that now falls under the regulations of the Housing Choice Voucher (HCV) program. NED Vouchers have been allocated under these subcategories:¹⁸⁷

- Category 1: Awarded in 2010 to assist non-elderly persons with disabilities find housing on the private market.
- Category 2: Awarded in 2011 to subsidize non-elderly persons with disabilities transitioning from nursing homes or other institutions into affordable housing of their choice.
- Designated Housing: Provides vouchers to non-elderly persons with disabilities who would be eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only, or who are living in a designated unit/project/building and want to move.
- Certain Developments: Provides vouchers to non-elderly persons with disabilities who are on the wait list of a Section 8 Project-Based development (e.g. Section 8 New Construction, Section 8 Substantial Rehabilitation, Housing assisted under Section 202, and others.)
- One-Year Mainstream Housing Opportunities for Persons with Disabilities: Provides vouchers to non-elderly persons with disabilities on the PHA's wait list.
- Project Access Pilot Program (Access Housing 2000): Provided vouchers to selected PHAs that partnered with State Medicaid agencies to assist non-elderly persons with disabilities transitioning from nursing homes and other institutions into the community.

A similar Special Purpose Voucher program under HCV is the Mainstream Voucher Program. Both programs provide non-elderly disabled persons with housing choice vouchers. However, each PHA has an established baseline for NED Vouchers based on the number of vouchers awarded between 1997 and 2011 (including subcategories). In Connecticut, there are 13 PHAs that together establish a baseline of 1,014 NED Vouchers.¹⁸⁸ As NED Vouchers become available, new recipients are drawn from the PHAs' wait lists.¹⁸⁹

Eligibility: Low-income, non-elderly disabled persons—households with the head of household, co-head of household, or head of household's spouse, who is between the age of 18-62 and has a disability—are eligible for

¹⁸⁶ National Low Income Housing Coalition. (2022). "HUD Updates Mainstream Voucher Policies."

¹⁸⁷ U.S. Department of Housing and Urban Development (HUD). (2023). "Non-Elderly Disabled (NED) Vouchers," Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/ned.

¹⁸⁸ See [NED PHAs](#) (MS-Excel) U.S. Department of Housing and Urban Development (HUD). (2023). "Non-Elderly Disabled (NED) Vouchers," Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/ned.

¹⁸⁹ Ibid.

NED Vouchers. Different subcategories of NEDs targeted specific populations of NED households. All existing NED vouchers that become available by turnover in a PHA fall under the regulation of the initial NED subcategory (i.e. Category 2 NED vouchers should prioritize a family eligible under the Category 2 NED guidelines.)¹⁹⁰

Non-elderly disabled families are also eligible for basic tenant-based HCV vouchers if they meet the income thresholds as they become available. See HCV program described above for additional details about eligibility.

Units: In Connecticut, twelve PHAs administer NED vouchers.¹⁹¹ As of 2020, there were **605 NED** voucher awards in use.

Wait list: Upon turnover, Pre-existing NED vouchers are distributed to those on a PHA’s HCV wait list. Candidates on the list will be evaluated by the PHA to determine whether they qualify under the NED category.¹⁹² See the Housing Choice Voucher section for more information about the DOH HCV wait list.

New NED vouchers are not currently being allocated. However, in each of the subcategory programs, households did not need to be on the PHA wait list and could be referred for the vouchers.

64. Project-Based Section 8 Voucher

Administrator: HUD’s Office of Public and Indian Housing (PIH) and about 2,200 state and local public housing agencies (PHAs) administer the Housing Choice Voucher Program (HCV), under which the Project Based Section 8 Voucher falls. 44 Connecticut PHAs administer Section 8 project-based Vouchers. John D’Amelia & Associates LLC has been designated to administer project-based Section 8 vouchers on behalf of CT DOH.¹⁹³

Lineage: The Project Based Vouchers (PBV) under Section 8 come from a long line of project-based rental subsidy programs which tied the subsidy to the unit. These subsidy programs were often applied in unison with housing development programs and supportive housing programs. The 1974 Community Development Act established Section 8 programs including the Project-Based Section 8 New Construction and Substantial Rehabilitation Program, the Section 8 Vouchers, and Rental Assistance Payments Program. The Project Based Certificate Program was replaced by the PBV program in 2001. In 2016, the Housing Opportunity Through Modernization Act (“HOTMA”), increased the share of HCVs that could be PBVs to 20 percent.¹⁹⁴

Years Funded: 2001 - Present

Funding Source(s): PHAs receive federal funding from HUD to administer the HCV program.¹⁹⁵ PBVs share the same funding source.

Overview: Project Based Vouchers (PBV) are different from tenant-based vouchers in that they are tied to the unit. This ensures that affordable housing stock is preserved and available for the next household in need. However,

¹⁹⁰ U.S. Department of Housing and Urban Development (HUD). (2013). “Notice PIH 2013-19.” Retrieved from: <https://www.hud.gov/sites/dfiles/documents/PIH2013-19.PDF>.

¹⁹¹ U.S. Department of Housing and Urban Development (HUD). (2023). “Public Housing (PH) Data Dashboard.” Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/PH_Dashboard.

¹⁹² State of Connecticut Department of Housing. (2023). “Section 8 Housing Choice Voucher Program.

¹⁹³ J. D’Amelia & Associates, LLC. Retrieved from <https://jdamelia.com/>

¹⁹⁴ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ‘22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

¹⁹⁵ State of Connecticut Department of Housing. (2023) “Section 8 Housing Choice Voucher Program.” .

unlike its predecessors and project-based rental assistance programs, PBVs allow a tenant to move out after a year and qualify for an available tenant-based HCV.¹⁹⁶ Up to 25% of units in a development can have PBVs.¹⁹⁷

Up to 20% of a state's Section 8 HCVs can be used for PBVs. In Connecticut, PBVs make up 13.2% of the Section 8 HCV program. A total of 25 housing authorities in Connecticut have PBV contracts or agreements. Today, the PBV program is often a component in the Rental Assistance Demonstration (RAD) program. See Section 66 regarding RAD.

Eligibility: Extremely low- and low-income households (Below 80% AMI). See Section 61, Housing Choice Vouchers, for more information.

Units: 23,266

Wait list: See Housing Choice Voucher Program section for more information.

65. Public Housing

Administrator: HUD administers federal aid to PHAs who own and operate public housing.¹⁹⁸ There are 32 PHAs in Connecticut that administer public housing.¹⁹⁹

Lineage: The Housing Act of 1937 established the Public Housing Program. Subsequent housing acts provided funding and legislation to encourage the production of public housing. In 1974, President Nixon declared a Moratorium on public housing production. Favor transitioned away from the direct provision of housing by the federal government and towards block grants and vouchers. In 1983, HUD granted permission to PHAs who wanted to demolish or sell their public housing if they replaced them on a unit-by-unit basis. In 1995, Congress repealed the unit-by-unit requirement. The 1999 Faircloth Cap limited the number of public housing units in each PHA to the number of units the PHA was operating on October 1, 1999.²⁰⁰

Subsequent federal programs focused on the conversion of public housing properties to privately-owned and operated subsidized or market-rate housing. The HOPE Program (Homeownership Opportunities for People Everywhere) began in 1990 and several iterations of the program aimed to help low-income people buy public housing units.²⁰¹ HOPE VI, introduced in 1993, provided grants for the revitalization of severely distressed public housing developments.²⁰² HOPE VI projects have gained notoriety for displacing former public housing tenants,

¹⁹⁶ Center on Budget and Policy Priorities. (2023). "Policy Basics: Project-Based Vouchers." Retrieved from:

<https://www.cbpp.org/research/housing/project-based-vouchers>.

¹⁹⁷ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

¹⁹⁸ UWC. (2023). "Public Housing – United Way of Connecticut – 211 and ELibrary." Retrieved from: <https://uwc.211ct.org/public-housing/>.

¹⁹⁹ U.S. Department of Housing and Urban Development (HUD). (2023). "Public Housing (PH) Data Dashboard."

²⁰⁰ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

²⁰¹ U.S. Department of Housing and Urban Development (HUD). (2017). "Homeownership and Opportunity." Retrieved from:

<https://www.hud.gov/programdescription/hope1>.

²⁰² Vale, Lawrence J. (2019). *After The Projects: Public Housing Redevelopment & the Governance of the Poorest Americans*. New York, NY:

Oxford University Press; Popkin, Susan J. et al.. (2004). The Urban Institute; The Brookings Institution. "A Decade of HOPE VI."

reducing the affordable housing stock, and the use of public land for the private development of market-rate units.²⁰³ Funding for HOPE VI was discontinued in 2010, although some projects are still in progress.

Some active HUD programs that affect Public Housing include the Choice Neighborhood Initiative, The Rental Assistance Demonstration Program (RAD), Moving to Work Demonstration Program (MWD), and the Housing Opportunity Through Modernization Act (HOTMA). The Choice Neighborhood Initiative, introduced in 2010, expands the scale of the HOME program to entire neighborhoods surrounding public housing.²⁰⁴ In 2012, RAD introduced a new form of converting and refinancing public housing. In 2016, MTW, still a demonstration program, was introduced to give PHAs flexibility from regulatory requirements and make public housing tenants self-sufficient.²⁰⁵ Also in 2016, HOTMA gave PHAs further flexibility, including the ability to evict households over a certain income threshold.²⁰⁶

In 2018, the term “repositioning” was introduced by the Trump Administration to describe the conversion and turnover of public housing as described in the initiatives and programs above.²⁰⁷ Repositioning public housing is a campaign to remove HUD’s role in public housing administration. To kick off this campaign, the administration repealed reforms to demolition and disposition of public housing that were introduced in 2012, making “it far easier to demolish public housing, and to do so without resident input and protections.”²⁰⁸

In Connecticut, the first public housing project was Father Panik Village in Bridgeport, envisioned by its namesake in 1935, begun construction in 1939 and completed in 1940.²⁰⁹ The project was demolished in 1987-1994 due to deterioration and crime.

Years Funded:

National: 1937 – present (no more funding to create new units since 1994)

Connecticut 1939-Present.

Funding Source(s): HUD administers two federal grants: the Operating Fund and the Capital Fund.²¹⁰ These are formula based grants that take into consideration factors of poverty, economic depression, and poor housing conditions. Funds are no longer provided to finance new public housing construction. Congress also allocates funding for Shortfall.

²⁰³ U.S. Department of Housing and Urban Development (HUD). (2023). “HOPE VI - Public and Indian Housing – HUD.” Retrieved from: <https://www.hud.gov/hopevi>.

²⁰⁴ U.S. Department of Housing and Urban Development (HUD). (2023). “Choice Neighborhoods.” Retrieved from: <https://www.hud.gov/cn>.

²⁰⁵ U.S. Department of Housing and Urban Development (HUD). (2023). “Moving to Work (MTW) Demonstration Program.” Retrieved from: <https://www.hud.gov/mtw>.

²⁰⁶ United States Congress. (2016). “Housing Opportunity Through Modernization Act of 2016,” Pub. L. No. 114–201, § 103, 35 (2016). Retrieved from: <https://www.congress.gov/114/plaws/publ201/PLAW-114publ201.pdf>.

²⁰⁷ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ‘22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

²⁰⁸ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ‘22: A Primer on Federal Affordable Housing & Community Development Programs and Policies”.

²⁰⁹ Radcliffe, David. (1998). Southside Media. *Charter Oak Terrace: Life, Death, and Rebirth of a Public Housing Project*.

²¹⁰ U.S. Department of Housing and Urban Development (HUD). (January 7, 2023). Public Housing Programs. Retrieved from https://www.hud.gov/program_offices/public_indian_housing/programs/ph/programs.

In 2022, the annual spending bill provided \$3.388 billion for the Capital Fund and \$5.064 billion for the Operating Fund.²¹¹ In 2021, \$2.9 billion and 4.9 billion were appropriated for the Capital Fund and the Operating Fund, respectively. In the previous year, it was \$2.9 billion and \$4.5 billion.

In 2021, in Connecticut, the appropriations for the Capital Fund, Operating Fund, and Shortfall were \$2,721,365,838, \$4,763,243,858, and \$25,000,000, respectively, for a total of about \$7.509 billion.²¹²

Overview: Public Housing is rental housing that is owned by a public housing agency (PHA).

According to HUD's Public Housing Data Dashboard, approximately 23,047 people are residents of Public Housing in Connecticut including 7,221 children. At least 50% of residents are elderly or have a disability. The average number of occupants per Public Housing unit in Connecticut is 1.19 whereas nationally it is 1.59.²¹³ Another HUD source estimates the average household size at 1.9 people per unit.²¹⁴ Most heads of household in Connecticut Public Housing units are over 62 years of age (42 percent).²¹⁵ The next largest age group is 25-50 years of age, at (26 percent). A total of 19 percent of heads of household in Connecticut Public Housing units are between the ages of 51-61. The average household income of residents is \$16,405, about of which 24.3 percent of income is from wages, and average rents are \$371 per month.²¹⁶

The HUD User data gives different income statistics: the median household income of those served by Public Housing in Connecticut is \$17,500, which is about 20 percent of the AMI, and average monthly household housing expenses are \$408.²¹⁷

A disproportionate number, 76 percent, of Connecticut's public housing population are minorities.²¹⁸ While 31 percent of public housing residents in Connecticut are Black, the Black population of the State is 12.7 percent.²¹⁹ Furthermore, 42 percent of public housing residents in Connecticut are Hispanic, while statewide the Hispanic population is 17.7 percent.

Public Housing comes in different forms. In many cases, high-rise multi-family buildings come to mind; however, Public Housing can also be in lower-rising multi-family buildings, townhomes, or on scattered sites—in which PHAs own housing throughout a community which could be in the form of single-family homes, apartment houses, or other types of residential properties that are indistinguishable from the surrounding neighborhood.

Eligibility: Eligible households are low-income (Below 80 percent AMI). A total of 40 percent of new households must be extremely low-income (Below 30 percent AMI). Other factors considered for an applicant's eligibility include whether they are elderly, disabled, and have an eligible immigration status. In addition, PHAs can screen

²¹¹ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies".

²¹² U.S. Department of Housing and Urban Development (HUD). (2023). "Public Housing (PH) Data Dashboard."

²¹³ Ibid.

²¹⁴ U.S. Department of Housing and Urban Development (HUD). (2023) "Assisted Housing: National and Local | HUD USER." Retrieved from: <https://www.huduser.gov/portal/datasets/assthsg.html>.

²¹⁵ U.S. Department of Housing and Urban Development (HUD). (2023). "Public Housing (PH) Data Dashboard."

²¹⁶ Ibid.

²¹⁷ U.S. Department of Housing and Urban Development (HUD). (2023) "Assisted Housing: National and Local | HUD USER."

²¹⁸ Ibid.

²¹⁹ Ibid.

residents by checking references, credit history, and criminal background and may deny applicants who they perceive may have a negative effect on the community.²²⁰

Units: According HUD’s Public Housing Data Dashboard, there are 101 Public Housing projects throughout Connecticut with a total of **12,980 units** of which 12,049 are leased.

The Management Assessment (MASS) Occupancy of Public Housing units in Connecticut is 95.92%. Approximately 53% of units in Connecticut are studios or one bedrooms, while 22% are 2-bedroom, and 25% have three or more bedrooms.²²¹

Wait list: Wait lists are managed by each PHA and require an application to that particular community. In Connecticut, households spend 28 months on a wait list, on average.²²²

Data Availability: Data is available on HUD’s Public Housing Dashboard for each state and each PHA.²²³ Data includes some demographic statistics about residents, funding summaries from various sources, and energy costs and types used over a four year period (2018 - 2021).

Policy Restrictions and Impediments to Desegregation: Low-income and minority populations are concentrated into public housing, which is often in city centers. Public Housing has a legacy of explicitly creating segregated buildings and communities.

“In the early years, African Americans were actively kept out of public housing. As David Radcliffe, author of *Charter Oak Terrace: Life, Death and Rebirth of a Public Housing Project* noted in an October 2002 interview, “Hartford’s understood policy of ‘controlled integration’ was common in many public housing authorities in the 1950s and 1960s. This approach forced many black families, living in dreadful slum conditions, to wait until a unit reserved for minorities became available, even if other ‘white’ units sat vacant. Underneath this approach was certainly some discrimination, if not downright racism on the part of many developers and bankers who sought to maintain segregated housing and schools.”

Augmenting the gradual shift in public housing occupancy from whites to African Americans were Hispanics, who began moving into Hartford in the 1960s. They came originally as farm laborers to work in the tobacco fields. In need of affordable housing, they soon made up a large percentage of the housing project population.”²²⁴

66. Section 8 Rental Assistance Demonstration (RAD)

Administrator: HUD’s Office of Multifamily Housing Programs, Office of Recapitalization (Recap)

Lineage: Established as part of the “FY12 HUD Appropriations Act”

Years Funded: 2012-Present

Funding Source(s): To date, RAD has received no appropriated funds.

²²⁰ UWC. (2023). “Public Housing – United Way of Connecticut – 211 and ELibrary.” Retrieved from: <https://uwc.211ct.org/public-housing/>.

²²¹ U.S. Department of Housing and Urban Development (HUD). (2023). “Public Housing (PH) Data Dashboard.”

²²² U.S. Department of Housing and Urban Development (HUD). (2023) “Assisted Housing: National and Local | HUD USER.”

²²³ U.S. Department of Housing and Urban Development (HUD). (2023). “Public Housing (PH) Data Dashboard.”

²²⁴ Connecticut Explored. (2016). “A Tale of Two Cities: The Rise & Fall of Public Housing.” Retrieved from: <https://www.ctexplored.org/a-tale-of-two-cities-the-rise-fall-of-public-housing/>.

Overview: Rental Assistance Demonstration (RAD) was created in 2012 through the “FY12 HUD Appropriations Act” order to give public housing authorities (PHAs) a powerful tool to preserve and improve public housing properties and address the \$26 billion nationwide backlog of deferred maintenance. To be clear, RAD is a voluntary demonstration program; RAD does not provide any new funding for public housing. RAD gives owners of three HUD “legacy” programs (Rent Supplement, Rental Assistance Payment, and Section 8 Moderate Rehabilitation) the opportunity to enter into long-term contracts that facilitate the financing of improvements. More specifically, the intent of RAD is to help preserve and improve HUD-assisted low-income housing by providing an opportunity for PHAs and owners of private, HUD-assisted housing to leverage Section 8 rental assistance contracts to raise private debt and equity for use in completing capital improvements. Once converted under RAD, the amount of the public housing Capital Fund and Operating Fund a specific development has been receiving is used instead as Project Based Vouchers (PBV) or Project-Based Rental Assistance (PBRA). RAD conversions must comply with a formal RAD Notice and other regulatory policies. Included in the legal language which established RAD are Resident Protections and Rights, which secure protections surrounding rent (increase), displacement, the right to return, lease renewal, the grievance process, and disallow rescreening; however, RAD tenants are often the key group that are relied upon to ensure that these rules are enforced.

Eligibility: PHAs and owners of private, HUD-assisted housing

Units: 813

RAD Moderate Rehabilitation (Mod Rehab) Conversion: 48

RAD Public Housing Conversion: 215

Section 8 Rental Assistance Demonstration (RAD): 550

Policy Restrictions and Impediments to Desegregation: The RAD program is a demonstration program that has yet to adequately demonstrate its benefits and operability. Advocates are especially concerned about the violation of public housing residents’ rights in developments undergoing conversion and the ability to monitor the program to ensure compliance.²²⁵

67. Section 8-Multifamily Preservation

Administrator: HUD

Lineage:

Years Funded: 1974-

Funding Source(s): Federal.

²²⁵ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

Overview: “The Section 8 Program was authorized by Congress in 1974 and developed by HUD to provide rental subsidies for eligible tenant families (including single persons) residing in newly constructed, rehabilitated and existing rental and cooperative apartment projects.”²²⁶

Section 8 rental subsidies are provided to project owners on behalf of families that are eligible low-income families at the time of their admission by the project owners to the program.”²²⁷

“HUD oversees more than 22,000 privately owned multifamily properties, and more than 1.4 million assisted housing units. These homes were originally financed with FHA-insured or Direct Loans and many are supported with Section 8 or other rental assistance contracts. Our existing stock of affordable rental housing is a critical resource for seniors and families who otherwise would not have access to safe, decent places to call home.”

“HUD is actively working with our industry partners to preserve the affordability and long-term viability of multifamily housing. Many HUD properties were financed 30 to 40 years ago. Housing subsidy contracts are expiring on thousands of privately-owned multifamily properties with federally insured mortgages. Many of these contracts set rents at amounts higher than those of the local market. As these subsidy contracts expire, the Mark-to-Market program will reduce rents to market levels and will restructure existing debt to levels supportable by these rents.”

Eligibility:

- Low income families: annual incomes do not exceed eighty percent (80%) of the median income for the area in which the project is located, adjusted for family size, as determined by HUD.
- Very low-income families: annual income is at or below 50% of the median income of the area in which the project is located, adjusted for family size.

Units: 1,835

Wait list: Varies by project and region.

Data Availability:

Further Study:

Policy Restrictions and Impediments to Desegregation:

68.Section 202: Project Rental Assistance Contracts (PRAC)

Administrator: HUD, Office of Housing, Office of Housing Assistance and Grant Administration

Area Managers and Multi-family Service Office Supervisors are delegated the power to make contracts under Section 202 and administer the program.”²²⁸

²²⁶ U.S. Department of Housing and Urban Development (HUD). (2023). “Multifamily Housing - Section 8 Background Information - HUD.” Retrieved from: https://www.hud.gov/program_offices/housing/mfh/rfp/s8bkinfo.

²²⁷ Ibid.

²²⁸ HUD. (Date unknown). 4571.1 REV-2 Chapter 1: General Introduction to the Section 202 Program. Retrieved from <https://www.hud.gov/sites/documents/45711C1HSGH.PDF>

Lineage: The Housing Act of 1959, Section 202 authorized a program to make direct loans to nonprofits for providing supportive housing for elderly or disabled people.²²⁹ The borrowing rate was fixed at 3% and some projects used project-based rental assistance.

Section 202 was amended by the Housing and Community Development Act of 1974 to revise the interest rate from a fixed 3% to the market rate while incorporating new Section 8 rental subsidies (Section 202/8).²³⁰

The 1990 National Affordable Housing Act created a separate Section 811 for the disabled under 62 years of age, rendering Section 202 solely for the provision of housing for the elderly. Both programs were converted to capital advance grant programs, rather than a loan program, paired with Project Rental Assistance Contracts (see Section 202/PRAC).

Years Funded: Funding for 202/PRAC began in 1990. The funding stream for the two components of the program, the capital advances for construction and rent subsidies through project rental assistance contracts, are distinct. Between 2012 and 2016 funding was not provided for new construction while it continued to be provided for rental subsidies.²³¹ HUD resumed funding for the construction of Section 202/PRAC homes with a \$51 million Notice of Funding Availability (NOFA). This was followed by a 2021 \$151 million NOFA, a 2021 \$52 million in the fiscal year 2021 package, and a 2022 Notice of Funding Opportunity (NOFO).²³² In 2022, \$1.033 billion was included in the spending bill for Section 202 housing, including funding for project rental assistance and funding for services in Section 202 housing.

In 2018, HUD offered owners of 202/PRAC housing the option to apply to participate in the RAD for PRAC program.

Funding Source(s): HUD provides funding to nonprofit organizations to develop supportive housing for seniors through annual spending bills and NOFA or NOFOs. Annual funds for Section 202 housing primarily go to rental assistance including PBRA, Section 8, and PRAC for existing projects while NOFAs and NOFOs are primarily for providing capital advances to new construction or rehabilitation for Section 202 housing.

Overview: Section 202/PRAC provides housing and supportive services for very low-income elderly persons and their households that is created through a capital advance combined with a project rental assistance contract (PRAC). The PRAC is a contract between the housing owner and HUD. Rents are capped at 30% of the households adjusted income and supplemented by the PRAC. Because a capital advance is not a loan, income from rents does not need to cover interest payments and can instead go towards HUD-approved operating costs.²³³

²²⁹ Congressional Research Service. (2023). "A Chronology of Housing Legislation and Selected Executive Actions 1982-2003." Retrieved from: <https://www.govinfo.gov/content/pkg/CPRT-108HPRT92629/html/CPRT-108HPRT92629.htm>.

²³⁰ HUD Exchange. (2023). Section 202 Trainings. "Section 202 History and Regulatory Context." Retrieved from: <https://www.hudexchange.info/trainings/section-202>.

²³¹ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies."

²³² U.S. Department of Housing and Urban Development (HUD). (2023). "FY 2022 Section 202 Supportive Housing for the Elderly Program." Retrieved from: https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy22_section202.

²³³ HUD Exchange. (2023). Section 202 Trainings. "Section 202 History and Regulatory Context." Retrieved from: <https://www.hudexchange.info/trainings/section-202>.

The Section 202 program is intended to allow the elderly to age in their communities rather than in nursing homes or other institutions that may isolate them. Supportive services are provided onsite such as help with household chores, meal prep, and transportation.²³⁴

Section 202/PRAC housing serves approximately 1,954 people in Connecticut.²³⁵ On average, their median household income is \$16,650 which is estimated at 24% of the AMI. On average, households contribute \$412 per month, and HUD provides a subsidy of \$619 per month for their rents.

A total of 35% of residents in Section 202/PRAC housing in Connecticut are minorities including 18% who are black, 2% who are Asian, and 15% who are Hispanic.²³⁶ Data on specific projects and their locations in Connecticut is available through HUD User.

Eligibility: Very low-income (50% AMI) households with at least one person being over 62 years of age.

Units: There are 1,892 Section 202/PRAC units in Connecticut with a 98% occupancy rate.²³⁷

Program	State	Subsidized Units Available	% occupied	Number of people per unit	Number of people total	Average family expenditure per month (\$)	Average HUD expenditure per month (\$)
202/PRAC	CT	1,892	98%	1.1	1,954	412	619

Household Income per year	Percent of local median (household income)	Minority	Black non-Hispanic	Black Hispanic	% Asian or Pacific Islander non-Hispanic	Hispanic	Average Months on Wait list	White non-Hispanic	White Hispanic
\$16,650	24%	35%	18%	0%	2%	15%	NA	59%	9%

Policy Restrictions and Impediments to Desegregation: A disproportionate number, 49%, of Section 202 residents are non-white.²³⁸ The United States population is aging and becoming more diverse and the demand for rental housing for elderly persons of color will no doubt increase. All of the 16.1 million households expected to form by 2040 will be non-white while approximately 85% of those will be headed by a person 65 years of age or older.²³⁹ About 5.5 million of those households will rent rather than own their housing.

²³⁴ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies."

²³⁵ U.S. Department of Housing and Urban Development (HUD). (2023) "Assisted Housing: National and Local | HUD USER."

²³⁶ Ibid.

²³⁷ Ibid.

²³⁸ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies."

²³⁹ Goodman & Zhu. (2021). Urban Institute. "The Future of Headship and Homeownership." Retrieved from: https://www.urban.org/sites/default/files/publication/103501/the-future-of-headship-and-homeownership_0.pdf.

Most Section 202 housing lack a service coordinator, which may be essential to provide equitable health and services to very low-income elderly people and their families who rely on this form of housing.²⁴⁰ This housing also lacks funding for the services component generally. Services allow elderly residents to age in place rather than being transferred to nursing homes or other care facilities.

69. CT Rental Assistance Program (RAP)

Administrator: CT DOH through J. D’Amelia & Associates (JDA) which subcontracts to six local Public Housing Authorities (PHAs) and one Community Action Agency in the state.

Years Funded: 1985- present

Funding Source(s): RAP certificates are funded through the DOH.

Overview: The Rental Assistance Program (RAP) is the major state-supported program for assisting very-low-income families to afford decent, safe, and sanitary housing in the private market. Participants find their own housing, including apartments, townhouses, and single-family homes. The participant is free to choose any private rental housing that meets the requirements of the program and will accept vouchers.

The participants are issued a certificate for maximum allowable rents (MAR) assigned on a municipal basis.²⁴¹ The participant is required to pay any difference between the voucher amount and total rent.

Eligibility:²⁴²

Family: Families must be US citizens or be of eligible immigration status and meet income limits, which are generally 50% or less of area median income (AMI) for their county or metro area as determined by the public housing authorities.

Housing: Rental units must meet minimum standards of quality and safety as defined by the State of Connecticut, which has adopted the federal Housing Quality Standards (HQS) as established by the U. S. Department of Housing and Urban Development (HUD). A housing subsidy is paid by JDA directly to the landlord on behalf of the participating family. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Units: 6,518²⁴³

Wait list: Because the demand for housing assistance always exceeds the limited funds available, long waiting periods are common. The wait list is currently closed.

²⁴⁰ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

²⁴¹ State of Connecticut Department of Housing. (2023). MAR. Retrieved from: https://portal.ct.gov/-/media/DOH/RAP-MAR_2023.pdf

²⁴² State of Connecticut Department of Housing. (2023). Rental Assistance Program. Retrieved from: <https://portal.ct.gov/DOH/DOH/Programs/Rental-Assistance-Program>

²⁴³ JDA, 2020 town level data, received from JDA in spring 2023.

Data Availability: RAP data at the municipal level are available from JDA and are included in the annual DOH Appeals list. Address level data is not released due to privacy concerns.

Further Study:

Policy Restrictions and Impediments to Desegregation: The opening of the wait list is advertised in local newspapers and on the DOH website. Those without media access may find it difficult to see notifications of availability.

70. CT Security Deposit Guarantee Program (SDGP)

Administrator: CT DOH

Years Funded: 2010- present

Overview: The Security Deposit Guarantee Program provides a guarantee to landlords of up to two month's rent instead of an actual payment. This is not an entitlement program, DOH pays landlord claims for unpaid back rent or damage if a tenant moves out.

Eligibility: Individuals and families that are chronically homeless.

Further Study: Understanding the breadth and extent of this program could be meaningful to understanding its impacts on mobility.

Policy Restrictions and Impediments to Desegregation: Program exists on a unit-by-unit basis, regardless of location. Its purpose is to make property owners more comfortable renting to formerly unhoused persons and families, expanding housing options throughout the state.

71. Elderly Rental Assistance Program (ERAP)

Administrator: CT DOH

Lineage: P.A. 97-2 (June Special Session) - The program was effective on July 1, 1997 and created a rental assistance program in state-assisted elderly housing. It was discontinued in 2017.

Years Funded: 1997- 2017

Funding Source(s): General Fund

Overview: The Elderly Rental Assistance Program provided rental assistance to low-income elderly persons residing in state-assisted rental housing for the elderly. Such housing must comply with applicable state and local health, housing, building and safety codes. DOH contracts with not-for-profit organizations as well as housing authorities who provide rental subsidies in accordance with an approved contract.

Eligibility: Closed.

Units: 13,311 remaining recipients

Wait list: Closed

Policy Restrictions and Impediments to Desegregation: Program was restricted to tenants already in state-assisted public housing. As such, it followed existing patterns of segregation.

72. Renter's Rebate Elderly and Disabled Relief Program

Administrator: OPM to Department of Social Services

Lineage: Connecticut General Statutes (CGS): Sections 12-170d, 12-170e, 12-170f, 12-170g, 12-170h, 12-170bb and Public Act 13-234

Years Funded: 1973-Present

Funding Source(s): General Fund

Overview: State law provides a reimbursement program for renters, rebates can be up to \$900 for married couples and \$700 for single persons.

Eligibility: Recipient or spouse must be 65 years of age or older or be 50 years of age or older and the surviving spouse of a renter who at the time of the renter's death had qualified and was entitled to tax relief provided such spouse was domiciled with such renter at the time of the renters' death, or 18 years of age or older and eligible to receive Social Security Disability benefits. Must meet a one-year state residency requirement.

Units: 33,370 applicants in 2020²⁴⁴

Wait list: None. Annual applications for rebate required.

SUPPORTIVE/SPECIAL NEEDS HOUSING

Both Federal and State governments have acknowledged the need to address homelessness with supportive housing that couples affordability with social services to assist persons experiencing homelessness secure permanent housing. Governor's Executive Order #34 in 2004 established the Interagency Council on Supportive Housing and Homelessness in Connecticut and its working group, the Interagency Committee on Supportive Housing (IACSH) remains active. It has mirrored the federal task force, the U.S. Interagency Council on Supportive Housing and Homelessness (USICH). Since 2004, the General Assembly has amended the supportive housing statute several times to expand the program and make it permanent. As of October, 2023, the IACSH consisted of representative of 12 agencies.²⁴⁵

Connecticut partnered with the Corporation for Supportive Housing (CSH) in 1993 to implement a demonstration program. After the successful completion of the demonstration projects, the legislature established a supportive housing initiative in 2001 through PA 01-8 (CGS § [17a-485c](#)), further collaborating with the departments of Mental Health and Addition Services (DMHAS), Social Services (DSS), Children and Families (DCF), and Economic and Community Development (DECD); the Connecticut Housing Finance Authority (CHFA); and nonprofit and private housing service providers and investors.

²⁴⁴ OPM, Renters Rebate Internal Program

²⁴⁵ Sullivan, Kristen. (2012) Connecticut General Assembly Office of Legislative Research. "Supportive Housing in Connecticut." Retrieved from: <https://www.cga.ct.gov/2012/rpt/2012-R-0348.htm#:~:text=Connecticut's%20history%20with%20supportive,homeless%20and%20at%20risk%20populations>

73. Section 202: Supportive Housing for the Elderly Program

Administrator: HUD, Office of Housing, Office of Housing Assistance and Grant Administration delegates program administration to Area Managers and Multi-family Service Office Supervisors.²⁴⁶

Lineage: The Housing Act of 1959, authorized Section 202, a program to make direct loans to nonprofits for providing supportive housing for elderly or disabled people.²⁴⁷ The borrowing rate was fixed at about 3% and some projects used project-based rental assistance.

Section 202 was amended by the Housing and Community Development Act of 1974 to revise the interest rate from a fixed rate to the market rate while incorporating new Section 8 rental subsidies (Section 202/8).²⁴⁸

The 1990 National Affordable Housing Act created a separate Section 811 for disabled adults under 62 years of age, rendering Section 202 solely for the provision of housing for the elderly. Both programs were converted to capital advance grant programs, rather than a loan program, paired with Project Rental Assistance Contracts (see Section 202/PRAC).

Years Funded: From 1959 to 1990 the Section 202 program offered direct loans. From 1959 to 1974 the program was supplemented with some project-based rental assistance. From 1974 through 1990, the rental assistance component offered was Section 8 rental subsidies. While no Section 202 direct loans could be made after 1990, projects created under Section 202 before 1990 may continue to renew their PBRA or Section 8 rental subsidy contracts in perpetuity even after the property's mortgage is paid off and the use agreement obligating the owner to provide this type of housing is terminated.²⁴⁹ PBRA and Section 8 subsidies continue to be components of the annual funds for Section 202.²⁵⁰

Funding Source(s): HUD

Overview: Section 202 provides affordable housing with supportive services to very low-income elderly people and their households.

Owners of housing created under Section 202 before 1990 may have paid off their loans and realized the terms of their use agreement—an agreement that required the provision of affordable housing to eligible parties until the loan was paid off and for at least 40 to 50 years.²⁵¹ They have the option to renew their contracts for PBRA or Section 8 rental subsidies that were paired with the lending component in perpetuity. Owners may choose to renew contracts with increased rents through a process called mark up to market. While tenants are still only required to

²⁴⁶ HUD. (Date unknown). 4571.1 REV-2 Chapter 1: General Introduction to the Section 202 Program. Retrieved from <https://www.hud.gov/sites/documents/45711C1HSGH.PDF>

²⁴⁷ Congressional Research Service (2003). "A Chronology of Housing Legislation and Selected Executive Actions 1982-2003" Retrieved from: <https://www.govinfo.gov/content/pkg/CPRT-108HPRT92629/html/CPRT-108HPRT92629.htm>

²⁴⁸ HUD Exchange. (2023). Section 202 Trainings. "Section 202 History and Regulatory Context," Retrieved from: <https://www.hudexchange.info/trainings/section-202>.

²⁴⁹ Ibid.

²⁵⁰ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies."

²⁵¹ Congressional Research Service (2003). "A Chronology of Housing Legislation and Selected Executive Actions 1982-2003" Retrieved from: <https://www.govinfo.gov/content/pkg/CPRT-108HPRT92629/html/CPRT-108HPRT92629.htm>

pay 30% of their adjusted income towards rent, the additional revenue can leverage new debt for capital improvements and provision of services. Similarly, owners of pre-1975 Section 202 Properties with rental subsidies may apply to participate in the Rental Assistance Demonstration (RAD) program to convert their properties' funding source to current Section 8 rental subsidy programs.²⁵²

See the section on Section 202/PRAC for information about the program post-1990. Additional information can be found on HUD's website.²⁵³

Eligibility: Very low-income (50 percent AMI) households with at least one person being 62 years of age. Section 202 housing created before 1990 also provided for very low-income people with disabilities aged 18-62 years old and their households.

Units: 189

Data Availability: Data for the section 202 direct loan program (Pre-1990) can be found on the National Housing Preservation Database.²⁵⁴

Policy Restrictions and Impediments to Desegregation: Preservation measures are needed to ensure continuous funding for the housing created in this legacy program.

A disproportionate number, 49%, of Section 202 residents are non-white.²⁵⁵

Most Section 202 housing lacks a service coordinator, which may be essential to provide equitable health and services to very low-income elderly people and their families who rely on this form of housing.²⁵⁶ This housing also lacks funding for the services component generally. Services allow elderly residents to age in place rather than being transferred to nursing homes or other care facilities.

74. Section 811: Supportive Housing for Persons with Disabilities (811/PRA)

Administrator: HUD's Office of Housing, Office of Housing Assistance and Grant Administration delegated the Northeast Region HUD Multifamily Regional Center the responsibility of the administration of the Section 811 program.²⁵⁷

In 2015, DOH signed a 20-year agreement with HUD to administer the Section 811 PRA program (CT811).²⁵⁸

²⁵² HUD Exchange. (2023). Section 202 Trainings. "Section 202 History and Regulatory Context."

²⁵³ U.S. Department of Housing and Urban Development (HUD). (2023). "Section 202 Portal." Retrieved from: https://www.hud.gov/program_offices/housing/mfh/mfinfo/section202ptl.

²⁵⁴ National Housing Preservation Database (NHPD). (2023). "Data Sources." Retrieved from: <https://preservationdatabase.org/documentation/data-sources/>.

²⁵⁵ Michael Anderson et al. (2022). National Low Income Housing Association. "Advocate's Guide '22: A Primer on Federal Affordable Housing & Community Development Programs and Policies."

²⁵⁶ Ibid.

²⁵⁷ U.S. Department of Housing and Urban Development (HUD). (2023). "4571.1 REV-2 Chapter 1: General Introduction to the Section 202 Program." Retrieved from: <https://www.hud.gov/sites/documents/45711C1HSGH.PDF>.

²⁵⁸ State of Connecticut. (2023). "Section 811 ProjectBased Rental Assistance Program CT811." Retrieved from: <https://portal.ct.gov/DOH/DOH/Programs/Section-811-ProjectBased-Rental-Assistance-Program-CT811>.

The following departments have an Interagency Partnership Agreement with DOH to support in the administration of CT811: The Connecticut Housing Finance Authority (CHFA), Department of Social Services (DSS), Department of Mental Health and Addiction Services (DMHAS), and Office of Policy Management.²⁵⁹

Lineage: Before the 1990 Cranston-Gonzalez National Affordable Housing Act created Section 811, the service of disabled persons was coupled with the service of elderly persons under Section 202. Section 811 followed the provisions of Section 202. Both programs were converted to capital advance grant programs, rather than a loan program, paired with Project Rental Assistance Contracts (see Section 202/PRAC and Section 811/PRAC)

The 2010 Frank Melville Supportive Housing Investment Act reformed the Section 811 program and created the Section 811 Project-Based Rental Assistance (PRA) program.

Years Funded: 1992-Present.

Connecticut DOH was granted \$4,112,906 in 2015 for the first five years of the CT811 program. In 2020, the DOH received an additional \$6,979,172 towards CT811 funding.²⁶⁰

Funding Source(s): State Housing Authorities enter into a Cooperative Agreement with HUD to participate in the PRA Program. Project rental assistance is allocated to state housing agencies and can be used in multi-family housing complexes that are funded through a variety of federal affordable housing programs (e.g. LIHTC and HOME).²⁶¹

In 2012, the first NOFA for the PRA demonstration program was published by HUD’s Office of Multifamily Housing Programs.²⁶² Following the PRA demonstration program, two subsequent rounds of funding for 811 PRA have been disbursed to State Housing Authorities (2013/2014 NOFA and 2019 NOFA).²⁶³ The most recent NOFA for 811 capital advances was released in 2019 and closed in February 2020.²⁶⁴ This funding is anticipated to rollover in 2023.²⁶⁵

Overview: The 811 program provides funding for the creation of nonprofit supportive housing for extremely low-income persons with disabilities.²⁶⁶ The agreement term to provide housing for this group is set at 40 years. In the 811 PRA program, project rental assistance supplements the gap between the cost of housing and the eligible tenants’ ability to pay rent.

²⁵⁹ State of Connecticut, Department of Housing. (2020). “New’ Resource for Supporting Housing: Section 811 PRA” Retrieved from: <https://portal.ct.gov/-/media/DOH/CT811-Presentation-Slides-8-25-2020.pdf>.

²⁶⁰ Ibid.

²⁶¹ U.S. Department of Housing and Urban Development (HUD). (2023). “Multifamily Housing - Program Description: Section 811 Supportive Housing for Persons With Disabilities.” Retrieved from: https://www.hud.gov/program_offices/housing/mfh/progdesc/disab811.

²⁶² U.S. Department of Housing and Urban Development (HUD). (2023). “Section 811 PRA Demo NOFA,” Retrieved from: https://www.hud.gov/program_offices/housing/mfh/grants/section811ptl/demoNOFA.

²⁶³ HUD Exchange. (2023). “Section 811 PRA Program Statute and NOFA.” Retrieved from: <https://www.hudexchange.info/programs/811-pra/pr-program-statute-and-nofa>.

²⁶⁴ U.S. Department of Housing and Urban Development (HUD). (2023). “FY 2019 Section 811 Supportive Housing for Persons with Disabilities (Capital Advance),” Retrieved from: https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy2019_section811_capadvance.

²⁶⁵ U.S. Department of Housing and Urban Development (HUD). (2023). “Funding Opportunities.” Retrieved from: <https://www.hud.gov/grants>.

²⁶⁶ U.S. Department of Housing and Urban Development (HUD). (2023). Retrieved from “Multifamily Housing - Program Description: Section 811 Supportive Housing for Persons With Disabilities,” https://www.hud.gov/program_offices/housing/mfh/progdesc/disab811.

The supportive component allows residents to voluntarily participate in social services provided by the housing operator. Services could include things like help with cooking, cleaning, and transportation. By pairing supportive services with affordable housing, the households of disabled adults can live within their communities and avoid marginalization in institutions.

To ensure that supportive housing is integrated within a community, the 811 program limits 25% of the total units in any development to serve as supportive housing. Units should be dispersed within the project to avoid marginalization.

Eligibility: Extremely low-income (below 30% AMI) households with at least one person with a disability who is between the age of 18 and 62.²⁶⁷

The National Affordable Housing Act of 1990 defines a “‘person with disabilities’ as a household consisting of one or more adult persons with a physical, mental, or emotional impairment expected to be of long duration, which impedes the ability to live independently, and whose ability to so live could be improved by suitable housing.”²⁶⁸

In Connecticut, additional eligibility provisions require the person with disabilities be eligible for community-based, long-term care services and have a referral from DSS or CAN (Coordinated Access Network).²⁶⁹ Tenants cannot be “‘leased in place.”

In Connecticut, Eligible Units for 811/PRA must have at least five units and be owned by a housing authority, nonprofit, or private entity.²⁷⁰ The project must have received financing from a federal, state, or local financial assistance program (e.g. LIHTC). Section 202 and Section 811/PRAC projects are ineligible. Units receiving long-term operating subsidies, senior-restricted units, and units that have already been restricted for use by persons with disabilities, are ineligible from Section 811 PRA. Connecticut’s CT811 program gives preference to project features including proximity to transportation and community facilities, studio and one-bedroom units, units with accessibility features, and owners with experience managing housing with HUD programs.

Units: In Connecticut, the first round of funding supported 70 units with a 97% percent occupancy rate and minimal turnover.²⁷¹ The 2020 funding supported 65 persons with disabilities.

Wait list: Very low-income persons with disabilities may be prioritized on the wait list with the support of CAN community providers.²⁷²

Policy Restrictions and Impediments to Desegregation: Persons with disabilities are often the poorest people in a community and rely on federal housing assistance to avoid institutionalization or homelessness. Following the 1999

²⁶⁷ U.S. Department of Housing and Urban Development. (2023). Section 811 PRA Program Eligibility Requirements. Retrieved from: <https://www.hudexchange.info/programs/811-pra/pr-program-eligibility-requirements/>

²⁶⁸ Congressional Research Service. (2003) “A Chronology of Housing Legislation and Selected Executive Actions 1982-2003” Retrieved from: <https://www.govinfo.gov/content/pkg/CPRT-108HPRT92629/html/CPRT-108HPRT92629.htm>.

²⁶⁹ State of Connecticut Department of Housing. (2020). “‘New’ Resource for Supporting Housing: Section 811 PRA.” Retrieved from: <https://portal.ct.gov/-/media/DOH/CT811-Presentation-Slides-8-25-2020.pdf>.

²⁷⁰ Ibid.

²⁷¹ Ibid.

²⁷² Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ‘22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

Supreme Court decision *Olmstead v. L.C.*, which upheld that segregation of persons with disabilities is a form of discrimination prohibited by Title II of the Americans with Disabilities Act—as a result this is an effort to deinstitutionalize persons with disabilities and allow them to live in an integrated community.²⁷³ The reformed Section 811 responded to this with provisions that only 25% of units in a development can be for disabled persons and that units must be distributed throughout the project rather than concentrated in one portion of the building.

Preservation issues may arise in housing developed under section 811 because of 40-year terms.

Section 811 is a newer program and Connecticut should continue to make efforts to promote this option to nonprofits and developers of affordable housing who are familiar with HUD Programs. Connecticut should ensure that the DOH, Connecticut Medicaid, CHFA, DSS, DMHAS, and OPM are doing their part to produce the housing, make referrals, and ensure supportive services offered are appropriate and effective.

75. Shelter + Care (BEAU)

Administrator: HUD's Office of Special Needs Assistance Programs within the Office of Community Planning and Development (CPD)

Lineage: In 2009, the HEARTH Act consolidated the Shelter Plus Care Program, Supportive Housing Program, and Section 8 Moderate Rehabilitation SRO Program into a single program known as the Continuum of Care (CoC) Program.

Years Funded: 1991-Present

Funding Source(s): Federal funding is available annually via HUD.

Overview: The Shelter Plus Care Program is a HUD-funded rental assistance program designed to provide housing and supportive services to people who are homeless and disabled. This may include “hard-to-serve” homeless persons with disabilities (and their families), such as those who are seriously mentally ill, have chronic problems with alcohol, drugs, or both, or have acquired immunodeficiency syndrome (AIDS) and related diseases. As noted above, in 2009 the HEARTH Act consolidated the Shelter Plus Care Program, Supportive Housing Program, and Section 8 Moderate Rehabilitation SRO Program into a single program known as the Continuum of Care (CoC) Program. Applicants eligible to receive funding and conduct services under this program include states, local government units, and PHAs. The application process is exceptionally inclusive and innovative in that local governments, nonprofit providers, advocates, people experiencing homelessness, and other stakeholders organize into a CoC and submit a joint application to HUD. The application is then scored and each project listed within the application is considered for funding in the order that they are prioritized by the community that submitted the application.

Eligibility: Homeless individuals with disabilities and their families.

Units: 1,668

²⁷³ U.S. Department of Housing and Urban Development Office of Multifamily Housing Programs. (2014). “Section 811 Project Rental Assistance, Bringing Permanent Supportive Housing to Scale, Status Report to Congress.” Retrieved from: https://www.hud.gov/sites/documents/SEC811_CONGRESSIONAL_RPT.PDF.

Wait list: Wait lists exist for certain services depending on demand.

76. Family Unification Program (FUP)

Administrator: HUD’s Office of Public and Indian Housing (PIH), Office of Housing Choice Vouchers and state and local Public Housing Authorities (PHAs) administer the Family Unification Program (FUP). In Connecticut, John D’Amelia & Associates LLC has been designated to administer Section 8 Housing Choice on behalf of DOH.²⁷⁴

PHAs work closely with Public Child Welfare Agencies (PCWAs) in order to select eligible participants for the program. In Connecticut, the Connecticut Department of Children and Families (DCF) serves this role.

Lineage: The 1990 Cranston-Gonzalez National Affordable Housing Act created FUP as a part of the Tenant Protection Fund.²⁷⁵

In 2022, HUD enacted the Fostering Stable Housing Opportunities Act Amendments, which codified the Foster Youth to Independence Initiative and gives youth the opportunity to extend the term of their FUP voucher.

Years Funded: The FUP program has been funded since 1990. HUD anticipates the release of the latest round of funding with a preview of the 2022 NOFO.²⁷⁶ The fiscal year 2022 spending bill provided \$30 million for FUP vouchers.²⁷⁷ Prior NOFAs for FUP funds have frequently been released by HUD (2019, 2018, 2017, 2010, 2009, and 2008).²⁷⁸

Funding Source(s): HUD releases NOFOs for FUP funding. HUD also distributes non-competitive funding through the Foster Youth to Independence Initiative.

Overview: The Family Unification Program (FUP) aims to address housing needs of children in the foster care system, families who face the removal of their children due to inadequate housing, and youth aging out of the foster care system. The purpose of the program is to keep families together and prevent homelessness for children and youth who age out of the foster care system. HUD provides FUP HCVs to PHAs who work with PCWAs to select eligible participants for the program. PCWAs must help eligible families and individuals apply for the vouchers, find housing, and find aftercare services.²⁷⁹ The PCWA may also be required to identify educational, employment, independent living, and counseling services for youth aging out of foster care.

Eligibility: Two different populations are eligible for HCVs under FUP: families whose children may be removed by child protective services or whose children will not be returned due to inadequate housing; and youth between the ages 18-24 who have aged out of the foster care system, at-risk of becoming homeless, or have been homeless at

²⁷⁴ J. D’Amelia & Associates, LLC. (2023). J. D’Amelia & Associates, LLC.

²⁷⁵ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

²⁷⁶ U.S. Department of Housing and Urban Development (HUD). (2023). “FY 2022 Family Unification Program (Preview).” Retrieved from: https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy2022_fup.

²⁷⁷ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

²⁷⁸ U.S. Department of Housing and Urban Development (HUD). (2023). “Family Unification Vouchers.” Retrieved from: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/family.

²⁷⁹ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ’22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

the age of 16 or older.²⁸⁰ Youth are limited to three year voucher terms. They may qualify for a two-year voucher extension.

Units: 275 units in 2020.

Wait list: FUP vouchers are distributed to those on Connecticut’s HCV wait list. Candidates on the list who have been referred by Connecticut’s Department of Children and Families (DCF) will be granted FUP vouchers as they become available.²⁸¹ Connecticut provides special admittance and wait list preference for families and individuals referred to a PHA by DCF for FUP vouchers, giving them priority in accessing HCVs.²⁸²

Data Availability: The Housing Choice Voucher Data Dashboard provides data on Connecticut’s FUP Vouchers.²⁸³

77. Permanent Supportive Housing (PSH)

Administrator: HUD, DOH

Lineage: Preceded by the CT Supportive Housing Demonstration Project (281 units from 1993-2002)²⁸⁴.

Years Funded: 1993-Present

Funding Source(s): LIHTC, Section 8, Rental Assistance (formerly Shelter Plus Care), RAP

Overview: PSH is defined as decent, safe, and affordable permanent community-based housing targeted to vulnerable very low-income (VLI) households with serious and long-term disabilities that is linked with an array of voluntary and flexible services to support successful tenancies.

Permanent Supportive Housing consists of supportive housing programs which provide housing and supportive services to help people who are chronically homeless get out of the cycle of temporary housing and establish a permanent living arrangement. Permanent Supportive Housing programs have served as a proven solution to cyclical homelessness; by providing chronically homeless individuals with an affordable home and support services based on a resident’s individual needs, many individuals are able to thrive more than they would residing in emergency/temporary housing. Additionally, supportive housing costs are similar to the cost of high-cost crisis care and emergency housing often used by cyclically homeless individuals.²⁸⁵

²⁸⁰ U.S. Department of Housing and Urban Development (HUD). (2023). “Family Unification Vouchers.

²⁸¹ State of Connecticut. (2023). “Section 8 Housing Choice Voucher Program.” Retrieved from:

<https://portal.ct.gov/DOH/DOH/Programs/Section-8-Housing-Choice-Voucher-Program>.

²⁸² State of Connecticut Department of Housing. (2021). “THE PLAN for Administration of the U. S. Department of Housing and Urban Development (HUD) SECTION 8 Housing Choice Voucher Program - Effective July 2021.” Retrieved from: <https://portal.ct.gov/-/media/DOH/FY-21-22-Section-8-Administrative-Plan-Final.pdf>.

²⁸³ U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.”

²⁸⁴ Arthur Andersen. (May 2002). Connecticut Supportive Housing Demonstration Program, Final Program Evaluation Report. Corporation for Supportive Housing. Retrieved from https://shnny.org/uploads/Connecticut_Supportive_Housing_Demonstration_Project.pdf.

²⁸⁵ Connecticut Supportive Housing Program (CSH.org). (2023). Advocate’s Guide, AP-12. Retrieved from <https://www.pschohousing.org/supportive-housing>

Eligibility: Supportive housing is usually for those lacking housing who face a multitude of complex medical, mental health and/or substance use issues that are co-occurring. In Connecticut, interested applicants first step is to call 2-1-1, a hotline which will help callers determine whether they are eligible for tenancy in a permanent supportive housing development. 2-1-1 will refer the caller to the Coordinated Access Network (CAN) site in their immediate area. The caller will receive an appointment time which they must attend to be screened. If the individual(s) are unable to be diverted to alternate housing options at the appointment, the person/family will be added to the shelter waitlist. Clients who have been homeless for more than 14 days are eligible for a vulnerability screening (VI-SPDAT) to determine if PSH would be a good fit for them.

Units: ²⁸⁶

- 5,000 developed units and scattered site housing
- 2,500 vouchers to house families experiencing homelessness and with a behavioral health disorder

78. Veterans Affairs Supportive Housing Program (HUD-VASH)

Administrator: HUD’s Office of Public and Indian Housing (PIH), Office of Housing Choice Vouchers and state and local Public Housing Authorities (PHAs) administer the Veteran Affairs Supportive Housing Program (VASH).²⁸⁷ In Connecticut, HUD VASH vouchers are distributed to those referred by Veterans Affairs Medical Center (VAMC).²⁸⁸

Lineage: The 2008 Appropriations Act authorized the HUD VASH program under the Tenant-Based Rental provision.²⁸⁹

Years Funded: Funds have been appropriated by Congress every year since 2008. In 2022, the annual spending bill provided \$50 million for HUD-VASH vouchers.²⁹⁰ Overall, annual appropriations for new vouchers have declined.²⁹¹

Table: Annual appropriations for New HUD VASH vouchers (millions)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
\$75	\$75	\$75	\$50	\$75	\$75	\$75	\$75	\$60	\$40	\$40	\$40	\$40	\$40

Source: “Veterans Affairs Supportive Housing (VASH) - PIH,” HUD.gov / U.S. Department of Housing and Urban Development (HUD), accessed January 10, 2023, https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash.

Funding Source(s): HUD and VA work together to determine the distribution of HUD-VASH vouchers to PHAs. The distribution is based on need and PHA performance, and since 2017 PHAs can self-identify their interest in

²⁸⁶ State of Connecticut. (2016). Past, Present, and Future of Permanent Supportive Housing in Connecticut. Retrieved from: <https://portal.ct.gov/-/media/DMHAS/Publications/PSHPastPresentFuturepdf.pdf>

²⁸⁷ U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.”.

²⁸⁸ State of Connecticut Department of Housing. (2021). “THE PLAN for Administration of the U. S. Department of Housing and Urban Development (HUD) SECTION 8 Housing Choice Voucher Program - Effective July 2021.

²⁸⁹ U.S. Department of Urban Housing and Development. (2021). “Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-Veterans Affairs Supportive Housing Program.” <https://www.federalregister.gov/documents/2021/09/27/2021-20734/section-8-housing-choice-vouchers-revised-implementation-of-the-hud-veterans-affairs-supportive>.

²⁹⁰ Michael Anderson et al. (2022). National Low Income Housing Association. “Advocate’s Guide ‘22: A Primer on Federal Affordable Housing & Community Development Programs and Policies.”

²⁹¹ U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.”

participating.²⁹² A specific number of new vouchers are authorized annually and funding is determined for the average per unit cost relative to each PHA. Renewal of vouchers is determined by leasing rates.

Overview: The Veterans Affairs Supportive Housing Program (HUD VASH) provides homeless veterans with HUD VASH HCVs and Department of Veterans Affairs (VA) case management and clinical services.²⁹³ Services are provided by Veterans Affairs Medical Center (VAMC) and other authorized entities.

The rental subsidy and services are intended to help homeless Veterans and their families find and sustain permanent housing and access to health care, mental health treatment, substance use counseling, and other support. The goal is to end homelessness among veterans and allow them to live in housing and communities of their choice.

Eligibility: All homeless veterans and their families are eligible (unless they are a registered sex offender).²⁹⁴ The program overrides regulations in Section 8 of the Housing of 1937, which required veterans to have chronic mental health or substance abuse disorders to receive assistance. PHAs do not have the right to determine additional eligibility requirements as they do in the regular HCV program. Homeless veterans should be provided with a referral by the VAMC partnering with the PHA.

Units: 14 PHAs have awarded 1,060 HUD VASH vouchers.²⁹⁵ 724 were active in Connecticut in 2020.

Wait list: PHAs are not allowed to keep a wait list for the HUD VASH program.²⁹⁶

Data Availability: The Housing Choice Voucher Data Dashboard provides data on Connecticut’s HUD VASH Vouchers.²⁹⁷

Further Study: The low leasing rate of HUD VASH Vouchers in Connecticut should be evaluated.

79. Assisted Living in Federal Facilities

Administrator: CT DECD/CHFA

Lineage: DECD and CHFA program started as a demonstration project in 1999 to support assisted living projects by provide subsidized assisted living services to people living in affordable housing, as defined in CGS 8-39a. That section of law describes “affordable housing” as housing for which individuals and families pay 30% or less of their annual income, where their income is less than or equal to the area median income for the municipality where the housing is located, as determined by the U.S. Department of Housing and Urban Development. Originally, three

²⁹² Ibid.

²⁹³ U.S. Department of Housing and Urban Development (HUD). (2023). “Veterans Affairs Supportive Housing (VASH) – PIH.”

²⁹⁴ U.S. Department of Urban Housing and Development. (2021). “Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-Veterans Affairs Supportive Housing Program.” Retrieved from: <https://www.federalregister.gov/documents/2021/09/27/2021-20734/section-8-housing-choice-vouchers-revised-implementation-of-the-hud-veterans-affairs-supportive>.

²⁹⁵ U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.”

²⁹⁶ U.S. Department of Urban Housing and Development. (2021). “Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-Veterans Affairs Supportive Housing Program.”

²⁹⁷ U.S. Department of Housing and Urban Development (HUD). (2023). “Housing Choice Voucher (HCV) Data Dashboard.”

cities participated in the demonstration project for up to 300 units. Legislated in 2001 Section 8 206f. https://www.cga.ct.gov/current/pub/chap_133.htm#sec_8-206f

Years Funded: 2001- present

Funding Source(s): General Fund

Overview: Program provides assisted living services in existing HUD 202 or Section 236 elderly developments that are licensed for assisted living services.

Eligibility: Existing tenant in HUD Section 202 or Section 236 elderly public housing developments qualified for services under a 1915c Medicaid waiver or the state-funded portion of the Connecticut Home Care Program for the Elderly as per Section 17b-342.

Units: 226 in demonstration

80. CT Supportive Housing Demonstration Program

Administrator: CSH/Corporation for Supportive Housing

Years Funded: 1993-1999

Funding Source(s): CSH \$900,000, DECD, DMHAS, HUD, OPM

Overview: Demonstration project to address housing issues facing homeless and at-risk populations. Ultimately creating 281 units of service-enriched permanent housing for its target populations who are able to live independently but require some support.

Eligibility: Homeless, at-risk.

Units: 281 among nine developments. Occupancy rates ranged from 88.04% to 99.43% as of 2000.²⁹⁸ Units have since been folded into current PSH program reporting.

81. Frequent Users' Service Enhancement (FUSE) Program

Administrator: CSH

Years Funded: 2010-present

Overview: The FUSE model identifies frequent users of jails, shelters, hospitals and/or other crisis public services and then improving their lives through supportive housing. Supportive housing is an evidence-based solution that leads to better health and other good outcomes for people homeless and disabled. Tenants are provided affordable housing with wraparound support services, which stabilizes their lives and significantly reduces returns to jail and homelessness, reliance on emergency health services, and improves overall quality of life.

²⁹⁸ Arthur, Anderson. (2022). Connecticut Supportive Housing Program. "Connecticut Supportive Housing Demonstration Program Final Program Evaluation Report." Retrieved from: https://www.csh.org/wp-content/uploads/2011/12/Report_CTDemonstration.pdf

Eligibility: Frequent users of crisis services, the formerly incarcerated.

Units: 270 in two Hartford developments²⁹⁹

Policy Restrictions and Impediments to Desegregation: Program depends on willingness of property owners to take part. Despite success of the program in reducing recidivism, it is difficult to find owners willing to accept the formerly-incarcerated.

Housing insecurity is extremely high among the formerly-incarcerated, who are disproportionately persons of color, as documented in a report by Prison Policy.org.³⁰⁰ There is no central source for re-entry housing information that we could find. CSH, which administers the program, does so from the development perspective, i.e., finding willing landlords, but does not connect prospective tenants with housing, instead referring to CT's 211 program, which does not have FUSE listed.

82. Rapid Re-Housing

Administrator: HUD

Lineage: 2010-Present

Overview: Rapid Re-housing (RRH)³⁰¹ is an evidence-based approach to end homelessness as quickly as possible for families and individuals. It centers on a school of thought called "Housing First," the idea that people are much more likely to find success when they are no longer in a stressful crisis situation; rather than wait for people who have become homeless to be "housing ready," shelters help them into housing first, and then connect them with any additional services they might need. This intervention has low barriers to entry, high placement rates, and low rates of return to shelter. Rapid re-housing acts as a trampoline, using targeted financial assistance and short-term services to quickly return individuals and families who have slipped into homelessness back into housing and stability. For shelters, using rapid re-housing to "exit" families and individuals into stable housing situations frees up shelter beds, reduces shelter overcrowding, and frees staff time to provide more intensive services for those with greater needs. In Connecticut, many rapid re-housing providers access assistance funds from the Connecticut Rapid Re-housing Program, a program created by the Department of Housing after the success of the 2010 Homelessness Prevention and Rapid Re-housing Program (HPRP). However, shelters across the state are increasingly finding other avenues of funding in order to quickly move families and individuals into their own housing.

Housing First is a whole-systems model which addresses homelessness prioritizing access to safe, stable, accessible housing with services when needed to ensure long-term housing stability and effective treatment for underlying health conditions, including substance use and mental health disorders. Rapid re-housing (RRH) and permanent supportive housing (PSH) both utilize the Housing First model. In RRH, individuals and families experiencing

²⁹⁹ CSH Frequent User Systems Engagement (FUSE) Stats. (2023). Retrieved from: <https://www.csh.org/fuse/>

³⁰⁰ Coulete, Lucius. (2018). *Nowhere to Go: Homelessness among formerly incarcerated people*. Retrieved from: <https://www.prisonpolicy.org/reports/housing.html#:~:text=We%20find%20that%20people%20experiencing,higher%20than%20the%20general%20public>

³⁰¹ CT CAN Dashboards. (2023). Rapid Rehousing. Retrieved from: <https://ctcandata.org/dashboards/rapid-rehousing/>

homelessness receive assistance identifying, leasing, and moving into new housing quickly and are connected to supportive services if needed.

Eligibility: In order to be eligible for RRH in the state of Connecticut, the individual must be homeless and be screened by United Way's 2-1-1 (Infoline). 2-1-1 will refer the caller to the Coordinated Access Network (CAN) site in their immediate interview. The caller will receive an appointment time which they must attend to be screened. If the individual(s) are unable to be diverted to alternate housing options at the appointment, the person/family will be added to the shelter waitlist. Clients who have been homeless for more than 14 days are eligible for a vulnerability screening (VI-SPDAT) to determine if RRH would be a good fit for them.

Units: 1,698

Appendix B: Project Database

Introduction

The project database is a compilation of historical records documenting subsidized housing projects throughout the State of Connecticut. It includes information about each project's location, the number of units designated for specific target populations, the racial and ethnic demographics of the residents, and details about each project's participation in municipal, state and federal housing programs. The data is organized into five-year segments to show trends over time, covering the years 2000, 2005, 2010, 2015, and 2020. To ensure accuracy, the database was created by combining information from various sources and removing duplicate entries based on project name and location to the best extent possible.

Data for all programs were not available at the address level so two databases were created, one that is site-specific, known as the Project Level Database and a second that is town-specific, known as the Town-Level Database.

Project Data Sources

The project database relied on several sources of information including:

- HUD's Picture of Subsidized Households (POSH),
- HUD's LIHTC database,
- Connecticut Department of Housing (DOH)'s Project-Level Database of Affordable Housing Appeals Listings, (the Appeals List)
- DOH's internal database of funded multifamily housing projects,
- Connecticut Housing Finance Authority (CHFA)'s internal database of funded multifamily housing projects, and
- The 2023 National Housing Preservation Database.

HUD's POSH dataset, available for each study year, was the primary source for information on HUD-funded projects. It provided data on project locations, unit counts, target populations, and the racial and ethnic demographics of project residents. This dataset was compiled from information reported directly to HUD by agencies and landlords, as well as HUD's own administrative records, which covered units participating in major HUD programs, including Indian Housing, Public Housing, Section 8 Certificates and Vouchers, Section 8 Moderate Rehabilitation, Section 8 New and Substantial Rehabilitation, Section 236, and Housing Tax Credits like the Low-Income Housing Tax Credit (LIHTC) Program.

DOH's appeals listings database, available for each study year at the project level, is used by DOH to create its annual Affordable Housing Appeals List. For this project, we only included Government Assisted and Deed Restricted projects from DOH's data. We also incorporated DOH's internal database of funded multifamily housing projects, which fall under the category of Government Assisted projects on the Appeals List. To avoid redundancy, the list of DOH-funded projects was used to provide specific program participation details for individual projects.³⁰²

CHFA's internal database of funded multifamily housing projects contains information such as the number of qualified units, target populations, and state program participation for projects that received CHFA financing or administrative services. Many of these projects are also found in HUD's POSH dataset and DOH's Appeals List. The

³⁰² Housing choice vouchers and single-family mortgage assistance subsidies are not included in the database because sharing address level data would violate privacy laws.

historical availability of CHFA's data is limited to the period from 2010 to the present, reflecting CHFA's administrative practices.

The National Housing Preservation Database (NHPD) is an address-level nationwide inventory of public and affordable rental housing projects created by the Public and Affordable Housing Research Corporation (PAHRC) and the National Low Income Housing Coalition (NLIHC). The database provides de-duplicated information on federally assisted housing inventory. The data in the NHPD come from the US Department of Housing and Urban Development (HUD) and the US Department of Agriculture (USDA), and include ten federally subsidized programs as well as state and local subsidies from several states including Connecticut.

Database Overview

The Project Database consists of four (4) spreadsheets:

- Project Level Database (single combined dataset for all programs/years)

Individual Source Datasheets

- NHPD Data
- DOH Data
- CHFA Data

The project database includes information on project locations (street address, town, zip code, county and geographic coordinates; project units (all units in the building); and, where available, program units (subsidized units), household profiles including total population within units, household income, race and ethnicity of householders, share of disabled and senior residents aged 62 or older; target tenants and housing program participation across HUD, DOH, CHFA, and other state and federal agency programs.

Database Development Methodology

Project Locations

Project addresses reported by HUD, DOH, NHPD, and CHFA in the database were utilized whenever location information was provided. However, in some instances, particularly in the 2000 and 2005 datasets, complete address information was not available. To address this, geocoding and spatial joining tools from ESRI, a cartographic services provider, were used to identify coordinates based on available street addresses or identify town and zip codes from coordinate information. In cases where complete address data was not present, project names and city locations were used to fill in missing street addresses, drawing from more comprehensive data sources in later years where full project location details were accessible.

Data Concerns

Data for individual programs or years was sometimes incomplete. What follows are instances when a key dataset had missing or inconsistent data across the time series.

LIHTC

HUD POSH data includes LIHTC data for only 2000 and 2010. HUD also has a LIHTC Database, but this presents all LIHTC units constructed, but not necessarily the total number of units that are actively subsidized in a town in a given year. LIHTC units are required to be affordable for at least 30 years from the start of the year in which the buildings are placed in service. The first 15 years is called the initial compliance period, and the second 15 years is known as the extended use period. CHFA required a 25-year extended use period at a minimum thus owners were required to maintain affordability for a minimum of 40 years. The database does not indicate which projects extended subsidization nor whether any of the projects are compliance monitored (an indicator of active subsidization). The CHFA and Appeals List do not distinguish between projects whose LIHTC credits are no longer active in a given year.

The methodology used to determine total active LIHTC units for 2005, 2015 and 2020 was to select only those units from the LIHTC database that received a tax credit no more than 15 years prior to the study year (i.e., study year 2020 counts projects that received a LIHTC credit from 2005 to 2020). This approach was used to successfully estimate and match the 2000 and 2010 POSH LIHTC counts. This may result in an undercount in the few cases where tax credits were extended beyond the 15-year period.

FHA Programs

Federal Housing Authority programs did not have consistent labeling throughout the timeseries. The resulting program results were so few in number that any analysis would not be meaningful, so all FHA programs were grouped into two major categories:

- Section 223(A) & 223F Mortgage Insurance for Nursing Homes/Assisted Living/Board & Care,
- Multifamily Mortgage Insurance, Below Market Interest, Reinsurance and Credit Enhancement Programs.

Deduplication Process

The process of deduplicating the database was crucial due to the substantial overlap in housing locations between multiple sources. In addition to the source duplication, an address could be listed multiple times to reflect the use of multiple housing programs for units within a single building; often financing from multiple federal and state programs could be used in the capital stack for a single development. (E.g., elderly housing choice vouchers are often used in RAD or LIHTC properties.) While combining these data sources ensured inclusivity, it also introduced the challenge of dealing with duplicate project sites, which were excluded from the Project Database (see Appendix B for more information).

To address this issue, a comprehensive analysis of project names and site locations was conducted to identify potential duplicates. Initially, the project team attempted to manually deduplicate the datasets through the examination of projects based on geographic coordinates, address text, project names, and unit counts and cross-referencing the raw data against datasets created by other organizations including the NHPD and the AffordCT Housing Database³⁰³ developed for Fairfield County Center for Housing Opportunity by Source Development Hub, but ultimately that effort proved unsuccessful.

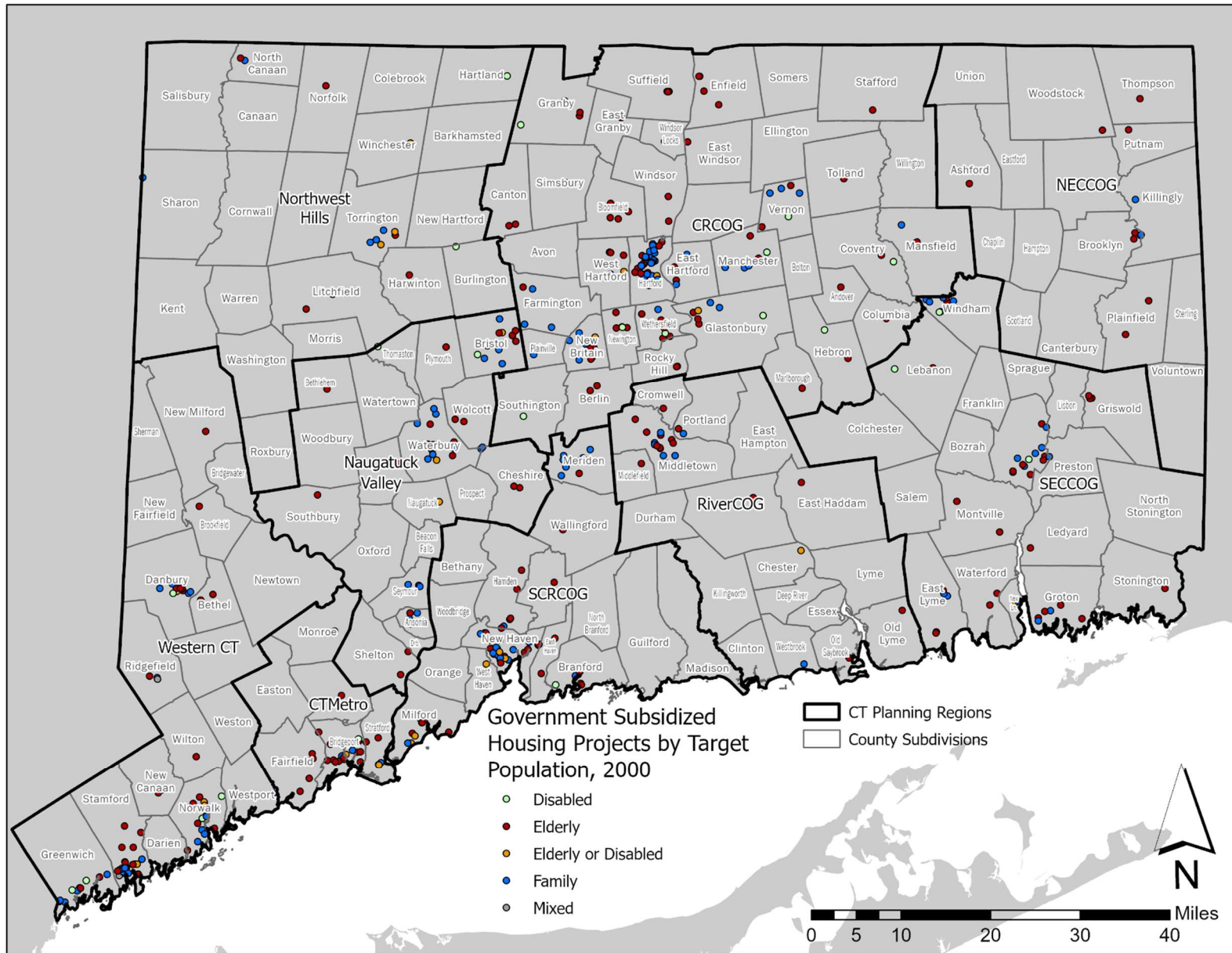
Several tools were then utilized for the purpose of deduplication, including spatial joins for geographic locations using ESRI cartographic software and text matching of various combinations of project names, addresses, towns, and unit counts. Ultimately, FuzzyWuzzy, a statistical Python-based tool employing Levenshtein Distance algorithms, was used to determine text matches at different matching thresholds (80%, 85%, 90% string matches). After flagging potential matches for each individual year of data using these multiple strategies, the project team reviewed the data to confirm the legitimacy of duplicate entries and to determine whether they should be removed from the database.

To ensure that the final list of projects incorporated all available data across multiple sources, overlap across each site was identified and assigned matching identification codes to corresponding databases from the NHPD, CHFA, and DOH sources.

The deduplicated projects are mapped by year for 2000, 2005, 2010, 2015 and 2020 on the following pages.

³⁰³ Fairfield County's Center for Housing Opportunity. (2021). *AffordCT Housing Database*. Retrieved from <https://www.affordablehousing.tools>.

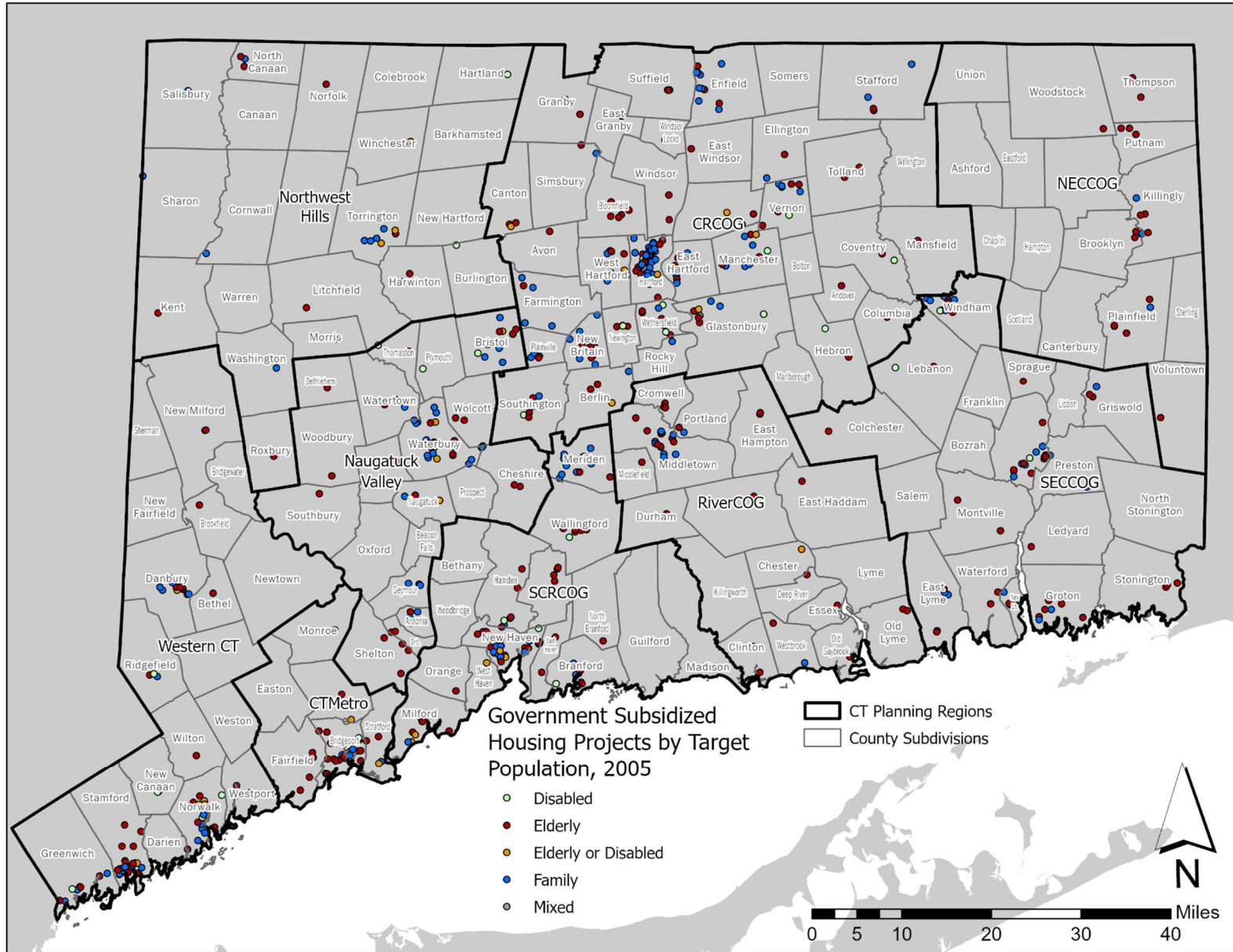
Figure B.1 Government Subsidized Housing Projects by Target Population, 2000



Note: Excludes some scattered site projects with locations not publicly available as well as project sites without known target resident population information.

Source: CTDOH, Annual Appeals Lists, 2000-2020; HUD, Picture of Subsidized Housing, 2000-2020; HUD, LIHTC Database, 2022

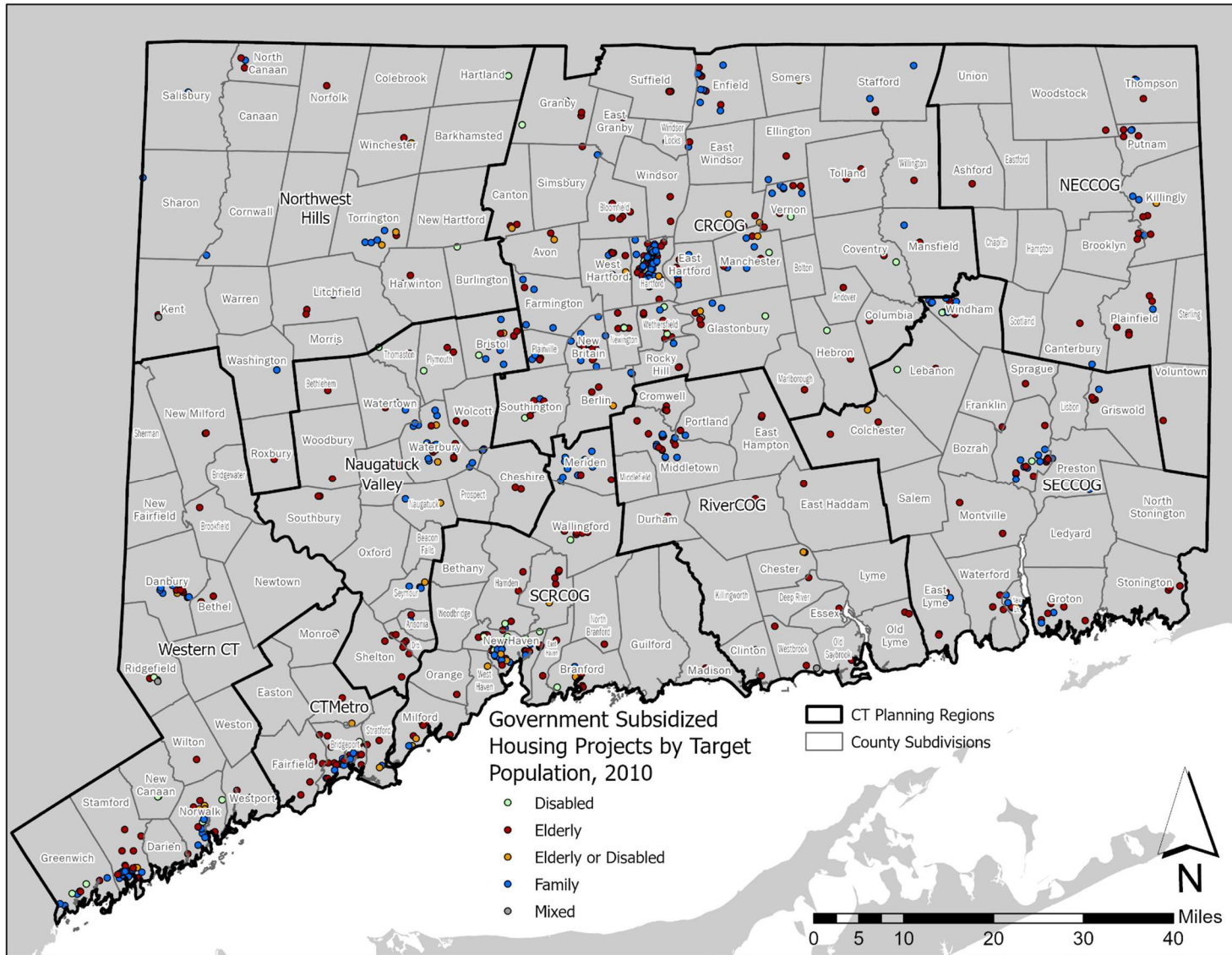
Figure B.2 Government Subsidized Housing Projects by Target Population, 2005



Note: Excludes some scattered site projects with locations not publicly available as well as project sites without known target resident population information.

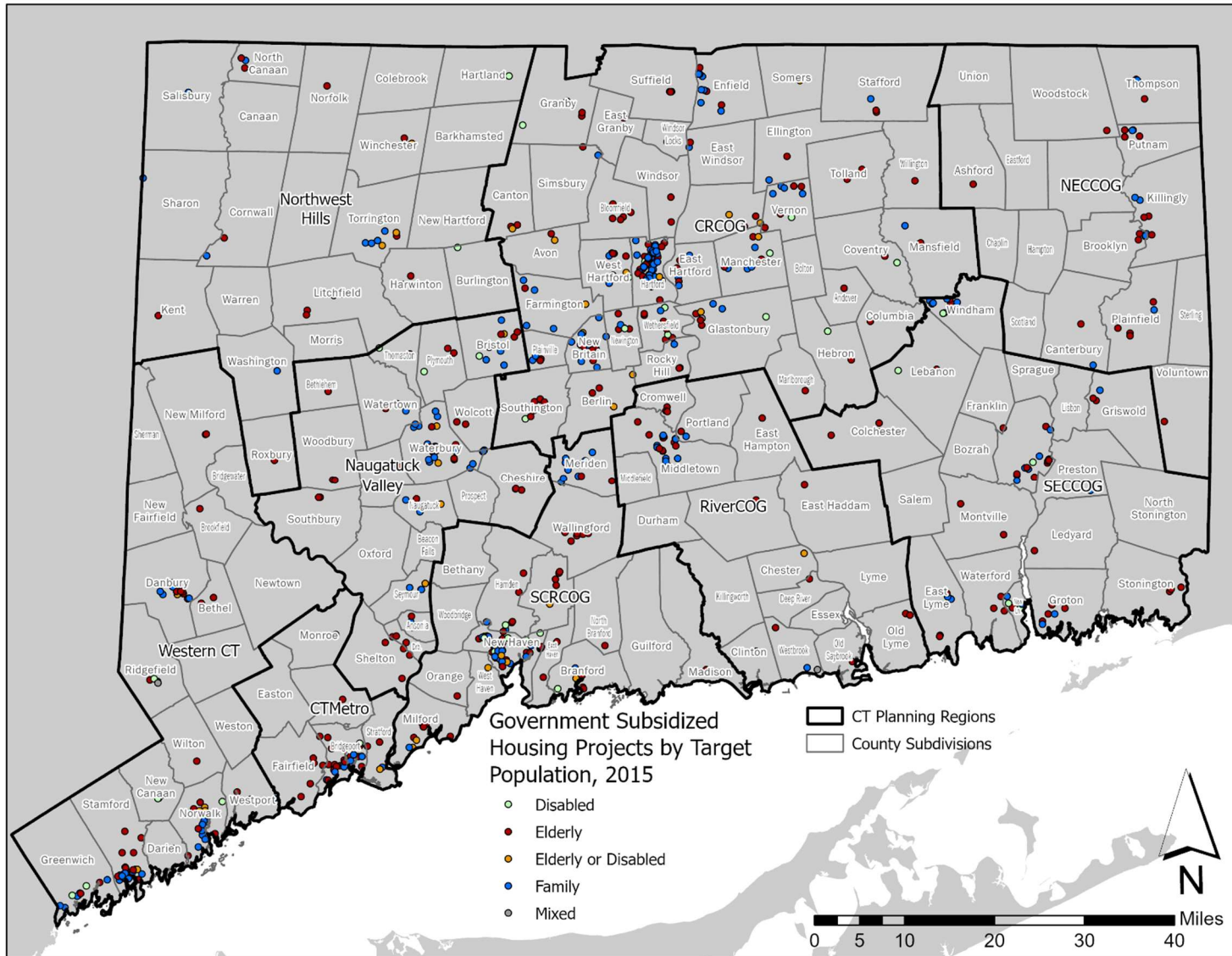
Source: CTDOH, Annual Appeals Lists, 2000-2020; HUD, Picture of Subsidized Housing, 2000-2020; HUD, LIHTC Database, 2022

Figure B.3 Government Subsidized Housing Projects by Target Population, 2010



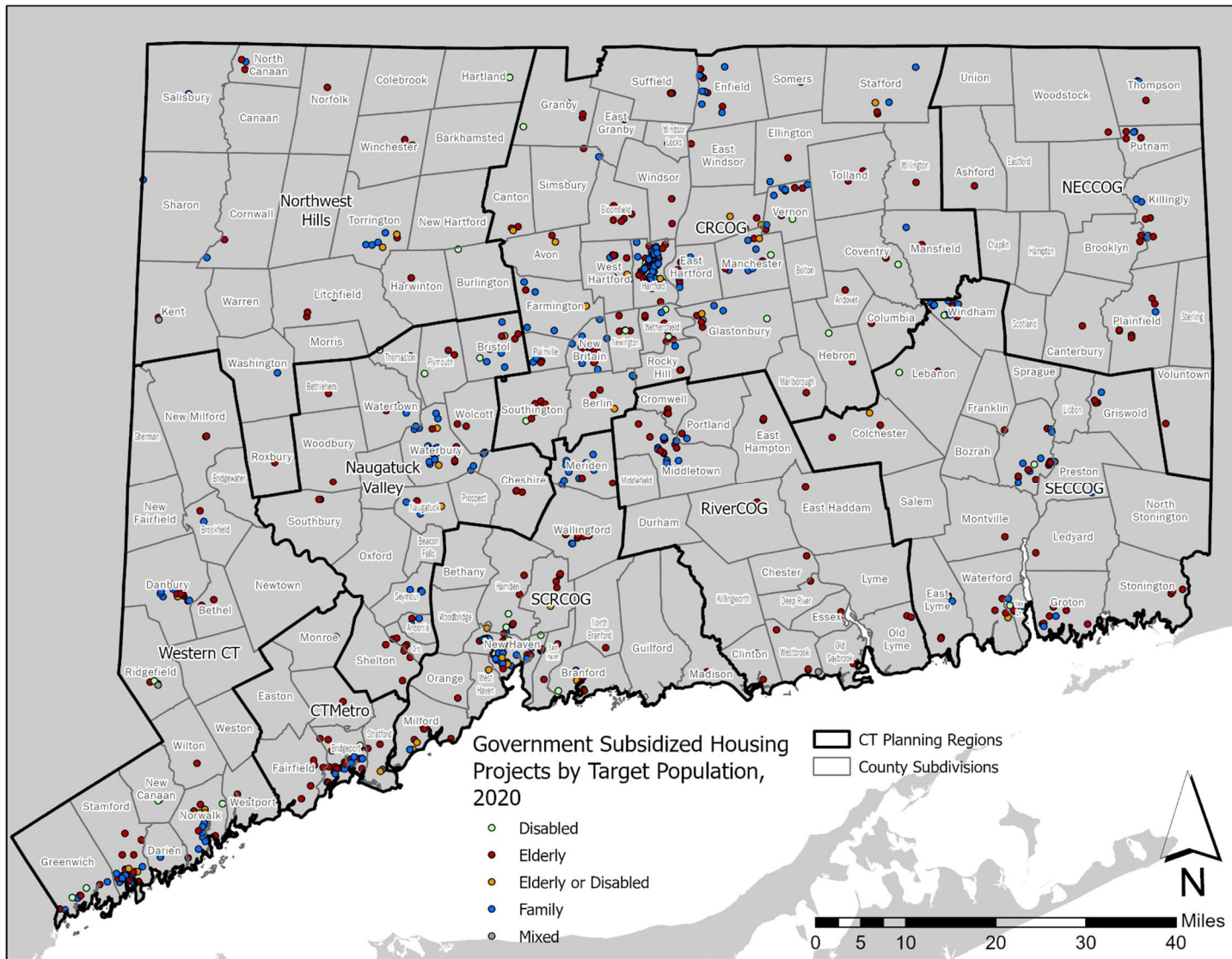
Note: Excludes some scattered site projects with locations not publicly available as well as project sites without known target resident population information.
 Source: CTDOH, Annual Appeals Lists, 2000-2020; HUD, Picture of Subsidized Housing, 2000-2020; HUD, LIHTC Database, 2022

Figure B.4 Government Subsidized Housing Projects by Target Population, 2015



Note: Excludes some scattered site projects with locations not publicly available as well as project sites without known target resident population information.
 Source: CTDOH, Annual Appeals Lists, 2000-2020; HUD, Picture of Subsidized Housing, 2000-2020; HUD, LIHTC Database, 2022

Figure B.5 Government Subsidized Housing Projects by Target Population, 2020



*Note: Excludes some scattered site projects with locations not publicly available as well as project sites without known target resident population information.
 Source: CTDOH, Annual Appeals Lists, 2000-2020; HUD, Picture of Subsidized Housing, 2000-2020; HUD, LIHTC Database, 2022*

Race-Ethnicity Imputation

The process of imputing the distributions of householder race and ethnicity involved a multi-step procedure, primarily relying on data reported by landlords and agencies within HUD's POSH database, when available for each of the historical years. However, in some instances, HUD did not provide information regarding the race and ethnicity of projects under its administration.

For projects lacking race and ethnicity data in the POSH database, this information was inferred by calculating average distributions of race and ethnicity within each zip code for each historic year. If zip code information was unavailable, town-level averages were used. In cases where town-level data could not be identified, county or state averages as reported in HUD's POSH database were utilized.

HUD's POSH data consistently reported mutually-exclusive race and ethnicity identification for most of the study years, including data for white, black, Asian, and other race groups for non-Hispanic populations, as well as separate data for all Hispanics. However, the 2010 data reported race and ethnicity separately. To maintain consistency in reporting race and ethnicity of householders across the historical years, modeling was completed on the 2010 data to generate mutually exclusive distributions for that year. This modeling involved using the share of minority households and separate race and ethnicity groups reported in the 2010 data. Assumptions were made to identify Black non-Hispanic households and white non-Hispanic households. All Asian and other race groups were assumed to be non-Hispanic in the 2010 data due to limited available information and general demographic trends. White non-Hispanic households were inferred based on the share of households not identified as minorities. With all other major race and ethnicity groups identified, Black non-Hispanic households were determined based on the difference between the total and all other group

Appendix C: Town Database

Introduction

The town dataset is a cumulative database that combines program data from multiple original sources. This database was created for three reasons:

Site level data unavailable

As mentioned earlier, some programs, including RAD and Section 8 vouchers as well as CHFA single family mortgages, suppress address-level data in order to protect the privacy of recipients.

Conformity of geographic areas for analysis

Grouping program data at the municipal level allowed direct comparisons between subsidized housing, demographic characteristics, and segregation indices.

Spatial analysis best practices

Spatial analysis best practices showed that a small sample size would not yield a robust model, so data needed to be aggregated into larger geographic areas. Further, segregation analyses are done at the metropolitan level, but in the effort to best meet the needs of the legislative mandate, the municipal level was used as well.³⁰⁴

Database Overview

The Town Level Database consists of three (3) spreadsheets:

- Summary: Project level data by town and year using the best data source. Also indicates if data were released at the town level or aggregated from site-level data.
- Rationale for Summary Inclusion: Notes on why each program by data source was included or excluded from the summary file.
- All Town Data Detail: Collation of all program data by town and year from all available data sources. Overlapping sources do not have consistent unit counts by program.

This database includes columns for the year, municipality, and detailed program data as reported from each primary source agency and dataset. These data are not meant to be aggregated, but to provide a comparison of program units as quantified by different sources³⁰⁵. It is notable that the counts of the same program from different sources may vary for the same year and municipality.

Database Access

Both the Project and Town Level databases are available upon request by contacting dapa@ct.gov.

³⁰⁴ Additional information on the spatial analysis can be found in Section 6, pages 78-85.

³⁰⁵ While none of the sources are perfect, the best overall “count” of assisted units is Total Assisted Units from the DOH Appeals List found in column Z of the Town Level Database.

Appendix D: All Data Viewer Tool

To facilitate the examination of segregation and income metrics, along with subsidized housing inventory data, in the context of socioeconomic characteristics across various communities, regions, and the entire state, an Excel-based data analytics tool has been crafted. This tool enables the comparison of multiple data points within specific geographic areas, facilitates the comparison of a single data point between two different geographic areas, and allows for the assessment of a single data point across all areas within a particular region, as well as across all regions within the state, and so forth.

Use Instructions

Data Viewer Views #1 & 2

This worksheet includes two separate tools with different uses depending on purpose of analysis.

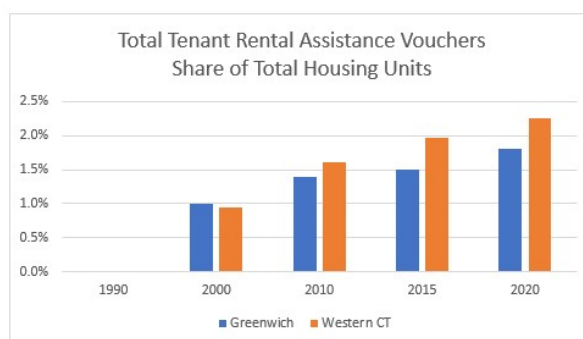
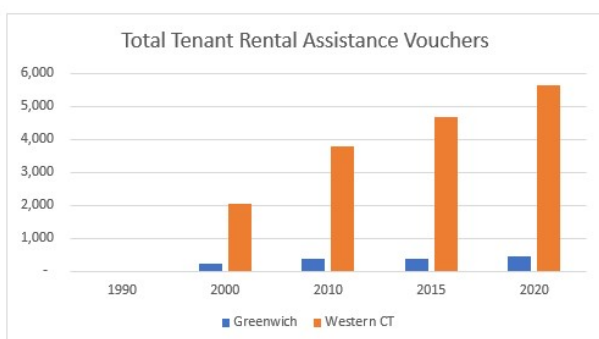
1. View 1: Compare One Variable for Two Different Geographic Areas

Summary: This tool facilitates the evaluation of one variable across two different geographic areas. For example, users may compare municipalities with their labor market areas or planning regions against the entire state. The user needs to make selections from dropdown menus for Geography Type, Location, Subject Area, and Variable Name. Upon selection, the tool automatically generates two tables and two charts for visual analysis.

Requirements: Select a dropdown option for each of the four field types. Compare two different geography types and locations.

Figure D.1 Example of Tables & Figures Generated using the Data Viewer Dual Area Analyzer Tool

Count					Share of Total Housing Units				
1990	2000	2010	2015	2020	1990	2000	2010	2015	2020
-	246	358	363	464	0.0%	1.0%	1.4%	1.5%	1.8%
-	2,057	3,779	4,654	5,628	0.0%	0.9%	1.6%	2.0%	2.3%



2. View 2: Compare Two Variables for One Geographic Area

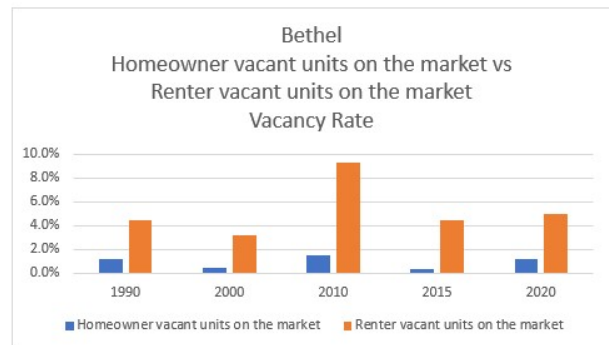
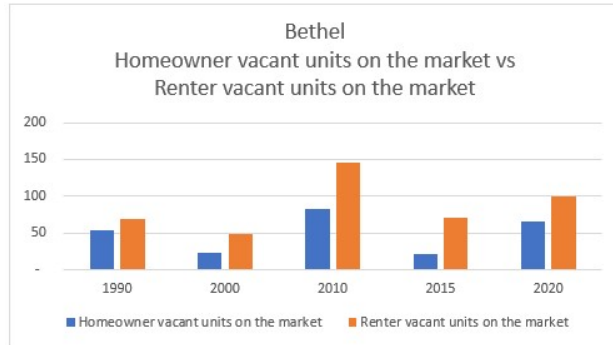
Summary: Designed for understanding the relationship between two variables, such as homeowner and renter vacancy rates. Users may select options from dropdown menus for Geography Type, Location, Subject Area, and Variable Name. The tool generates two tables and two charts for comparative analysis.

Requirements: Select a dropdown option for each of the four field types. Select two subject areas and variable names for comparison.

Figure D.2 Example of Tables & Figures Generated using the Data Viewer Dual Variable Analyzer Tool

Count					Vacancy Rate				
1990	2000	2010	2015	2020	1990	2000	2010	2015	2020
54	23	82	21	65	1.2%	0.5%	1.5%	0.4%	1.1%

Count					Vacancy Rate				
1990	2000	2010	2015	2020	1990	2000	2010	2015	2020
69	49	146	70	100	4.5%	3.2%	9.3%	4.4%	5.0%



Multi-Area Data Viewer for Counts and Shares of Housing & Demographic Variables

Summary: This tool includes a worksheet with query filters that allow users to compare all areas in a geography group at the same time for a single variable, such as to compare the share of assisted units out of total housing units for each community in a planning region. The first chart includes total counts for the selected study variable while the second chart contains indices or percentage shares for the same study variable.

Users may select options from dropdown menus for Geography Type, Location, Subject Area, and Variable Name. The tool generates two tables and charts (one set per worksheet) for comparative analysis.

Requirements: Select a geography type, then select one subject area and variable name for analysis.

Figure D.3 Example of Tables & Figures Generated using the Data Viewer Multi-Area Analyzer Tool

Multi-Area Data Viewer for Counts and Shares of Housing & Demographic Variables

Step 1: Choose Geography of I

Geography

- County_Subdivision
- NCES_Locales
- NECTA
- Planning_Region
- State

Step 1: Select Geography type to display

Step 2: Choose Subject Area

Subject Area

- Population
- Households
- Housing
- Indices
- Subsidized_Housing

Step 2: Select a Subject Area

Step 3: Choose Specific Variable of

Variable Name

- Black non-Hispanic
- Foreign-Born Population
- Hispanic or Latino
- People of Color
- Population 16+
- Population 18-64
- Population 65 or Older

Step 3: Select a Variable Name

Step 4: View Results

Geography	Count					Share of Total Population				
	1990	2000	2010	2015	2020	1990	2000	2010	2015	2020
Naugatuck Valley	21,130	57,176	81,570	5%	8%	13%	15%	18%		
Northwest Hills	375	2,420	5,358	5,730	6,664	1%	2%	5%	5%	8%
Western CT	53,918	85,911	105,000	115,000	125,000	6%	9%	15%	16%	19%
Greater Bridgeport	41,913	50,750	73,057	84,185	94,185	14%	16%	22%	23%	26%
Capitol	8,115	11,142	14,169	17,196	20,223	8%	11%	14%	15%	17%
Lower CT River Val	2,935	4,142	6,059	8,380	10,701	2%	3%	5%	5%	7%
South Central CT	11,715	16,631	22,547	27,463	32,379	6%	10%	14%	15%	19%
Southeastern CT	3,553	4,969	6,385	7,801	9,217	4%	7%	11%	12%	15%
Northeastern CT	953	1,631	2,771	3,305	4,356	1%	2%	3%	3%	5%
Grand Total	199,000	299,000	400,000	450,000	500,000	5%	8%	13%	15%	18%

Data Description

Geographic Areas

The data tool allows for the analysis of five geographic areas including:

- the State of Connecticut as a whole,
- the State's nine Council of Governments Planning Regions,³⁰⁶
- 11 New England City and Town Areas³⁰⁷,
- the state's 169 county subdivisions representing individual municipalities, and
- National Center for Education Statistics (NCES) Locale Classifications,³⁰⁸ which groups all territory in the U.S. into four broad types: Rural, Town, Suburban, and City and 13 subcategories within those classifications.

For purposes of analytical consistency, the 2020 boundaries for all of these areas were held constant over time and all of Connecticut's county subdivisions were assigned NES locales based on the dominant land area typology¹ in each county subdivision.

Data Variables

Data was compiled for the study years of 1990, 2000, 2015, and 2020. In instances where data variables were not available for specific years, they were omitted from the tool. The data is organized into several groupings, covering:

- Indices: race and ethnicity segregation indices and the Gini income inequality index
- Population: general population topics including age, race and ethnicity, nativity, poverty, and labor force
- Households: household topics including tenure, race and ethnicity, household income, and share of income spent on housing costs
- Housing: housing topics spanning all housing units in a study including sizing of the housing stock, vacancy rates, housing costs, units by building type (single-family or multi-family), and housing unit permitting activity
- Subsidized Housing: housing inventory and program participation counts for a range of government subsidized housing programs including project-based subsidized housing, tenant rental assistance, and home mortgage assistance programs.

³⁰⁶ The nine Planning Regions officially replaced the state's eight legacy counties as a unit of regional statistical analysis in 2022.

³⁰⁷ A form of regional geography representing regional labor markets for use in economic and demographic analysis, New England City and Town Areas (NECTA) are defined using the same criteria as Metropolitan and Micropolitan Statistical Areas and are identified as either metropolitan or micropolitan, based on the presence of either an urbanized area of 50,000 or more population or an urban cluster of at least 10,000 but less than 50,000 population.

³⁰⁸ The National Center for Education Statistics (NCES) implements a locale classification system that categorizes school locations based on general geographic indicators. The classification includes four types – Rural, Town, Suburban, and City – each further divided into three subtypes based on population size or proximity to populated areas. These classifications adhere to standard urban and rural designations defined by the U.S. Census Bureau, with each locale type being exclusively urban or rural. For detailed information, refer to NCES's locale geography program at <https://nces.ed.gov/programs/edge/Geographic/LocaleBoundaries>.

Indices

Within the Indices subject area grouping, ten race and ethnicity segregation indices are included as well as one income inequality index. Two other popular measurements of income and inequality are including in other subject areas including median household income and population living below the Federal poverty line.

- Race & Ethnicity Segregation Indices
 - Dissimilarity Index
 - Multi-Dissimilarity Index
 - Absolute Centralization Index
 - Relative Centralization Index
 - Absolute Clustering Index
 - Absolute Concentration Index
 - Interaction Index
 - Isolation Index
 - Relative Clustering Index
 - Relative Concentration Index

Data Sources: US Census Bureau, 1990, 2000, 2010, 2020 Decennial Census; American Community Survey, 2011-2015 5 Year Estimate.

- Income Inequality Indices
 - Gini Index³⁰⁹
 - Median Annual Household Income (see household subject area group)
 - Population Living Below the Federal Poverty Line (see population subject area group)

Data Sources: US Census Bureau, 1990, 2000, Summary File 3; American Community Survey, 2006-2010, 2011-2015 and 2016-2020 5 Year Estimates.

Population

There are 14 different population-based variables included in the tool covering topics such as total population, population by race or ethnicity, age, nativity and employment status.

- Total Population
- Population by Race or Ethnicity
 - White non-Hispanic
 - Black non-Hispanic

³⁰⁹ The Gini index data was limited in availability to only those 5-year estimate program years released by the Census Bureau's American Community Survey program that align with the study years including 2010, 2015, and 2020.

- Asian/Pacific Islander Non-Hispanic
- Hispanic or Latino
- People of Color
- Population by Age
 - Population Under 18
 - Population 18-64
 - Population 65 or Older

Data Sources: US Census Bureau, 1990, 2000, 2010, 2020 Decennial Census; American Community Survey, 2011-2015 5 Year Estimate.

- Foreign-Born Population
- Population by Employment Status
 - Population 16+
 - 16+ Unemployed (for the unemployment rate, see percentage tables and charts)
 - 16+ In Labor Force (for the labor force participation rate, see percentage tables and charts)
- Population Living Below Poverty Line

Data Sources: US Census Bureau, 1990, 2000, Summary File 3; American Community Survey, 2006-2010, 2011-2015 and 2016-2020 5 Year Estimates.

Households

There are eleven different household-based variables included in the tool covering topics such as total households, household tenure (renters or homeowners), median household income, and housing cost burden.

- Total Households
- Tenure
 - Owner Occupied Housing Units
 - Owner Occupied Housing Units: White non-Hispanic
 - Renter Occupied Housing Units: White non-Hispanic
 - Renter Occupied Housing Units
 - Owner Occupied Housing Units: People of Color
 - Renter Occupied Housing Units: People of Color

Data Sources: US Census Bureau, 1990, 2000, 2010, 2020 Decennial Census; American Community Survey, 2011-2015 5 Year Estimate.

- Median Household Income
- Housing Cost Burden
 - Homeowner w/ Mortgage: 30% or More of Income Spent on Housing
 - Homeowner w/out Mortgage: 30% or More of Income Spent on Housing
 - Renter: 30% or More of Income Spent on Housing

Data Sources: US Census Bureau, 1990, 2000, Summary File 3; American Community Survey, 2006-2010, 2011-2015 and 2016-2020 5 Year Estimates.

Housing Units

This tool contains ten total housing market (including both market-rate and subsidized housing) variables included in the tool covering topics such as total housing units, vacancy rates by tenure, housing costs by tenure, building types (single-family and multi-family) as well as housing permitting activity by type.

- Total Housing Units
- Vacancy Rates³¹⁰
 - Homeowner Vacant Units on the Market
 - Renter Vacant Units on the Market

Data Sources: US Census Bureau, 1990, 2000, 2010, 2020 Decennial Census; American Community Survey, 2011-2015 5 Year Estimate.

- Housing Costs
 - Median Gross Rent
 - Median Home Value
- Units in Structure (Building Types)
 - Single-Family Housing Units
 - Multi-Family Housing Units (10+ Units per Building)
 - Multi-Family Housing Units (2+ Units per Building)

Data Sources: US Census Bureau, 1990, 2000, Summary File 3; American Community Survey, 2006-2010, 2011-2015 and 2016-2020 5 Year Estimates.

- Housing Permit Activity
 - Residential Building Permits (Units) in Previous Decade
 - Multifamily Residential Building Permits (Units) in Previous Decade

Data Source: US Census Bureau, Annual Building Permit Survey, 1990-2020

Subsidized Housing

Housing data collected and aggregated as part of the project-level and town-level databases are included in the data tool with data from coming from several different programs for the years of 2000, 2010, 2015, and 2020.

- Total Assisted Units: This data is sourced from CT DOH's annual appeals lists and includes the total number of assisted units from those annual counts
- Total Public Housing Units: a count of total public housing units sourced from HUD's Picture of Subsidized Housing Program and aggregated to the county subdivision level
- Low Income Housing Tax Credit Subsidized Units: a count of subsidized units located in LIHTC properties sourced from both HUD's Picture of Subsidized Housing and LIHTC Database programs and aggregated by county subdivision

³¹⁰ Vacancy rates by tenure address housing vacancies on-the-market for sale or for rent, not to be confused with the total vacancy rate which covers temporarily vacant units for seasonal use, under renovations, and other situations where housing may be temporarily vacant but not available for occupancy.

- Total Tenant Rental Assistance Vouchers: This data is sourced from CT DOH's annual appeals lists and includes the total tenant rental assistance vouchers from those annual counts
- State S8/State RAP Vouchers: A count of the total number of State Section 8 and State RAP housing Vouchers aggregated by county subdivision sourced from CT DOH's Rental Assistance Database and annual appeals lists
- Housing Choice Vouchers: A count of total Housing Choice Voucher program units sourced from HUD's Picture of Subsidized Housing Program and aggregated to the county subdivision level
- Deed Restricted Units: A count of total deed-restricted subsidized housing units reported by local municipalities to CT DOH and published annually CT DOH's appeals lists.
- Downpayment Loans (Active at time of year): The total number of anonymized downpayment loans that were active in each study year, aggregated by county subdivision and shared by CHFA.
- First Mortgage Program Loans (Active at time of year): The total number of anonymized First Mortgage Program loans that were active in each study year, aggregated by county subdivision and shared by CHFA