



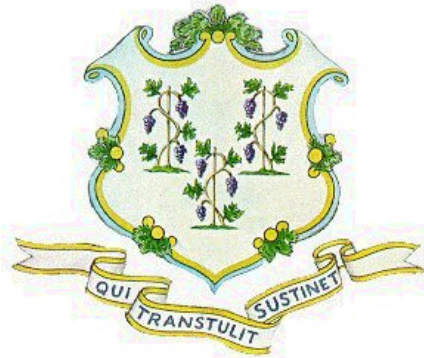
State of Connecticut

2019-2020 Action Plan AMENDMENT

for

Housing and Community Development

CARES Act Funding



Submitted to the

U.S. Department of Housing and Urban Development

by the

State of Connecticut

May 8, 2020

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I. EXECUTIVE SUMMARY

A. OVERVIEW

This is an amendment to the fifth Annual Action Plan under the State of Connecticut's 2015-19 Consolidated Plan for Housing and Community Development (ConPlan), the five-year plan addressing Connecticut's housing and community development needs. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. This amendment is for the 2019-2020 Annual Action Plan for the state fiscal year July 1, 2019 to June 30, 2020.

In December 2019, a new coronavirus known as SARS-CoV-2 was first detected in Wuhan, Hubei Province, People's Republic of China, causing outbreaks of the coronavirus disease COVID-19 that has now spread globally. The first case was reported in the United States in January 2020. In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic and President Trump declared the outbreak a national emergency.

On March 13, 2020, the President declared the ongoing Coronavirus Disease 2019 (COVID-19) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the "Stafford Act") and he has since provided major disaster declarations for certain areas pursuant to section 401 of the Stafford Act, including the State of Connecticut.

On March 27, 2020, the President Donald Trump signed the Coronavirus Aid, Relief, and Economic Security Act (CARES, H.R. 748). The Act is intended to help Americans deal with the economic impact and health crisis brought on by the outbreak of COVID-19.

In accordance with the CARES Act, funds are being distributed under the Community Development Block Grant (CDBG) program, the Emergency Solutions Grant (ESG) program, and the Housing Opportunities for People with AIDS (HOPWA) program to assist individuals and families in the prevention and spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by COVID-19.

This amendment allows for waivers in the citizen participation process as well as for the above mentioned CPD formula programs

Under the Cares Act, the following table details the funding allocated to the State of Connecticut under CDBG, ESG, and HOPWA programs, to date. CARES funding allocated by Congress and HUD to the State of Connecticut is \$16,336,790.

CARES Funding Allocated to the State of Connecticut			
FUNDING	SC CDBG-CV	ESG-CV	HOPWA-CV
STATE OF CT	\$8,138,549	\$8,159,579	\$38,662

II. CITIZEN PARTICIPATION

In response to the COVID-19 Pandemic, the Department of Housing (“DOH”) amended its Citizen Participation Plan, to promote and support “social distancing” while continuing to offer the public an opportunity to provide valuable citizen input and insight into the policies, and procedures of the Department of Housing, particularly as it relates to the administration and implementation of its federal programs. In accordance with the State’s Amended Citizen Participation Plan, the following process was used to solicit citizen participation and input into the programmatic amendments necessary to quickly and effectively administer federal funding made available either directly or indirectly as a result of the COVID-19 Pandemic.

The Draft Annual 19-20 Action Plan Amendment, which included the Small Cities Community Development Block Grant COVID-19 (“**SC CDBG-CV**”) Allocation Plan, was posted on the Department’s website, along with a notice identifying the availability of the amendment. The Notice included the opportunity to provide electronic comment for the required period of not less than five days between April 23, 2020 – April 29, 2020 and information on participation in a “virtual public hearing” that was held on April 28, 2020. As part of the Notice, the state included information on how citizens who have special needs may obtain the Amendment in a form which is accessible to them.

The Public Notice was published in four (4) newspapers of general circulation, and included at least one (1) minority publication.

Copies of the Notice were emailed to all interested parties who had registered with the Department as part of its “Community Partners” list, as well as the governmental leaders of all 169 towns/cities in the State, and the seven (7) councils of government.

Comments received, either at the virtual public hearing or during the public comment period will be considered by the agency before the final amended action plan is submitted to HUD. All comments received will have been summarized and responded to in Attachment A.

DOH provided the Draft 19-20 Annual Action Plan Amendment and public hearing/public commentary schedule to members of the state legislature who sit on committees of

cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly were provided the SC CDBG-CV Allocation Plan. The SC CDBG-CV Allocation Plan, April 13, 2020 is incorporated as Attachment C.

In addition, consultation was sought from CT Balance of State (BOS) Continuum of Care (CoC) Steering Committee. Members of that Steering Committee were notified of the virtual public hearing to be held and encouraged to attend.

Outline of Activity for Public Hearings/Public Comment:

Please see Attachment A-3 Summary of Public Comments Received and DOH Responses.

III. FEDERAL REQUIREMENTS

A. Resources

In accordance with the CARES Act, Federal resources are being distributed to address some of the needs being created by COVID-19. This 2019-2020 Annual Action Plan Amendment outlines the additional COVID-19 funding the State of Connecticut will receive for the following grant programs: Community Development Block Grant (CDBG) program, the Emergency Solutions Grant (ESG) program and the Housing Opportunities for People with AIDS (HOPWA) program. Details on how the state will address the prevention, preparation, and response to the Coronavirus are found in the program-specific sections of this report.

This 2019-2020 Annual Action Plan Amendment provides a detailed plan for expending the COVID-19 funds for the following federal programs:

Small Cities Community Development Block Grant (SC CDBG-CV)	\$	8,138,549
Emergency Solutions Grant (ESG-CV)	\$	8,159,579
Housing opportunities for Persons with AIDS (HOPWA-CV)	\$	38,662

While the state cannot anticipate what other public or private funds may become available to support the crisis, the state will endeavor to maximize and leverage the use of any such resources as they become available. It is the State of Connecticut's understanding that an additional allocation of ESG funding will be announced before the end of May.

B. Activities

The state's methods of distributing funds and carrying out activities funded by HUD are described in the program-specific sections that follow. SC CDBG-CV funds will be administered through a modified application process to expedite funding and delivery of targeted services. Application submissions will be accepted electronically.

In accordance with the enactment of the CARES Act, the 15% public services cap has no effect on SC CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts. It is strongly recommended that applicants work with local social service organizations, Continuum of Care ("CoC")/Coordinated Access Networks homeless providers,

health departments, and other providers to identify specific local needs. DOH intends to contract with 44 shelters that currently receive assistance from DOH through ESG, state Emergency Shelter Service (“ESS”) program, and the federal Social Service Block Grant (“SSBG”) program based on a needs formula, which is currently being developed. This needs formula will be based on activities that prevent, prepare for, and/or respond to COVID-19 pandemic. HOPWA funds will be distributed on a pro-rata basis, and were previously selected on a competitive basis.

C. Geographic Distribution

1. Funding under SC CDBG-CV will be available to all eligible non-entitlement communities in accordance with program requirements. Communities with demonstrated greater needs may be given higher priority. Communities that have demonstrated greater need with the prevention, preparation for, and response to the COVID-19 pandemic will be given higher priority.
2. With respect to ESG-CV, DOH will make awards based on the needs formula noted above and consistent with the other eligible activities identified in Section C of this Action Plan.
3. With regard to HOPWA-CV, with limited funding available, current participants will receive a commensurate portion of the allocation.

D. Homelessness and Other Special Needs Populations

The additional SC CDBG-CV, ESG-CV and HOPWA-CV funding addressed in this plan will be utilized for the prevention, preparation for and response to the COVID-19 pandemic, with a priority to assist individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homeless prevention activities to mitigate the impacts of COVID-19.

IV. PROGRAM ACTIVITIES

A. Small Cities Community Block Grant - CARES (SC CDBG-CV) Program

The objective of the Community Development Block Grant – CV Program is to prepare for, prevent and respond to the COVID-19 Pandemic. To achieve these goals, the CARE Act outlines eligible activities and national objectives that each activity must meet.

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

1. FY 2019-20 Resource Allocation Plan for SMALL CITIES CDBG-CV Program

HUD funding for Connecticut’s SC CDBG-CV program, which should first be available for grant awards and expenditure by the State on or after June 1, 2020 is \$8,138,549. Any future changes in Connecticut’s SC CDBG-CV funding allocations will be a direct result of funding modifications to the CDBG program nationally.

Should DOH receive additional funding, or determine that additional eligible activities are necessary to meet the changing needs caused by the continued expansion of COVID-19 as part of the national pandemic, Tier 2 Activities will be considered, and will include all eligible activities as determined by HUD, in accordance with the most recent federal guidance.

Summary of Appropriations and Proposed Allocations	
Small Cities CDBG-CV	FFY 19 (SFY 20)
Small Cities CDBG-CV Award	\$8,138,549
PLUS	
Reprogrammed Funds/Program Income	\$0
Reprogrammed 1% TA Funds	\$0
EQUALS	
Total Funding Available	\$8,138,549
MINUS	
Administrative Authorization (2% of Award)	\$162,771
Technical Assistance (1% of Award)	\$81,385
EQUALS	
Total CDBG funding available for awards to Grantees	\$7,894,393

2. Reprogramming of Funds

During the FY, DOH may recapture funds from previous fiscal years. Any reprogrammed funds obtained during the FY will be reallocated as noted above. Recaptured funds may come from:

- Non-performing grantees; and
- Grantee's underutilized funds.

Funds may be reallocated during the FY based on demand and or emergency situations. In the event that additional funds are allocated that affect Connecticut's initial allocation and/or are recaptured from other states and reallocated to Connecticut during the FY, these funds will be distributed in accordance with the Action Plan guidelines in effect as of the date of reallocation.

3. Eligible Use of Funds

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

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

In accordance with the enactment of the CARES Act, the 15% public services cap has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.

Activities that can be funded with CDBG – CARES allocation are detailed in the CDBG Quick Guide, which can be viewed at the HUD Exchange website. (<https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf>)

The Department of Housing, as the principal state agency for the allocation and administration of CDBG for “non-entitlement areas” has determined that the following eligible activities will be funded as the first “tier” of activities to be prioritized for funding received pursuant to the first tranche of SC CDBG-CV.

Table 1: Eligible Activities to Support Coronavirus and Other Infectious Disease Response as Tier 1 Priorities	
Buildings and Improvements, Including Public Facilities	
Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).	None at this time
Rehabilitation of buildings and improvements (including interim assistance). See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR 570.201(f); 570.202(b).	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.
Provision of New or Quantifiably Increased Public Services	
Following enactment of the CARES Act, the public services cap has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts. See section 105(a)(8) (42 U.S.C. 5305(a)(8)); 24 CFR 570.201(e).	Provide testing, diagnosis or other services at a fixed or mobile location.
	Provide equipment, supplies, and materials necessary to carry-out a public service.
	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
Planning, Capacity Building, and Technical Assistance	
States only: planning grants and planning only grants. See section 105(a)(12).	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national

	objective. These activities are subject to the State's 20 percent administration, planning and technical assistance cap.
States only: use a part of to support TA and capacity building. See section 106(d)(5) (42 U.S.C. 5306(d)(5)).	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.

4. The Housing and Community Development Act of 1974 (as amended)

The primary objective of the Act, as amended, is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for families and persons of low- and moderate-income. In order to meet these objectives, the federal government has established three National Objectives for the CDBG-SC Program. Every activity must meet one of the three national objectives listed below:

- To benefit low- and moderate-income families;
- To aid in the prevention or elimination of slums or blight; and
- To alleviate existing conditions that poses a serious and immediate threat to the health or welfare of the community (Urgent Need).

Communities can meet a national objective through one of the following:

- Low- and Moderate-Income Benefit:
 - Area benefit (e.g., streets and sidewalks¹), where at least 51% of the population in the defined area is of low- and moderate-income; or
 - Limited clientele (e.g., seniors or persons with disabilities²); or

¹ The items mentioned represent a limited set of examples of activities that qualify under eligible area benefit activities. This limited set has been provided for illustrative purposes only and does not indicate or imply any imposed limitations. For a complete definition of eligible area benefit activities please refer to Title 24, Part 570, Sub-Part C, Section 570.208 of the Code of Federal Regulations.

- Direct benefit (e.g., housing rehabilitation and job creation³).
- Slum and Blight:
 - Prevention or elimination on an area basis; or
 - Prevention or elimination on a spot slum and blight basis.
- Urgent Need:
 - Sudden and unexpected need;
 - Threat to the health and welfare of the community;
 - Occurred within 18 months; and
 - No other funds available.

5. Waivers

On March 31, 2020, HUD issued a Memorandum identifying the availability of certain waivers of Community Planning and Development Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19. This memorandum explains the availability of waivers of certain regulatory requirements associated with several Community Planning and Development (CPD) grant programs to prevent the spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by COVID-19. This Memorandum covers waivers of consolidated plan requirements for all CPD formula programs.

The following are the relevant sections of the above noted waiver:

Citizen Participation Public Comment Period for Consolidated Plan Amendment

Requirement: 30-day Public Comment Period.

Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401

Explanation: A CPD grantee may amend an approved consolidated plan in accordance with 24 CFR 91.505. Substantial amendments to the consolidated plan are subject to the

² The items mentioned represent a limited set of examples of activities that qualify under eligible limited clientele activities. This limited set has been provided for illustrative purposes only and does not indicate or imply any imposed limitations. For a complete definition of eligible limited clientele activities please refer to Title 24, Part 570, Sub-Part C, Section 570.208 of the Code of Federal Regulations.

³ The items mentioned represent a limited set of examples of activities that qualify under eligible area benefit activities. This limited set has been provided for illustrative purposes only and does not indicate or imply any imposed limitations. For a complete definition of eligible area benefit activities please refer to Title 24, Part 570, Sub-Part C, Section 570.208 of the Code of Federal Regulations.

citizen participation process in the grantee's citizen participation plan. The citizen participation plan must provide citizens with 30 days to comment on substantial amendments.

Justification: Given the need to expedite actions to respond to COVID-19, HUD waives 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i) as specified below, in order to balance the need to respond quickly to the growing spread and effects of COVID-19 with the statutory requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG, HOME, HTF, HOPWA or ESG funds.

Applicability: This 30-day minimum for the required public comment period is waived for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment. The waiver is available through the end of the recipient's 2020 program year. Any recipient wishing to undertake further amendments to prior year plans following the 2020 program year can do so during the development of its FY 2021 Annual Action Plan.

Citizen Participation Reasonable Notice and Opportunity to Comment

Requirement: Reasonable Notice and Opportunity to Comment.

Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401

Explanation: As noted above, the regulations at 24 CFR 91.105 (for local governments) and 91.115 (for States) set forth the citizen participation plan requirements for recipients. For substantial amendments to the consolidated plan, the regulations require the recipient to follow its citizen participation plan to provide citizens with reasonable notice and opportunity to comment. The citizen participation plan must state how reasonable notice and opportunity to comment will be given.

Justification: HUD recognizes the efforts to contain COVID-19 require limiting public gatherings, such as those often used to obtain citizen participation, and that there is a need to respond quickly to the growing spread and effects of COVID-19. Therefore, HUD waives 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401 as specified below to allow

these grantees to determine what constitutes reasonable notice and opportunity to comment given their circumstances.

Applicability: This authority is in effect through the end of the 2020 program year.

6. Matching Requirement

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

7. Federal Requirements

The following federal legal requirements also apply to the Small Cities CDBG - CARES program: Davis Bacon, National Environmental Policies Act (including 24 CFR Part 58 Environmental Review Procedures), Relocation Act, and Fair Housing Act..

8. Application and Planning Requirement

The state's application process to HUD for SC CDBG-CV funding includes the submission of an Amendment to our annual Action Plan. This amended Action Plan must contain an allocation plan by which the state will distribute its SC CDBG-CV funds. Following submission to the Legislature, DOH will finalize the Amendment to the 2019-20 Action Plan. Once this process has been completed, and any necessary revisions made, the final 2019-20 Action Plan will be submitted to HUD. HUD's approval of the Amended Action Plan is provided when the state receives its Funding Approval/Agreements (HUD Forms 7082) for the programs, which is anticipated within 30 days of submission to HUD.

9. Administration of These Funds

Adequate advance notice of fund availability will be provided and DOH reserves the right to cease accepting applications at any time that all available funds have been committed. Based

on funding availability and other considerations, DOH may limit the number of applications that can be submitted by a municipality in a funding round.

10. SC CDBG-CV Application Process

For SC CDBG-CV funds being distributed by DOH, a modified application process has been established to expedite funding and delivery of targeted services. These applications will be rated and ranked in accordance with the priorities identified in this Action Plan. Application submissions will be made electronically. DOH strongly recommends working with local social service agencies, your Continuum of Care (CoC)/Coordinated Access Networks homeless providers, health departments, and other providers to identify specific local needs.

Applications must be submitted electronically, beginning not less than thirty days after receiving HUD approval of the Amendment to the Action Plan.

1. Application Workshop by DOH
 - a. Potential applicants attend utilizing Microsoft TEAMS platform
2. Hold Virtual Public Hearing
 - a. Notice to be published in a daily newspaper of general circulation in the municipality.
 - b. The notice must be published at least 5 days prior to the date of the virtual public hearing.
 - c. Submit copies of the notice along with newspaper Affidavit of Publication with application.
 - d. Submit copies of minutes of meeting with application.
3. Conduct an Environmental Review
 - a. Establish Environmental Review Record
 - b. Determine type of activity and environmental impact
 - c. Publish Request for Release of Funds
 - d. Request Release of Funds from DOH
4. Letter of Application
 1. Letter on city or town letterhead
 2. Describe project/activity (including number of persons to be served)
 3. Describe need

4. Describe amount of funding requesting
 5. Describe why other funding is not available
 6. Include a statement that the proposed project is being undertaken to prepare for, respond to or to prevent the COVID-19 pandemic
 7. Requests must be signed by the chief elected official or town/city manager.
 8. Please include the City/Town's DUNS number
 9. Include contact email for official signing request
5. Rating, Ranking and Award (DOH)
- a. DOH staff will collect and review Letters of Application bi-weekly or more often if necessary.
 - b. Submit recommendations to Commissioner for award announcements by Governor

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

- Eligible Applicants - As defined by HUD program regulations; *Non-profit organizations – letter application MUST come from city or county, but the money can be sub-granted to a non-profit to carry out the activity*
- Eligible Activity - Only “activities”, as defined by this Allocation Plan;
- National Objective - Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Citizen Participation - Applicant must provide certification of compliance with amended citizen participation criteria;
- Consistency with the Consolidated Plan - Applicant must identify how the project is consistent with the goals and strategies of the Consolidated Plan;
- Fair Housing and Equal Opportunity Compliance - Applicant must submit a Fair Housing Action Plan that complies with DOH's guidelines/policies;

During the application evaluation process, DOH will conduct due diligence and evaluate all eligible applications using the evaluation criteria described below. Depending on the nature of

the proposed activity, site inspections may be conducted by DOH staff. An evaluation of the site's feasibility is completed and considered as part of the application's final review.

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

11. Evaluation Criteria for SC CDBG-CV Funding

DOH will prioritize funding for those activities identified in Table 1: Eligible Activities to Support Coronavirus and Other Infectious Disease Response as Tier 1 Priorities. Should insufficient applications be submitted to fully expend the current allocation of CDBG-CV funding, all CDBG eligible activities which prevent, prepare for, or respond to COVID-19 will be considered.

B. Emergency Solutions Grants – Coronavirus (ESG-CV)

Under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), Public Law 116-136, special Emergency Solutions Grants - Coronavirus ("ESG-CV") funds have been allocated. Given the immediate needs faced by our communities, HUD has announced the first allocation of ESG-CV funds, and the State of Connecticut Department of Housing and four (4) Entitlement Communities in Connecticut (Bridgeport, Hartford, New Haven and Waterbury) have been allocated at total of \$11,988,303 in federal Emergency Solutions Grants - Coronavirus ("ESG-CV"). This is expected to be the first distribution of funds under what is reported to be a three phase distribution plan. These special ESG-CV funds are required to be used to prevent, prepare for, and respond to the COVID-19 pandemic among individuals and families who are homeless or receiving homeless assistance; and to support additional homelessness prevention activities to mitigate the impacts of COVID-19.

This initial distribution of funds to the State of Connecticut, in the amount of \$8,159,579, is being administered by the Department of Housing ("DOH") under this substantial amendment to the Action Plan for the program year beginning July 1, 2019. Should the amount of the allocation by the federal government be greater or lesser than the anticipated allocation denoted, these funds will be distributed on a prorated basis among the activities identified in the section below.

It is anticipated that up to two additional distributions of these ESG-CV funds may be distributed by HUD, either by an alternative formula or based on demand/need. In addition, HUD has the ability to reallocate funding based on demand and/or emergency situations. In the event that additional funds are allocated that affect DOH's initial allocation and/or are recaptured from other states and reallocated to DOH, these funds will be distributed in accordance with the most current ESG-CV guidelines published by HUD that are in effect as of the date of such reallocation.

DOH regularly consults with the Connecticut Coalition to End Homelessness, Inc. for the provision of technical assistance, programmatic training needs, program development service model recommendations and program evaluation. In addition, DOH consulted with the four ESG entitlement communities regarding their plans for ESG-CV funding in order to better coordinate the administration of these funds.

1. First Distribution of Funds from HUD:

This first distribution of ESG-CV funds are subject to the following flexibilities and conditions provided by the CARES Act:

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media;
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the

area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;

- That recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- Treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness are encouraged, however such recipients must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).
- In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

Consistent with current DOH practices and funding streams, provides a variety of are experienced, well established in their communities and provide quality services, which are monitored on a regular basis. The variety of funding streams, including both state and federal resources, enables these organizations to provide shelter beds, case management services and rapid re-housing services to homeless persons. These funds address operational costs, essential services such as counseling, case management, health, education, employment and training as well as HMIS costs and rapid re-housing.

In addition, DOH regularly consults with the Connecticut Coalition to End Homelessness, Inc. for the provision of technical assistance, programmatic training needs, program development service model recommendations and program evaluation.

2. Eligible Activities for First Distribution of ESG-CV

Consistent with the flexibilities and conditions of the ESG-CV funding, the table below identifies the activities that the Department intends to fund, all of which are necessary to prevent,

prepare for, and respond to the coronavirus pandemic (“COVID-19”) among individuals and families who are homeless or receiving homeless assistance; and to support additional homelessness prevention activities to mitigate the impacts of COVID-19.

Table 1: Summary of Activities for First Distribution of ESG-CV	
ESG-CV Funded Activity	Allocation to be Awarded
Expansion of Rapid Rehousing	\$ 4,000,000
Expansion of Shelter Funding – Operations and Activities	\$ 1,250,000
Eviction Prevention Program - New	\$ 2,809,579
Telehealth Technology - New	\$ 100,000
Additional Staff for Entry/Admission through 2-1-1	\$ -0-
DOH Administrative Costs (Eligible for up to 10%)	\$ -0-
Total Funds in First Distribution	\$ 8,159,579

3. Program Descriptions for Eligible Activities for First Distribution of ESG-CV

Expansion of Rapid Rehousing (“RRH”)

The Rapid Rehousing Program assists with housing search, placement and stabilization support services. It can provide eligible participants with short-term or long-term rental assistance to assist them in obtaining an individual apartment. Eligible participants are low or very low income individuals and/or families who are literally homeless.

The goal of RRH is to house eligible participants within 45 days of intake, however, eligible participants will not be discharged from the program if they cannot not meet this goal.

Eligible services include:

- Housing search and placement for eligible participants
- Allowable direct financial assistance, as detailed below:

- security deposit
- up to 12 months of rental assistance
- moving expenses
- up to 6 months of utility arrearages (the last 6 months of arrears)
- Housing inspections
- Stabilization case management services, including, but not limited to:
- Accessible, flexible support services such as budgeting, and vocational/educational counseling. Frequency of case management will be dependent on the needs assessment and housing stabilization plan developed for each eligible participant.

A “harm reduction philosophy” will be implemented for participants who have relapsed from substance abuse or continue to abuse substances, so that health care, support and housing continue to be provided to the participant.

For the purposes of Rapid Rehousing under ESG-CV, DOH intends to contract with its current fiduciary partner, ACT, to administer these funds in coordination with the Coordinated Access Networks. These funds will be made available to assist eligible participants affected by the COVID-19 Pandemic who are deemed to need up to 12 months of rental assistance where eligible participants are anticipated, with case management, to be independent within a year.

Expansion of Shelter Funding

DOH currently provides funding through ESG, the state Emergency Shelter Service (ESS) program and the federal SSBG to forty-four (44) shelters across the State of Connecticut, for a variety of homeless related services, including but not limited to.....

For the purposes of the Expansion of Shelter Funding under ESG-CV, DOH intends to amend these current contracts and provide additional funds to those existing grantees based on a “needs” formula, which is currently begin developed. This needs formula will be based on activities that prevent, prepare for, and/or respond to the Coronavirus Pandemic.

Emergency shelter services are designed to increase the quantity and quality of temporary shelters provided to homeless people, through the renovation of existing shelters or conversion

of buildings to shelters, paying for the operating cost of shelters, and providing essential services.

Eligible services include:

- a) Essential Services such as case management, childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.
- b) Shelter Operations eligible costs include maintenance, rent, repair, security, fuel, equipment, insurance, utilities, food, supplies necessary for shelter operation, hotel/motel vouchers relocation, and furnishings.
- c) Administration Activities. Up to 10 percent of a recipient's allocation can be used for general management, oversight, coordination, training on ESG requirements, consolidated plan, and environmental review.

Eviction Prevention Program (New)

The Department will be seeking to partner with or more organizations to create and implement a comprehensive eviction prevention program specifically to assist individuals and families facing eviction as a result of the effects of COVID-19.

This would include counseling (housing and financial), legal intervention and assistance, mediation, the ability to act as a fiduciary in the administration of a pool of funds to cover overdue rent payments, related interest and fees, unpaid utilities, security and/or utility deposits.

The Department will issue a Request for Proposals within 90 days of contracting with HUD for these funds.

Telehealth Technology (New)

The Department will seek to procure standardized technology to assist in the establishment of a Telehealth procedure to be made available within the assisted shelter community in order to

better address current and future health issues associated with COVID-19.

Telehealth is the distribution of health-related services and information via electronic information and telecommunication technologies. It allows long-distance patient and clinician contact, care, advice, reminders, education, intervention, monitoring, and remote admissions. Telemedicine is sometimes used as a synonym, or is used in a more limited sense to describe remote clinical services, such as diagnosis and monitoring. When rural settings, lack of transport, a lack of mobility, decreased funding, or a lack of staff restrict access to care, telehealth may bridge the gap.

Entry/Admission Staff – 2-1-1

Although the Department does not anticipate allocating any of this first allocation of ESG-CV funding, it reserves the right to allocate funds from any future ESG-CV allocations to increased volume of calls requesting information and access to services due to the continuing COVID-19 pandemic, additional staff are necessary to augment the 2-1-1 entry/admission point (aka. The Front Door).

DOH Administrative Costs

Although the Department does not anticipate allocating any of this first allocation of ESG-CV funding, it reserves the right to allocate funds from any future ESG-CV allocations to cover additional eligible administrative costs.

Homeless/Street Outreach

Although the Department does not anticipate allocating any of this first allocation of ESG-CV funding, it reserves the right to allocate funds from any future ESG-CV allocations to increased homeless outreach activities necessary to prepared for, respond to or to prevent the spread of COVID-19.

These activities are designed to meet the immediate needs of unsheltered homeless people by connecting them with emergency shelter, housing, and/or essential services. This may include, but is not limited to connecting them with emergency shelter, housing, and providing them with urgent, non-facility-based care, mental health services, substance abuse treatment, medical care, financial assistance, child care, or employment services, transportation, and services for special populations.

4. Grant Provisions

On March 31, 2020, HUD issued a Memorandum identifying the availability of certain waivers of Community Planning and Development Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19. This memorandum explains the availability of waivers of certain regulatory requirements associated with several Community Planning and Development (CPD) grant programs to prevent the spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by COVID-19. This Memorandum covers waivers of consolidated plan requirements for all CPD formula programs, as well as waivers of specific ESG program regulations and requirements.

The following are the relevant sections of the above noted waiver. DOH will avail itself of the waivers noted below, and has already notified HUD of its intent to do so.

Citizen Participation Public Comment Period for Consolidated Plan Amendment

Requirement: 30-day Public Comment Period.

Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401

Explanation: A CPD grantee may amend an approved consolidated plan in accordance with 24 CFR 91.505. Substantial amendments to the consolidated plan are subject to the citizen participation process in the grantee's citizen participation plan. The citizen participation plan must provide citizens with 30 days to comment on substantial amendments.

Justification: Given the need to expedite actions to respond to COVID-19, HUD waives 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i) as specified below, in order to balance the need to respond quickly to the growing spread and effects of COVID-19 with the statutory requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG, HOME, HTF, HOPWA or ESG funds.

Applicability: This 30-day minimum for the required public comment period is waived for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment. The waiver is available through the end of the recipient's 2020 program year. Any recipient wishing to undertake further amendments to prior year plans following the 2020 program year can do so during the development of its FY 2021 Annual Action Plan.

Citizen Participation Reasonable Notice and Opportunity to Comment

Requirement: Reasonable Notice and Opportunity to Comment.

Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401

Explanation: As noted above, the regulations at 24 CFR 91.105 (for local governments) and 91.115 (for States) set forth the citizen participation plan requirements for recipients. For substantial amendments to the consolidated plan, the regulations require the recipient to follow its citizen participation plan to provide citizens with reasonable notice and opportunity to comment. The citizen participation plan must state how reasonable notice and opportunity to comment will be given.

Justification: HUD recognizes the efforts to contain COVID-19 require limiting public gatherings, such as those often used to obtain citizen participation, and that there is a need to respond quickly to the growing spread and effects of COVID-19. Therefore, HUD waives 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401 as specified below to allow these grantees to determine what constitutes reasonable notice and opportunity to

comment given their circumstances.

Applicability: This authority is in effect through the end of the 2020 program year.

HMIS Lead Activities

Requirement: **ESG funds may be used to pay the costs of managing and operating the HMIS, provided that the ESG recipient is the HMIS Lead.**

Citation: 24 CFR 576.107(a)(2)

Explanation: To enable ESG-funded projects to participate in HMIS as required by section 416(f) of the McKinney-Vento Homeless Assistance Act, 24 CFR 576.107(a)(2) authorizes the use of ESG funds for managing and operating the HMIS (e.g., hosting and maintaining HMIS software or data, upgrading, customizing, and enhancing the HMIS), only where the ESG recipient is the HMIS Lead, as designated by the CoC.

Justification: Waiving the rule as specified below would allow more recipients to use ESG funding to upgrade or enhance the HMIS as needed to incorporate ESG program data related to COVID-19.

Applicability: The condition that the recipient must be the HMIS Lead to pay costs under 24 CFR 576.102(a)(2) is waived to the extent necessary to allow any recipient to use ESG funds to pay costs of upgrading or enhancing its local HMIS to incorporate data on ESG Program participants and ESG activities related to COVID-19. This waiver is in effect for 6-months beginning on the date of this memorandum.

Requirement: **Homelessness prevention assistance is subject to re-evaluation of each program participant's eligibility need for assistance not less than once every not less than once every 3 months.**

Citation: 24 CFR 576.401(b)

Explanation: The ESG regulations at 24 CFR 576.401(b) requires recipients or subrecipients providing homelessness prevention assistance to re-evaluate the program participant's eligibility, and the types and amounts of assistance the program participant needs not less than once every 3 months.

Justification: Waiving re-evaluation requirement for homelessness prevention assistance as specified below is necessary to help program participants remain stable in housing during the economic uncertainty caused by COVID-19.

Applicability: The required frequency of re-evaluations for homelessness prevention assistance under section 576.401(b) is waived for up to 2-years beginning on the date of this memorandum, so long as the recipient or subrecipient conducts the required re-evaluations not less than once every 6 months.

Housing Stability Case Management

Requirement: **Program participants receiving homelessness prevention or rapid re-housing assistance must meet with a case manager not less than once per month, unless certain statutory prohibitions apply.**

Citation: 24 CFR 576.401(e)

Explanation: Under 24 CFR 576.401(e), the recipients or subrecipients must require program participants to meet with a case manager not less than once per month to assist them in ensuring long-term housing stability, unless the Violence Against Women Act of 1994 or Family Violence Prevention and Services Act prohibits the recipient or subrecipient from making its shelter or housing conditional on the participant's acceptance of services.

Justification: Recipients are reporting limited staff capacity as staff members are home for a variety of reasons related to COVID-19 (e.g., quarantining, children home from school, working elsewhere in the community to manage the COVID-19

response). In addition, not all program participants have capacity to meet via phone or internet. Waiving the monthly case management requirement as specified below will allow recipients to provide case management on an as needed basis and reduce the possible spread and harm of COVID-19.

Applicability: This waiver is in effect for two months beginning on March 31, 2020.

Restriction of Rental Assistance to Units with Rent at or Below FMR

Requirement: Restriction of rental assistance to units with rent at or below FMR.

Citation: 24 CFR 576.106(d)(1)

Explanation: Under 24 CFR 576.106(d)(1), rental assistance cannot be provided unless the total rent is equal to or less than the FMR established by HUD, as provided under 24 CFR Part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.

Justification: Quickly moving people into permanent housing is especially critical in preventing the spread of COVID-19. Waiving the limit on rental assistance to rents that are equal to or less than the FMR, established by HUD, will assist recipients and subrecipients in more quickly locating additional units to house individuals and families experiencing homelessness.

Applicability: The FMR restriction is waived for any individual or family receiving Rapid Re-housing or Homelessness Prevention assistance who executes a lease for a unit during the 6-month period beginning on the date of this memorandum. The ESG recipient or subrecipient must still ensure that the units in which ESG assistance is provided to these individuals and families.

C. Housing Opportunities for Persons with AIDS (HOPWA) Program:

Connecticut anticipates receiving \$38,662 in federal Housing Opportunities for Persons With AIDS (HOPWA) funds under the CARES Act.

These funds will be allocated pro rata to the existing grantees.

In the event that additional funds are allocated to Connecticut to address the COVID-19 pandemic and/or are recaptured from other states and re-allocated to Connecticut, these funds will be similarly distributed.

VI. ATTACHMENTS TO THE 2019-20 ACTION PLAN

Attachment A – Citizen Participation

- Attachment A-1 Amended Citizen Participation Process
- Attachment A-2 Outline of Activity for Virtual Public Hearing/Public Comment
- Attachment A-3 Summary of Public Comments Received and DOH Responses

Attachment B – Citizen Participation Documents

- Attachment B-1 Legal Notice for Virtual Public Hearing and Public Comment Period for the development of 2019-2020 Annual Action Plan Amendment
- Attachment B-2 Virtual Public Hearing Recording
- Attachment B-3 Written Comments

Attachment C – Approved Small Cities CDBG – CARES Allocation Plan

Attachment A – Citizen Participation

- Attachment A-1 Amended Citizen Participation Process
- Attachment A-2 Outline of Activity for Virtual Public Hearing/Public Comment
- Attachment A-3 Summary of Public Comments Received and DOH Responses

Attachment A-1**Citizen Participation Plan – Amendments to Existing Plans**

In response to the COVID-19 Pandemic, the Department of Housing (“DOH”) is amending its Citizen Participation Plan, to promote and support “social distancing” while continuing to offer the public an opportunity to provide valuable citizen input and insight into the policies, and procedures of the Department of Housing, particularly as it relates to the administration and implementation of its federal programs. The following process will be used to solicit citizen participation and input into any programmatic amendments necessary to quickly and effectively administer federal funding made available either directly or indirectly as a result of the COVID-19 Pandemic.

- Effective April 2, 2020, consistent with the Mega-waiver issued by HUD on March 31, 2020, and for a period ending June 30, 2021, community input prior to drafting a substantial amendment to any plan will be waived, including but not limited to an approved consolidated plan or annual action plan concerning the proposed uses of CDBG, HOME, NHTF, ESG and HOPWA funds.
- Staff will prepare an amendment to any respective plan, where applicable, and the amendment shall include a discussion of the amount of assistance the state expects to receive, the range of activities it will undertake with this assistance, and, to the extent possible, the benefit to low and moderate income people of these proposed activities.
- The Amendment will be posted in a prominent place on the Department’s website, along with a notice identifying the availability of the amendment. The Notice will include the opportunity to provide electronic comment for a period of not less than five days and information on participation in a “virtual public hearing”. As part of the Notice, the state will provide information on how citizens who have special needs may obtain the Amendment in a form which is accessible to them.
- Such Notice will be published in at least three (3) newspapers of general circulation, and will include at least one (1) minority publication.
- Copies of the Notice will be emailed to all interested parties who have registered with the Department as part of its “Community Partners” list, as well as the governmental leaders of all 169 towns/cities in the State, and the seven (7) councils of government.
- Any comments received, either at the virtual public hearing or during the public comment period will be considered by the agency before the final amended action plan is submitted to HUD. A summary of the comments and the agency's responses will be an attachment to the final amended action plan.
- The procedures and actions discussed above will constitute the state's citizen participation plan for any substantial amendments, which may need to be made in the course of the

program year. A "substantial amendment" to the plan is one which implements a change the use and/or method of distributing those funds.

- This amended citizen participation plan will itself be made available to the public for a five day public comment period prior to implementation, and any interest groups may review and comment accordingly.

A-2 Outline of Activity for Virtual Public Hearing/Public Comment

In response to the COVID-19 Pandemic, the Department of Housing (“DOH”) amended its Citizen Participation Plan, to promote and support “social distancing” while continuing to offer the public an opportunity to provide valuable citizen input and insight into the policies, and procedures of the Department of Housing, particularly as it relates to the administration and implementation of its federal programs. In accordance with the State’s Amended Citizen Participation Plan, the following process was used to solicit citizen participation and input into the programmatic amendments necessary to quickly and effectively administer federal funding made available either directly or indirectly as a result of the COVID-19 Pandemic.

The Draft Annual 19-20 Action Plan Amendment, which included the Small Cities Community Development Block Grant CARES-Funding Allocation Plan, was posted on the Department’s website, along with a notice identifying the availability of the amendment. The Notice included the opportunity to provide electronic comment for the required period of not less than five days between April 23, 2020 – April 29, 2020 and information on participation in a “virtual public hearing” that was held on April 28, 2020. As part of the Notice, the state included information on how citizens who have special needs may obtain the Amendment in a form which is accessible to them.

The Public Notice was published in four (4) newspapers of general circulation, and included at least one (1) minority publication.

Copies of the Notice were emailed to all interested parties who had registered with the Department as part of its “Community Partners” list, as well as the governmental leaders of all 169 towns/cities in the State, and the seven (7) councils of government.

Comments received, either at the virtual public hearing or during the public comment period were considered by the agency before the final amended action plan was submitted to HUD. All comments received have been summarized and responded to in Attachment A.

DOH provided the Draft 19-20 Annual Action Plan Amendment and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly were provided the Small Cities Community Development Block Grant Allocation Plan. The CDBG-SC CARES Funding Allocation Plan, April 13, 2020 is incorporated as Attachment C.

In addition, consultation was sought from CT Balance of State (BOS) Continuum of Care (CoC) Steering Committee. DOH shared the proposal for the Amended Emergency Solutions Grants Program. Members were notified of the virtual public hearing to be held for the development of the amended Action Plan, and encouraged to attend.

Outline of Activity for Public Hearings/Public Comment:

Please see Attachment A-3 Summary of Public Comments Received and DOH Responses.

A-3 Summary of Public Comments Received and DOH Responses

General Edits: A number of general edits not materially affecting the policies, priorities or allocations within the document were received.

Response: All relevant edits were made accordingly, including adjustments of awarded and anticipated funding.

General Policy Statements: A number of general policy statements supporting the policies and priorities identified in the Action Plan were provided by a number of commenters.

Response: The Department appreciates the support for its policies and priorities as drafted and is committed to an inclusive and participatory process in the implementation of its programs and the expenditure of its funding.

Summary of Specific Comments from Public Hearing:

Several comments were received recommending that we assist the CANs as much as possible.

Response: The Department appreciates the recommendations relative to supporting the CANs in addressing homelessness due to COVID-19 and will make as much funding as possible available. ESG-CV and HOPWA-CV funds are eligible to go directly to the CANs, while CDBG-CV funds will allow CAN participation through a unit of general local government.

A comment was received in support of a rent stabilization initiative developed by several legal service programs and the Connecticut Fair Housing Center, Inc. recommending that DOH support funding for addressing homelessness which may occur as a result of the moratorium being lifted on evictions due to COVID-19.

Response: The Department appreciates the support for a rent stabilization proposal and is looking forward to developing an eviction prevention program which will address similar issues, in an effort to assist as many people as possible who are threatened with eviction due to COVID-19.

There was a comment received supporting the need to move people from hotels into stable housing rather than back into the shelters due COVID-19.

Response: The Department appreciates this recommendation, which is supported by the Department's commitment ESG-CV funding for Rapid Rehousing.

A comment was received recommending consideration for individuals that are coming out of treatment facilities or correctional facilities to be able to have access to funding as some of the funding sources are prohibitive to people in some circumstances.

Response: The Department appreciates the recommendation to assist these specific population groups, and will continue to look for opportunities with our regular ESG and other funding. Relative to these funds, we are obligated to use the CARES act funding solely to prepare, to respond to or to prevent the spread of COVID-19.

A comment was received recommending increased administrative capacity/funding for the CANs to accommodate additional work COVID-19 funds will place on them.

Response: The Department appreciates the recommendation for increased administrative capacity/funding for the CANs and, in addition to providing ESG funding throughout this network, is also encouraging municipalities to coordinate their SC CDBG requests with their local nonprofit service providers.

A comment was received supporting the new proposed telehealth technology program.

Response: The Department appreciates the recommendation for supporting the new proposed telehealth technology program and will explore how to most effectively bring the best health care opportunities to the homeless and/or at risk of being homeless populations in our state.

Summary of Specific Written Comments:

Two sets of comments were received requesting priority consideration for Shelter Diversion applications under the SC CDBG–CV funding.

Response: Municipal applicants are being encouraged to coordinate with local nonprofit service providers to address the specific needs identified in those individual communities. Shelter Diversion is an eligible Tier One use and priority for these municipalities to consider, however, the Department believes that individual communities should be able to identify their specific needs and priorities to best address local issues.

One comment was received supporting the \$4MM priority for Rapid Rehousing under the ESG-CV, including the cost of housing navigators to assist in this effort.

Response: The Department believes that significant commitment must be made to address those families who are already experiencing homelessness, and sees rapid rehousing as the primary tool to address this issue. We appreciate support for this initiative.

One comment was received requesting additional resources be targeted to Rapid Rehousing as part of future funding received.

Response: The Department recognizes that this initial allocation of funds will not be sufficient to address all of the known need, and agrees that future allocations should also include additional funds for this initiative. We appreciate support for this initiative.

One comment was received supporting the priority of expanded shelter expenses with a set-aside for case management associated with exit and rapid rehousing placement.

Response: The Department appreciates support for this initiative, and recognizes that case management, particularly associated with exits and rapid exits are a critical component of success. Case management at all levels are supported by these, as well as the Rapid Rehousing allocation.

One set of comments was received suggesting that the Department's plan does not address its responsibility to affirmatively further fair housing, and is requesting the establishment of a specific eviction prevention program, termed the Rental Market Stabilization Fund (the "Fund") which in addition to the planned allocation, would be further supplemented with the \$4MM in funding currently targeted at Rapid Rehousing, restrict the use of \$7.9MM in SC CDBG-CV funds to communities which agree to use the funds exclusively for the Fund, and explore the potential for additional CARES funds associated with the HOME Investment Partnerships Program. These comments also included the recommendation to discuss this effort with Entitlement communities to seek their commitment for funding as well.

Response: The Department appreciates the thought and effort that has gone into the concept of the Rental Market Stabilization Fund, and as the Eviction Prevention program identified in our Plan has yet to be fully developed, we look forward to continued discussions around some of the components identified in the Rental Market Stabilization Fund. It is the Department's expectation that a fully fleshed out Eviction Prevention program will be better positioned to access future CARES Act funding, allowing this initial allocation to be put into use quickly. The Department does not agree that its current plan, which targets and prioritizes activities by municipalities working in coordination with local nonprofit service providers, diversifies activities across a spectrum of eligible needs and households, targets funding outside of our larger cities, and offers opportunities for long term success, as opposed to a one time bail out, fails to affirmatively further fair housing. The Department continues to believe that Rapid Rehousing is a critical tool to prevent chronic homelessness, assist in the creation of wealth opportunities and assist in decreasing poverty caused by the advent of COVID-19.

One set of comments received expressed support for the Rental Market Stabilization Fund, to a funding level of \$400MM, from nonspecific state and/or federal sources, while supporting the prioritization of SC CDBG-CV funding for rent relief. This commenter also supports the allocation of \$4MM for Rapid Rehousing and that ESG funds proposed for eviction prevention be prioritized to assist individuals and families that are most at risk of homelessness.

Response: The Department appreciates the thought and effort that has gone into the concept of the Rental Market Stabilization Fund, and as the Eviction Prevention program

identified in our Plan has yet to be fully developed, we look forward to continued discussions around some of the components identified in the Rental Market Stabilization Fund. It is the Department's expectation that a fully fleshed out Eviction Prevention program will be better positioned to access future CARES Act funding, allowing this initial allocation to be put into use quickly. The Department understands the desire to prioritize rent relief as an eligible SC CDBG activity, and is committed to encouraging municipalities to work in coordination with local nonprofit service providers. In addition, we recognize the need to prioritize homeless diversion, in a variety of methods, to be essential.

One set of comments recommended that SC CDBG-CV funding be prioritized for:

- Municipal Health Departments funding to purchase testing for the broad public.
- Municipal Health Departments use vacant buildings to set up "rooms" for COVID-19 patients to be treated or quarantine.
- Child care for first responders and small businesses.
- Small business (and Micro-enterprise) grants to those that applied but did not receive or were denied loans for SBA paycheck protection program.

Response: All of the identified activities are "eligible" under the CDBG-CARES guidance, and two of the four are priority activities as part of the Department's plan (Testing and Treatment/Quarantine sites). The remaining activities identified are eligible, but would only be funded from the first allocation if insufficient applications are submitted to account for all of the funding. However, the Department does anticipate at least one, and possibly two additional allocations of CDBG funding. Municipalities may apply for these additional activities in advance of secondary and/or tertiary allocations.

Attachment B – Citizen Participation Documents

- Attachment B-1 Legal Notice for Virtual Public Hearing and Public Comment Period for the development of 2019-2020 Annual Action Plan Amendment
- Attachment B-2 Virtual Public Hearing Recording
- Attachment B-3 Written Comments

Attachment B-1

NOTICE OF VIRTUAL PUBLIC MEETING AND COMMENT PERIOD

The State of Connecticut Department of Housing
Draft Amendment to FY 19-20 Annual Action Plan
For Housing and Community Development
CARES Act Funding

A five (5) day public-examination and comment period will begin on Thursday, April 23, 2020 and end on April 29, 2020. The Department of Housing is seeking public comment and input on an Amendment to the 19-20 Annual Action Plan, specifically to address the receipt of funding to address needs resulting from the COVID-19 pandemic under the federal CARES Act. These funds currently include funding for Small Cities/Community Development Block Grant (SC/CDBG) program in the amount of \$8,138,549, Emergency Solutions Grants (ESG) in the amount of \$8,159,579, and Housing Opportunities for Persons with AIDS (HOPWA) in the amount of \$38,662. These funds will be used to prevent, prepare and respond to the coronavirus, and will be administered in accordance with the respective programmatic requirements, including the need to meet a national objective, where applicable.

The Department of Housing will conduct a VIRTUAL PUBLIC HEARING on April 28, 2020 beginning at 1:00 PM and ending when all attendees have had an opportunity to comment. Please be aware that this virtual public hearing will be recorded, and posted on the Department's website after its completion. If you or your organization is interested in participating in the VIRTUAL PUBLIC HEARING, please send an e-mail to CT.HOUSING.PLANES@ct.gov with "Virtual Public Hearing – Amendment to FY 19-20 Annual Action Plan" in the "Subject" line. An E-mail links will be sent to all registered participants using the Microsoft TEAMS application.

DOH will also accept electronic comment on the administration of these programs through April 29, 2020 at CT.HOUSING.PLANES@ct.gov. All comments received will be summarized with responses in the final version of the Amendment. For copies of the Draft Amendment to FY 19-20 Annual Action Plan and related documents, please refer to the Department of Housing's website, <http://www.ct.gov/doh> under POLICY & RESEARCH.

Department of Housing programs are administered in a nondiscriminatory manner, consistent with equal employment opportunities, affirmative action, and fair housing requirements. Questions, concerns, complaints or requests for information in alternative formats must be directed to Heidi Gray, HR Specialist, Department of Administrative Services - Small Agency Resource Team 860-713-5028/860-270-8022.

Publication Date: April 23, 2020

B-2 Virtual Public Hearing Recording

<https://portal.ct.gov/-/media/DOH/sec-8-virtual-public-hearing.mp4?la=en>

B-3 Written Comments

From: athy Hunter <kathy@shworks.org>
Sent: ednesday, April 29, 2020 5:31 PM
To: T Housing Plans
Cc: avid Rich; Pamela Ralston; elained@westportct.gov; Stefenson, Susan
Subject: ublic Comment for 2019-2020 Action

To the Connecticut Department of Housing:

In terms of potential Second Tier priorities, should insufficient applications fulfill the First-Tier priorities, Supportive Housing Works would like to propose that SC CDBG – CARES funding be used to increase staffing for the current Coordinated Access Network infrastructure for Diversion under the Public Services Activity. Particularly in Fairfield County, we anticipate a measurable increase in services for shelter diversion due to the economic recession. The Fairfield County Diversion program has demonstrated considerable impact in the first program year (Town of Westport) increasing individual diversion rates from 8% to 39% and family diversion rates from 25% to 78%. Adverting the shelter system decreases the number of households becoming homeless, the demand for shelter beds, and the size of program wait lists. Shelter diversion can save funds that are otherwise lost due to the impact of homelessness.

Sincerely,

Kathy Hunter

Kathy Hunter (She, Her, Hers)
Deputy Director
Supportive Housing Works
(203) 215-8559

From: Cathy Zall <czall@snet.net>
Sent: Tuesday, April 28, 2020 1:47 PM
To: CT Housing Plans
Subject: State Plan

Hi,

I would like to add a comment.

As expressed so well by others, I would like to encourage the consideration of added funding for the CAN system. Increasing coordination within the homeless response system will magnify the effectiveness of resources invested in ending homelessness.

Thank you.

Cathy Zall
Executive Director
New London Homeless Hospitality Center

From: heila Dravis <sdravis@Milfordct.gov>
Sent: ednesday, April 29, 2020 4:15 PM
To: T Housing Plans
Subject: ublic Comment – Amendment to FY 19-20 Annual Action Plan”

Good Afternoon -

Please accept this public comment on the allocation of CDBG-CV through the Small Cities CDBG Program. Please consider the following allocation suggestions :

Municipal Health Departments funding to purchase testing for the broad public.

Municipal Health Departments use vacant buildings to set up "rooms" for COVID-19 patients to be treated or quarantine.

Child care for first responders and small businesses

Small business (and Micro-enterprise) grants to those that applied but did not receive or were denied loans for SBA paycheck protection program

Thank you, Sheila Dravis
CDBG Administrator
Economic & Community Development
203-783-3230
sdravis@milfordct.gov



Submitted via e-mail to CT.HOUSING.PLAN@ct.gov

Connecticut Department of Housing
505 Hudson St.
Hartford, CT 06106

Re: Public Comment on the DRAFT State of Connecticut 2019-2020 Action Plan AMENDMENT for Housing and Community Development

To our colleagues at the Department of Housing:

The Connecticut Coalition to End Homelessness (CCEH) is respectively submitting public comment in response to the CT Department of Housing's (DOH) draft amendment to its 2015-2020 Consolidated Plan and 2019-2020 Annual Action Plan on the allocation of Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funds to non-entitlement jurisdictions through the CARES Act. CCEH is a nonprofit organization representing more than 100 members including emergency shelter providers, transitional housing providers, community and business leaders, and strategic partners, all of whom share the goal of ending homelessness in Connecticut. In partnership with communities throughout the state, CCEH advances this goal through leadership, community organizing, advocacy, research, and education. This letter identifies the ways in which funding from the CARES Act can be most effectively used to address the needs of people experiencing homelessness.

CCEH is working closely with state agencies, Coordinated Access Networks, and shelters to reduce the impact of COVID-19 on people experiencing homelessness, the providers who serve them, and the general public. Through the state-wide shelter decompression effort, more than 900 households in the homeless population have moved into hotels and non-congregate settings, with nearly 1,000 households still remaining in shelter. CCEH's data shows that 2,009 people were staying in shelters at the start of March. Our data shows that 134 of these clients were over the age of 62 and therefore especially vulnerable to the virus. This figure also included 183 families with 346 children, and an additional 48 unaccompanied youth. These clients represent some of our state's most vulnerable people and we are now working with state partners and providers to aggressively house all of the aforementioned as well as additional clients experiencing homelessness to avoid returning them to congregate shelter settings or the streets.

CCEH is proud to partner with the CT Department of Housing and applauds the strides the department has taken to mitigate the impact of COVID-19 on those experiencing homelessness. Upon review of the CT Department of Housing's (DOH) draft amendments to its 2015-2020 Consolidated Plan and 2019-2020 Annual Action Plan, we appreciate that additional funding through the CARES Act for CDBG and ESG is being prioritized for people experiencing

homelessness. And while we are in support of the intent and aim of the amended plan, we have three key recommendations for how to ensure that our providers have the resources they need to quickly return clients to safe housing.

- 1) **CDBG Funding:** We need to have the resources on hand to divert people from shelter and return those experiencing housing crisis quickly to housing. The \$8,138,549 funding from the CARES Act for Small Cities/Community Development Block Grant Funds should be used to prevent homelessness for people seeking shelter by helping them identify immediate alternate housing arrangements and, if necessary, connecting them with services and financial assistance to help them return to housing. CCEH encourages the Department of Housing to give strongest consideration to applicants who propose the use of these funds for shelter diversion.
- 2) **ESG Rapid Re-Housing Funding:** CCEH supports the Department of Housing prioritizing \$4,000,000 of the \$8,159,579 from the CARES Act for rapid re-housing funding. This investment will allow providers to ramp up navigation services, landlord identification, and rental assistance. While we understand this is the first of three installments of CARES Act funding, we strongly encourage the state to consider increasing the amount of funding in this area in the near term, as we are very concerned that the individuals currently in hotels will be forced back into shelter and the street when the funding for hoteling subsides. CCEH supports maximizing the impact of CARES Act funding by using it to fund emergency services that create a pathway to long-term stability for this population. CCEH also encourages the Department of Housing to prioritize housing navigation funding for rapid re-housing clients, if navigation is not funded by the Department of Social Services or any other state or federal funding source.
- 3) **ESG Expansion of Shelter Funding:** CCEH also supports the Department in the plan to allocate \$1,250,000 of the ESG funding to the expansion of shelter funding, including operation and activities. Through our conversations providers the need for staffing at shelters for navigation services and case management is clear. CCEH would ask the Department to consider setting aside a significant part of these funds for shelter case management for housing navigation for rapid exit and rapid re-housing.

Thanks in advance for your consideration of our feedback on the CT Department of Housing's (DOH) draft amendment to its 2015-2020 Consolidated Plan and 2019-2020 Annual Action Plan.

Sincerely,

Richard Cho
Chief Executive Officer
CT Coalition to End Homelessness



April 29, 2020

Commissioner Seila Mosquera-Bruno
Connecticut Department of Housing
505 Hudson Street
Hartford, CT 06105

Re: Comments on the Draft State of Connecticut 2019- 2020 Action Plan Amendment
For Housing and Community Development

Dear Commissioner Mosquera-Bruno:

The Connecticut Fair Housing Center, Greater Hartford Legal Aid, New Haven Legal Assistance, Connecticut Legal Services, Connecticut Veterans Legal Center, and Connecticut Legal Rights Project (the signers) submit these comments on the DRAFT State of Connecticut 2019 – 2020 Action Plan Amendment for Housing and Community Development (Action Plan Amendment). We applaud the actions taken by the State of Connecticut and the Department of Housing (DOH) in response to the unique challenges posed by the COVID-19 virus and the resulting economic shutdown. DOH's actions have prevented the spread of the virus among people who are homeless and ensured that this vulnerable population has appropriate services.

However, tenants in Connecticut, and particularly tenants of color, face a bigger crisis in June when the courts open and in July when landlords are able to file summary process actions (evictions) for nonpayment of rent. When tenants cannot pay their rent, landlords cannot pay their mortgages, maintain the housing, or pay their property taxes. These severe economic consequences impact tenants, landlords, and municipalities alike. The most effective way to break this downward cycle of economic and social impacts is to use CARES Act funding for eviction prevention. By paying delinquent rent before summary process actions are filed, tenants will be able to stay in their homes and there will be a reduced need for homelessness services.

Obligation to Affirmatively Further Fair Housing

The passage of the federal Fair Housing Act in 1968 obligates recipients of federal financial support from the U.S. Department of Housing and Urban Development (HUD) to affirmatively further fair housing (AFFH). *See* 42 U.S.C. § 3608(d). As set out in 24 CFR § 5.152, affirmatively furthering fair housing means:

. . . taking meaningful actions that, taken together, *address significant disparities in housing needs* and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining

compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a program participant's activities and programs relating to housing and urban development. (emphasis added).

When the Coronavirus Aid, Relief and Economic Security Act (CARES Act) became law on March 27, 2020, the obligation to AFFH came with the money passed through HUD. Therefore, any money given to DOH through the CARES Act must be spent in a way that addresses significant disparities in housing needs as well as transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

Decades of discriminatory housing practices, that build and maintain segregated neighborhoods, mean people of color in Connecticut continue to be hardest hit by the COVID-19 crisis. In Connecticut, people of color have lower homeownership rates resulting in greater numbers living in multifamily units. According to [CT Data Collaborative](#), 60.5% of African-American families and 65.8% of Latino families rent their homes compared to just 23.9% of White families. These multifamily units typically have more shared living spaces like laundries, elevators, and hallways, contributing to higher rates of the spread of the virus. In addition, many people of color are essential workers and are continuing to interact with the public while working in healthcare, grocery stores, transportation services, and delivery services. Because of the types of jobs they are disproportionately likely to have and existing disparities in the healthcare system, many people of color lack employer-provided healthcare or other health insurance, contributing to a lack of treatment for COVID-19 risk factors like obesity and coronary artery disease. Finally, fewer people of color have access to COVID-19 testing than whites. For information on the effects of the COVID-19 crisis on communities of color, click [here](#), [here](#), [here](#), and [here](#).

When the courts open again in June, people of color will disproportionately fill the dockets on days when summary process actions are heard and will disproportionately face the loss of their homes due to nonpayment of rent. As a result, it is imperative that the money spent under the CARES Act keep people in their homes and not jammed into courtrooms or displaced to homeless shelters. While homeless prevention and an expansion of the Rapid Rehousing Program will also assist people of color, these services do not address the needs of the majority of people affected by the COVID-19 economic shut down. Since the start of the crisis, the Coordinated Access Networks have worked to assist people who are chronically homeless and/or have a high risk of infection. The focus has been on getting this vulnerable population into placements that prevent the spread of the virus and provide shelter for people who are already infected. During this next phase, the emphasis needs to be on keeping people in their homes.

Need for Additional Funding

Currently, the State's proposed CARES Act expenditures include just \$2,809,579 for an Eviction Prevention Program. Given that 220,000 Connecticut residents have already applied for unemployment, the amount set aside for eviction prevention is inadequate. Between March 11, when Governor Lamont declared a state of emergency, and April 10 when he issued an Executive Order preventing landlords from filing any additional eviction actions until July 1, more than 800 summary process cases were filed with the Connecticut courts. After the Governor's April 10 Executive Order 7X was issued, another 28 summary process actions were

filed. It is clear from these filings that without immediate action, the State's shelters will need to expand exponentially to handle the influx of families who will become homeless due to nonpayment of rent.

For context, the City of Boston recently announced a plan to spend \$3 million to assist renters in a city that is one-fifth the size of Connecticut. In Washington State, United Way of King County, in partnership with King County, the City of Seattle, and the Seattle Foundation, announced the launch of a \$5 million investment in an expanded program to provide rental assistance to King County households that have lost all or part of their income due to the coronavirus pandemic. It is estimated these funds will help up to 2,000 families stay in their homes. The city of Dallas, a little more than a third of the size of Connecticut, just approved a total of \$13.7 million in relief to help pay rent, mortgages, and utilities for residents who are unemployed or furloughed because of the coronavirus. Eligible households could get up to \$1,500 for a maximum of three months. Finally, Governor Abbott of Texas recently decided to use HOME Trust Fund moneys for rental assistance in an effort to prevent tenants who cannot pay their rent from becoming homeless.

Rental Market Stabilization Fund Proposal

The signers urge that the allocation of the CARES Act funding, as laid out in the Action Plan Amendment, be modified, since it will not affirmatively further fair housing and will increase the disparities in access to housing. Instead, we ask that DOH create the Rental Market Stabilization Fund (Stabilization Fund). The Stabilization Fund will provide rental assistance to residential landlords who have lost rental income due to the economic impact of COVID-19. Landlords will be required to apply to the Stabilization Fund, on behalf of and with the cooperation of their tenants, to seek compensation for lost rental income prior to the termination of a residential lease or initiation of an eviction. Eligible tenants may also apply. Stabilization Fund assistance will be applied to residential tenants' outstanding rental account balances, provided that the household has paid, or agreed to pay, at least 30% of their household income as rent for each affected month. Landlords who receive assistance from the Stabilization Fund must forgive a portion of the unpaid rent, remove late fees, interest, penalties, and similar charges from tenants' rental account balances, and agree to maintain the assisted tenancy, without any rent increase, for a period of twelve months. Other states, including New Jersey and California, are discussing similar programs.

To address significant disparities in access to housing and to keep families housed, the signers recommend that the \$2.8 million currently allocated for eviction prevention be used to create the Stabilization Fund program, choose a fund administrator, conduct a needs assessment, and roll out assistance to the neediest tenants who have lost income due to unemployment. In addition, the signers recommend four additional sources of funding for this program. First, DOH should include funding of eviction prevention in the allocation of the \$4 million available from the ESG Rapid Rehousing Program to reduce eviction related need for Rapid Rehousing services. Rapid Rehousing and shelter beds cost the state more on a per household basis than the Stabilization Fund assistance would. Second, DOH should distribute \$7,894,393 from the Small Cities CDBG – CARES funding only to communities who agree to use their allocations for the Stabilization Fund for landlords and tenants living in their communities. In the past, DOH has

had difficulty getting small cities participants to use CDBG funds for people of color living in their communities. By requiring the municipalities to use the funds for the Stabilization Fund, it is likely that people of color will also benefit. See, HUD guidance on use of CDBG-CARES funding. Third, DOH should explore whether there is CARES Act money in the HOME Investment Partnership Program that can be used for the Stabilization Fund. Finally, DOH should convene a meeting with entitlement communities to determine if they will also use their CARES Act funds to assist tenants and landlords in their communities through the Stabilization Fund, thus making it state-wide. By setting aside an appropriate amount of funding for eviction prevention as well as working to make this program state-wide, Connecticut will avoid overflowing shelters and the loss of housing for large numbers of families while addressing the disparity in access to housing resources.

Thank you for your work on this issue. We are happy to discuss any of the issues raised in this letter.

Very truly yours,



Erin Kemple
Connecticut Fair Housing Center
Executive Director

Kathy Flaherty, Executive Director Connecticut Legal Rights Project
Liam Brennan, Executive Director Connecticut Veterans Legal Center
Shelley White, Litigation Director New Haven Legal Assistance Association
Nilda R. Havrilla, Litigation and Advocacy Director Connecticut Legal Services, Inc.
Giovanna Shay, Litigation and Advocacy Director Greater Hartford Legal Aid



April 29, 2020

Commissioner Seila Mosquera-Bruno
Connecticut Department of Housing
505 Hudson Street
Hartford, CT 06105

Re: Comments on the Draft State of Connecticut 2019- 2020 Action Plan Amendment
For Housing and Community Development

Dear Commissioner Mosquera-Bruno:

Partnership for Strong Communities submits the following comments on the draft State of Connecticut 2019 – 2020 Action Plan Amendment for Housing and Community Development. We want to thank you and the staff of DOH for your dedicated work during this unprecedented health and economic crisis.

As noted in the letter our HomeConnecticut Advisory Committee submitted to the Governor and other administration officials, we believe strongly that a statewide rent stabilization fund will be needed to assist renter households who have fallen behind on rent due to the pandemic and prevent homelessness. While the federal CARES Act will provide additional relief to unemployed workers, stimulus checks and an increase in unemployment insurance benefits are likely to take weeks to arrive, and will not alleviate the immediate loss in income experienced by at least 15% of Connecticut residents since the beginning of the COVID-19 public health care crisis. Half of all renter households earn less than \$40,000 annually. At these wage levels families cannot withstand a period of unemployment and still make rent. Even before the COVID-19 crisis, nearly 120,000 renter households in Connecticut were spending at least half of their income on housing. The Partnership for Strong Communities and Connecticut Fair Housing Center estimate about 232,000 families will need cash assistance to reduce rental arrearages and prevent evictions. Families of color will likely be disproportionately affected by this crisis, as they already are by unemployment, housing discrimination and eviction. Resources should be targeted to those most affected and communities of color.

We support the rental stabilization fund proposal set forth by our partners at the Connecticut Fair Housing Center that would allow landlords or tenants to be applicants. Such a fund, of ideally \$400 million, could provide relief to renters prior to the start of eviction proceedings and stabilize landlords' operating budgets and the private rental market. Such a fund should come with some rental forgiveness on the part of landlords as well as commitment to forgo late fines and rental increases for 12 months. We recognize that a rental assistance fund of this size will require resources beyond those available through state funding. We are hopeful that additional funding of this nature as requested by the National Low Income Housing Coalition and many in Connecticut's congressional delegation will arrive. There are, however, examples of COVID-19 renter relief funds being established already in larger cities and some states across the U.S. We have been tracking the creation of these funds nationally and would be happy to share our data with you. We believe the best solution for Connecticut is a statewide fund.

CDBG

CDBG and other federal emergency funds, can, in the meantime be used for rental relief and we recommend prioritizing those for this purpose. CDBG funds that DOH does control may be put towards such a state fund. Furthermore, we strongly encourage DOH to prioritize and fund those municipal Small Cities CDBG applications that propose to use those funds for rent relief purposes, ideally in a coordinated way with the state-managed rent stabilization fund as well as for identifying alternative housing arrangements for those seeking shelter. Additionally, while we hope to see funding from a forthcoming federal stimulus package specifically for rent relief, we strongly encourage DOH to look at the possibility of using other new emergency funding resources for rent relief if allowable, this includes programs like HOME or other state resources.

Emergency Solutions Grant

Rapid Rehousing

We strongly support the expenditure of \$4,000,000 of ESG funds for Rapid Rehousing as DOH has proposed. In order to both stem the tide of this pandemic and reduce the potential for overflow in shelters that have decompressed to accommodate social distancing protocol, the state must prioritize permanently housing as many current shelter clients as possible. With the possibility of more households entering our cash-strapped homeless service system in the coming months due to economic crisis, we risk seeing a quick and sizable increase in the number of unsheltered individuals and families if we do not work to quickly house those already in shelters and hotels.

Eviction Prevention

Finally, we ask that ESG funds directed toward eviction prevention prioritize assistance to individuals and families that are most at risk of homelessness. Our Reaching Home Prevention Workgroup, made up of state agency and nonprofit partners has worked to put some recommendations in place regarding how to identify those at risk and structure such a pool of funds, as well as using existing resources, to make this process most efficient and effective. The combination of intensive social, legal, and financial services is critical for the prevention of homelessness with real and sustainable outcomes.

Sincerely,



Kiley Gosselin
Executive Director

Small Cities Community Development Block Grant – CARES Funding

Allocation Plan - CARES Funding



DEPARTMENT OF HOUSING

Seila Mosquera-Bruno, Commissioner

April 23, 2020

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I. OVERVIEW OF SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM - CARES RESPONSE FUNDING

A. Purpose

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

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

In December 2019, a new coronavirus known as SARS-CoV-2 was first detected in Wuhan, Hubei Province, People’s Republic of China, causing outbreaks of the coronavirus disease COVID-19 that has now spread globally. The first case was reported in the United States in January 2020. In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic and President Trump declared the outbreak a national emergency.

On March 13, 2020, the President declared the ongoing Coronavirus Disease 2019 (COVID-19) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the “Stafford Act”) and he has since provided major disaster declarations for certain areas pursuant to section 401 of the Stafford Act, including the State of Connecticut.

On March 27, 2020, the President Donald Trump signed the *Coronavirus Aid, Relief, and Economic Security Act* (CARES, H.R. 748). The Act is intended to help Americans deal with the economic impact and health crisis brought on by the outbreak of COVID-19.

In accordance with the CARES Act, funds are being distributed under the Community Development Block Grant program to States and Eligible Entitlements to assist them in addressing some of the needs created as a result of COVID-19.

Listed below are Connecticut municipalities that are entitlement communities and therefore are ineligible for Small Cities CDBG administered by the Department of Housing.

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

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

B. Eligible Use of Funds

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

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

Activities that can be funded with Small Cities CDBG – CARES allocation are detailed in the CDBG Quick Guide, which can be viewed at the HUD Exchange website. (<https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf>)

The Department of Housing, as the principal state agency for the allocation and administration of CDBG for “non-entitlement areas” has determined that the following eligible activities will be funded as the first “tier” of activities to be prioritized for funding received pursuant to Small Cities CDBG – CARES.

Table 1: Eligible Activities to Support Coronavirus and Other Infectious Disease Response as Tier 1 Priorities	
Buildings and Improvements, Including Public Facilities	
Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).	None at this time
Rehabilitation of buildings and improvements (including interim assistance). See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR 570.201(f); 570.202(b).	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.
Provision of New or Quantifiably Increased Public Services	
Following enactment of the CARES Act, the public services cap has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts. See section 105(a)(8) (42 U.S.C. 5305(a)(8)); 24 CFR 570.201(e).	Provide testing, diagnosis or other services at a fixed or mobile location.
	Provide equipment, supplies, and materials necessary to carry-out a public service.
	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
Planning, Capacity Building, and Technical Assistance	
States only: planning grants and planning only grants. See section 105(a)(12).	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national objective. These activities are subject to the State’s 20 percent administration, planning and technical assistance cap.

States only: use a part of to support TA and capacity building. See section 106(d)(5) (42 U.S.C. 5306(d)(5).	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.
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C. Federal Allotment for CDBG – CARES

Under the Cares Act, the following table details the funding allocated in the State of Connecticut under CDBG – CARES. Total CDBG – CARES funding allocated by Congress and HUD within the State of Connecticut is \$24,165,675.

Table 2: Summary of Appropriations in Connecticut			
COMMUNITY	CDBG-CARES	NAME	CDBG-CARES
Bridgeport	\$2,009,739	Milford Town	\$303,209
Bristol	\$393,989	New Britain	\$1,010,315
Danbury	\$378,334	New Haven	\$2,236,393
East Hartford	\$340,463	New London	\$514,725
Fairfield	\$306,842	Norwalk	\$521,436
Greenwich	\$486,978	Norwich	\$506,569
Hamden Town	\$281,529	Stamford	\$574,820
Hartford	\$2,185,057	Stratford	\$361,725
Manchester	\$337,156	Waterbury	\$1,317,293
Meriden	\$648,003	West Hartford	\$585,914
Middletown	\$283,911	West Haven	\$442,726
State of Connecticut for Nonentitlement Communities	\$8,138,549		

D. Additional Federal Funding and Tier 2 Activities

HUD funding for Connecticut’s Small Cities CDBG – CARES program, which should first be available for grant awards and expenditure by the State on or after June 1, 2020 is \$8,138,549.

Any future changes in Connecticut’s Small Cities CDBG - CARES funding allocations will be a direct result of funding modifications to the CDBG program nationally.

Should DOH receive additional funding, or determine that additional eligible activities are necessary to meet the changing needs caused by the continued expansion of COVID-19 as part of the national pandemic, Tier 2 Activities will be considered, and will include all eligible activities as determined by HUD, in accordance with the most recent federal guidance.

E. Proposed Allocations CDBG – CARES

Table 3 below describes the proposed allocation of funds to be received.

Table 3: Summary of Appropriations and Proposed Allocations	
Small Cities CDBG Program	FFY 19 (SFY 20) Awarded
CDBG- CARES Award	\$8,138,549
PLUS	
Reprogrammed Funds/Program Income	\$0
Reprogrammed 1% TA Funds	\$0
EQUALS	
Total Funding Available	\$8,138,549
MINUS	
Administrative Authorization (2% of Award)	\$162,771
Technical Assistance (1% of Award)	\$81,385
EQUALS	
Total CDBG funding available for awards to Grantees	\$7,894,393

F. Contingency Plan

This Allocation Plan has been prepared to reflect a Small Cities CDBG – CARES allocation for Connecticut of \$8,138,549. It is DOH’s intention that any future increase in funding will result in proportionate increases in administrative costs and funding available for program activity awards.

G. State Allocation Planning Process

DOH will solicit public input in the development of an Amendment to the 2019-20 Action Plan for Housing and Community Development, which includes this Allocation Plan. Citizen

participation, including input from our State Agency partners, housing advocates and other concerned organizations, will be solicited through a 5-day public comment period from Thursday, April 23rd, 2020 to April 28th, 2020 and at a virtual public hearing conducted by DOH using the Microsoft TEAMS platform. A legal notice announcing the virtual public hearing and request for electronic public comment will be published in four newspapers, including one in Spanish. In addition, the public and our agency partners will be encouraged to submit electronic written comments with respect to these Plans. The legal notice and related documents will be made available on the DOH website and by request.

The chief elected officials of all 169 municipalities in the state, as well as the regional Councils of Government, will receive a Notice from DOH informing them of the virtual public hearing and comment period. DOH will also forward copies of the legal notices to its Community Partners.

In addition, DOH will submit, via e-mail, a copy of this Allocation Plan to the Office of the Governor for distribution to members of the State Legislature's Appropriations Committee, Commerce Committee, and Housing Committee in accordance with the provisions of Connecticut General Statutes Section 4-28b. DOH will be seeking their approval of this Allocation Plan.

H. Grant Provisions

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

- It is following a detailed citizen participation plan and that each funded unit of general local government is following a detailed citizen participation plan;
- It has consulted with affected units of general local government in the non-entitled areas in determining the method of distribution of funding, it engages or will engage in planning for community development activities, it will provide assistance to units of general local government, it will not refuse to distribute funds to any unit of general local government based on the particular eligible activity chosen by the unit of general local government, except that a state is not prevented from establishing priorities based on the activities selected;
- It has a Consolidated Plan that identifies community development and housing needs and short-term and long-term community development objectives;

- It will conduct its program in accordance with the Civil Rights Act of 1964 and the Fair Housing Act of 1988 and will affirmatively further fair housing;
- It will set forth a method of distribution that ensures that each of the funded activities will meet one or more of the three broad national objectives described in the “Major Use of Funds” section of this Plan and at least 70% of the amount expended for activities over a period of one, two, or three consecutive program years will benefit low-and moderate-income families;
- It will require units of general local government to certify that they are adapting and enforcing laws to prohibit the use of excessive force against nonviolent civil rights demonstrations, and they will enforce laws against barring entrance and exit from facilities that are the targets of nonviolent civil rights demonstrations in their jurisdiction; and
- It will comply with Title I of the HCD and all other applicable laws.

On March 31, 2020, HUD issued a Memorandum identifying the availability of certain waivers of Community Planning and Development Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19. This memorandum explains the availability of waivers of certain regulatory requirements associated with several Community Planning and Development (CPD) grant programs to prevent the spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by COVID-19. This Memorandum covers waivers of consolidated plan requirements for all CPD formula programs.

The following are the relevant sections of the above noted waiver.

Citizen Participation Public Comment Period for Consolidated Plan Amendment

Requirement: 30-day Public Comment Period.

Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401

Explanation: A CPD grantee may amend an approved consolidated plan in accordance with 24 CFR 91.505. Substantial amendments to the consolidated plan are subject to the citizen participation process in the grantee’s citizen participation plan. The citizen participation plan must provide citizens with 30 days to comment on substantial amendments.

Justification: Given the need to expedite actions to respond to COVID-19, HUD waives 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i) as specified below, in order to balance the need to respond quickly to the growing spread and effects of COVID-19 with the statutory requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG, HOME, HTF, HOPWA or ESG funds.

Applicability: This 30-day minimum for the required public comment period is waived for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment. The waiver is available through the end of the recipient's 2020 program year. Any recipient wishing to undertake further amendments to prior year plans following the 2020 program year can do so during the development of its FY 2021 Annual Action Plan.

Citizen Participation Reasonable Notice and Opportunity to Comment

Requirement: Reasonable Notice and Opportunity to Comment.

Citations: 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401

Explanation: As noted above, the regulations at 24 CFR 91.105 (for local governments) and 91.115 (for States) set forth the citizen participation plan requirements for recipients. For substantial amendments to the consolidated plan, the regulations require the recipient to follow its citizen participation plan to provide citizens with reasonable notice and opportunity to comment. The citizen participation plan must state how reasonable notice and opportunity to comment will be given.

Justification: HUD recognizes the efforts to contain COVID-19 require limiting public gatherings, such as those often used to obtain citizen participation, and that there is a need to respond quickly to the growing spread and effects of COVID-19. Therefore, HUD waives 24 CFR 91.105(c)(2) and (k), 24 CFR 91.115(c)(2) and (i) and 24 CFR 91.401 as specified below to allow these grantees to determine what constitutes reasonable notice and opportunity to comment given their circumstances.

Applicability: This authority is in effect through the end of the 2020 program year.

I. Matching Requirement

The state is required to pay from its own resources all administrative costs incurred by the state in carrying out its responsibilities under subpart 24 CFR 570.489(a)(1), except that the

state may use Small Cities CDBG funds to pay such costs in an amount not to exceed \$100,000 plus 50% of such costs in excess of \$100,000. States are, therefore, required to match such costs in excess of \$100,000 on a dollar for dollar basis. The amount of Small Cities CDBG funds used to pay such costs in excess of \$100,000 shall not exceed 2% of the aggregate of the state's annual grant.

J. Program Fund Limitations or Caps

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

In accordance with the enactment of the CARES Act, the 15% public services cap has no effect on CDBG - CARES grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.

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

K. Federal Requirements

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

L. Application and Planning Requirement

The state's application process to HUD for Small Cities CDBG – CARES funding includes the submission of an Amendment to our annual Action Plan. The Action Plan updates the

Consolidated Plan, a five-year planning document for Housing and Community Development that governs the state's administration of five formula-distribution federal grant programs (Small Cities CDBG, HOME, ESG, HOPWA and NHTF). This amended Action Plan must contain an allocation plan by which the state will distribute its Small Cities CDBG – CARES funds. Following the required legislative hearing and public comment activity, DOH will finalize the Amendment to the 2019-20 Action Plan. Once this process has been completed, and any necessary revisions made, the final 2019-20 Action Plan will be submitted to HUD. HUD's approval of the Amended Action Plan is provided when the state receives its Funding Approval/Agreements (HUD Forms 7082) for the programs, which is anticipated within 30 days of submission to HUD.

M. Administration of These Funds

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

N. Small Cities Application Process

For Small Cities CDBG – CARES Act funds being distributed by DOH, a modified application process has been established to expedite funding and delivery of targeted services. These applications will be rated and ranked in accordance with the priorities identified in this Allocation Plan. Application submissions will be made electronically. *DOH strongly recommends working with local social service agencies, your Continuum of Care (CoC)/Coordinated Access Networks homeless providers, health departments, and other providers to identify specific local needs.*

Applications must be submitted electronically, beginning not less than thirty days after receiving HUD approval of the Amendment to the Action Plan.

1. Application Workshop by DOH
 - a. Potential applicants attend utilizing Microsoft TEAMS platform
2. Hold Virtual Public Hearing
 - a. Notice to be published in a daily newspaper of general circulation in the municipality.

- b. The notice must be published at least 5 days prior to the date of the virtual public hearing.
- c. Submit copies of the notice along with newspaper Affidavit of Publication with application.
- d. Submit copies of minutes of meeting with application.
3. Conduct an Environmental Review
 - a. Establish Environmental Review Record
 - b. Determine type of activity and environmental impact
 - c. Publish Request for Release of Funds
 - d. Request Release of Funds from DOH
4. Letter Of Application
 1. Letter on city or town letterhead
 2. Describe project/activity (including number of persons to be served)
 3. Describe need
 4. Describe amount of funding requesting
 5. Describe why other funding is not available
 6. Include a statement that the proposed project is in response to the COVID-19 pandemic
 7. Requests must be signed by the chief elected official or town/city manager.
 8. Please include the City/Town's DUN number
 9. Include contact email for official signing request
5. Rating, Ranking and Award (DOH)
 - a. DOH staff will collect and review Letters Of Application bi-weekly or more often if necessary.
 - b. Submit recommendations to Commissioner for award announcements by Governor

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

- Eligible Applicants - As defined by HUD program regulations; *Non-profit organizations – letter application MUST come from city or county, but the money can be sub-granted to a non-profit to carry out the activity*
- Eligible Activity - Only “activities”, as defined by this Allocation Plan;
- National Objective - Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Citizen Participation - Applicant must provide certification of compliance with amended citizen participation criteria;
- Consistency with the Consolidated Plan - Applicant must identify how the project is consistent with the goals and strategies of the Consolidated Plan;

- Fair Housing and Equal Opportunity Compliance - Applicant must submit a Fair Housing Action Plan that complies with DOH's guidelines/policies;

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

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

O. Notification and Resubmittal of Plan After Approval – Section 4-28b CGS

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

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

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

Sec. 4-28b. Federal block grant funds. Hearing. Approval or modification of Governor's recommended allocations. Transfer of allocations. Reduction of federal

reimbursements. *Notwithstanding any provision of the general statutes: (1) If, during any fiscal year, the state receives federal block grant funds, the Governor shall submit recommended allocations of such funds to the speaker of the House of Representatives and the president pro tempore of the Senate. Within five days of receipt of the recommendations, the speaker and the president pro tempore shall submit the recommended allocations to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the joint standing committee or committees of the General Assembly having cognizance of the subject matter relating to such recommended allocations, as determined by the speaker and the president pro tempore. Within thirty days of their receipt of the Governor's recommended allocations, the committee having cognizance of matters relating to appropriations and the budgets of state agencies, in concurrence with the committee or committees of cognizance, shall advise the Governor of their approval or modifications, if any, of such recommended allocations. If the joint standing committees do not concur, the committee chairpersons shall appoint a committee on conference which shall be comprised of three members from each joint standing committee. At least one member appointed from each committee shall be a member of the minority party. The report of the committee on conference shall be made to each committee, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the Governor's recommended allocations shall be deemed approved. If the joint standing committees accept the report, the committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the Governor of their approval or modifications, if any, of such recommended allocations, provided if the committees do not act within thirty days, the recommended allocations shall be deemed approved. Disbursement of such funds shall be in accordance with the Governor's recommended allocations as approved or modified by the committees. After such recommended allocations have been so approved or modified, any proposed transfer to or from any specific allocation of a sum or sums of over fifty thousand dollars or ten per cent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker and the president pro tempore and approved, modified or rejected by the committees in accordance with the procedures set forth in this subdivision. Notification of all transfers made shall be sent to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee or committees of cognizance, through the Office of Fiscal Analysis; (2) if,*

during any fiscal year, federal funding for programs financed by state appropriations with federal reimbursements is reduced below the amounts estimated under the provisions of section 2-35, the Governor shall submit recommendations to the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee of cognizance, for legislation necessary to modify funding for such programs consistent with such reductions in federal funding.