State of Connecticut
2026-2027 Draft Action Plan
for
Housing and Community Development

Connecticut Department of HOUSING

Submitted to the

U.S. Department of Housing and Urban Development

by the
State of Connecticut

July 1, 2026

State of Connecticut
2026-2027
Action Plan for Housing and Community Development

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I. EXECUTIVE SUMMARY

A. Overview

This annual Action Plan is the second action plan under the State of Connecticut's 2025-29 Consolidated Plan for Housing and Community Development (ConPlan), the five-year plan addressing Connecticut's housing and community development needs. The state submits the ConPlan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to receive funding under the Recovery Housing Program (RHP), HOME Investment Partnerships (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), Housing Opportunities for Persons with HIV/AIDS (HOPWA), and National Housing Trust Fund (NHTF) Programs. The total amount of federal funding fluctuates but was approximately $30 million for the previous program year. The state does not anticipate receiving federal HOPWA funds this year but will utilize state funds to support persons with AIDS and their families. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. The 2026-2027 Action Plan is for the state fiscal year July 1, 2026 to June 30, 2027. In addition, the ConPlan identifies the State's housing priorities for the next five years for all of its anticipated state and federal resources.

Summary of federal funding anticipated for FY 2026-27:

Recovery Housing Program (RHP)	$	938,224
HOPWA	$	0
National Housing Trust Fund (NHTF)	$	3,134,373.2[1]
Small Cities /Community Development Block Grant	$	13,902,275
HOME Investment Partnerships (HOME)	$	10,257,272.83
Emergency Solutions Grant (ESG)	$	2,383,432

The 2026-27 Annual Action Plan provides information on:

- Resources: Funding sources available to address the state's needs and objectives;
- Activities: Method for distributing funds for activities that address needs and objectives;
- Geographic Distribution: Geographic areas to which the state will direct assistance;
- Homeless and Special Needs Activities;

[1] The 2026-2027 National Housing Trust Numbers have a separate allocation process and are forthcoming.

- Other Actions: Strategies to address underserved populations, foster and maintain affordable housing, remove barriers, and assist families in poverty;
- Citizen Participation: Input and comments made on the Action Plan and Department of Housing (DOH) and responses;
- Applications for Assistance: HUD Form SF-424 for the RHP, HOME, SC/CDBG, NHTF, and ESG programs; and
- Certifications: General and program specific certifications as required by HUD.

This second annual Action Plan provides a plan for expending FY 2026-27[2] funds for the anticipated state and federal funding for development and housing support. All proposed activities' budgets will be proportionally increased or decreased from the estimated funding levels to match actual allocation amounts:

Table 1: Anticipated State and Federal Funding for Development and Housing Support			
Housing (DOH)	**State FY 2026-27**	**HUD FY 2026-27**	**Total**
RHP	$ 0	$ 938,224	$ 938,224
HOME	$ 0	$ 10,257,272.83	$ 10,257,272.83
SC/CDBG	$ 0	$ 13,902,275	$ 13,902,275
NHTF	$ 0	$ 3,134,373.2	$ 3,134,373.2
Housing Trust Fund (State)	$ 170,000,000	$ 0	$ 170,000,000
Affordable Housing (Flex)	$ 200,000,000	$ 0	$ 200,000,000
Subsidized Assist Living Demonstration	$ 3,402,000	$ 0	$ 3,402,000
Elderly Rental Registry & Counselor	$ 1,011,170	$ 0	$ 1,011,170
Fair Housing	$ 670,000	$ 0	$ 670,000
Elderly/Congregate Rental Assistance	$ 2,172,786	$ 0	$ 2,172,786
Congregate Operating Subsidy	$ 12,864,700	$ 0	$ 12,864,700
Crumbling Foundations	$ 182,977	$ 0	$ 182,977
Lead Hazard Removal-Healthy Homes	$ 1,500,000	$ 0	$ 1,500,000
Workforce Housing	$ 115,000,000	$ 0	$ 115,000,000
Time to Own	$ 60,000,000	$ 0	$ 60,000,000
TOTAL	$ 566,803,633	$ 28,242,605.2	$ 595,035,778.03

Source: DOH/OPM

[2] *Please note that the funding amounts represented for each program are subject to congressional or legislative action, which could affect an increase, reduction or elimination of the funding amounts noted.*

Table 2: Anticipated State and Federal Funding for Individual and Family Services			
	STATE FY 2026-27	HUD FY 2026-27	TOTAL FY 2026-27
Housing Opportunities for Persons AIDS	$ 4,331,822	$ 0	$ 4,642,675
Section 8 Rental Assistance	$ 0	$ 80,489,608	$ 80,489,608
Rental Assistance Program	$ 86,732,797	$ 0	$ 70,138,890
Rapid Rehousing	$ 1,907,148	$ 2,136,491	$ 4,043,639
Rapid Rehousing RA	$ 0	$ 6,272,598	$ 6,272,598
Shelter	$ 9,153,630	$ 7,779,635	$ 16,933,265
Coordinated Access	$ 1,050,032	$ 1,970,290	$ 3,020,322
Diversion	$ 1,066,044	$ 1,647,167	$ 2,713,211
Security Deposit Guarantee Program	$ 750,000	$ 0	$ 5,000,000
Permanent Supportive Housing	$ 673,962	$ 302,865	$ 976,827
Homeless Youth	$ 3,235,121	$ 3,178,158	$ 6,413,279
Project Longevity	$ 2,491,355	$ 0	$ 2,491,355
HUBs	$ 1,200,000	$ 2,575,867	$ 3,775,867
TOTAL	$ 100,294,941	$ 110,413,532	$ 210,708,473

Source: DOH/OPM

Table 3: CHFA Anticipated State and Federal Funding			
Connecticut Housing Finance Authority (CHFA)	State FY 2026-27	Federal FY 2026-27	Total
Low Income Housing Tax Credit	$ 0	$ 10,000,000	$ 10,000,000
Housing Tax Credit Contribution	$ 10,000,000	$ 0	$ 10,000,000
TOTAL FOR CHFA:	$ 10,000,000	$ 10,000,000	$ 20,000,000

Source: DOH/OPM

B. Performance

The ConPlan is a five-year strategic plan that examines the housing market, describes the housing needs of extremely low-, low- and moderate-income residents, outlines strategies to meet these needs and lists all resources available to implement those strategies, and outlines goals, objectives and measures. The ConPlan sets a unified vision, long-term strategies and short-term action steps to meet priority needs.

This Action Plan is the second annual implementation plan for the goals, objectives and strategies outlined in the state's 2025-29 Consolidated Plan for Housing and Community Development. This Action Plan describes how the State will use allocated funds by the State to address its affordable housing needs and by the federal government in connection with five federal Community Planning and Development (CPD) formula grant programs.

The Consolidated Annual Performance Evaluation Report (CAPER) is the annual report submitted to HUD that details the progress DOH has made in carrying out the ConPlan and the annual Action Plan provisions with respect to the five federal CPD formula grant programs for a given program year. The state's program year is July 1 - June 30. The CAPER describes resources made available, the investment of those resources, the amount and source of leveraged funds, the source and use of program income, geographic distribution and location of investments, and the number of families and persons assisted and actions taken to affirmatively further fair housing. The CAPER is normally due within 90 days after the end of the state's program year.

The most recent CAPER was submitted to HUD on 9/30/25. It contained performance data for the annual Action Plan program year ending June 30, 2025 and can be accessed on DOH's website, www.ct.gov/doh under Policy & Research/Publications. It is expected that the CAPER containing performance data for the annual Action Plan for the program year ending June 30, 2026 will be submitted to HUD in September 2026

C. Objectives and Outcomes

In this Action Plan, we have outlined the state's proposed accomplishments for program year 2026-2027 based on the performance measurement system presented in the draft 2025-29 ConPlan, which is consistent with HUD's Notice of Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs published in the Federal Register on March 7, 2006. Please refer to "Section V. Program Activities, Sub-section F. Performance Measurement Section" of this Action Plan for more detail regarding the objectives and outcomes. It is expected that the CAPER containing performance data for the 2025-2026 annual Action Plan program year with regard to the six federal CPD formula grant programs will be submitted to HUD in September 2026.

D. Citizen Participation

DOH solicited input before producing an initial draft (pre-plan) of the 2026-2027 Action Plan. After completion of the initial draft, DOH sought comment and feedback for revisions into the final version (draft-plan). DOH adheres to its Citizen Participation for all issues related to public participation and comment. You can find the most recent copy on the Department's website, under Notices and Publications.

Pre-Plan

The DOH conducted one virtual public meeting, one round table discussion with state officials, and a second round table with housing organizations and other DOH community partners to seek input into the development of the State's 2026-2027 Annual Action Plan, which includes the Small Cities CDBG Allocation Plan. In accordance with HUD's May 6, 2020 CPD-20-04 Notice, this outreach included:

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

In accordance with DOH's Citizen Participation Plan, a fifteen (15) day community input period began on March 17, 2026 and ended on April 1, 2026. The Department conducted a virtual public meeting on March 17, 2026 which began at 1:00 PM and ended when all attendees had the opportunity to provide input and comment. A legal notice for the public meeting was posted on DOH's website and published in four newspapers across the state including one in Spanish. The Department also held one State Agency Partners Round Table Discussion on March 18, 2026 from 1:00 PM to 3:00 PM and one Community Partners Round Table Discussion on March 19, 2026 from 1:00 PM to 3:00 PM. The State Agency Partners Round Table included those responsible for management of flood prone areas, public land and water resources, as well as emergency management. The Community Partners Round Table included municipalities, community partners, public housing authorities, broadband internet service providers/organizations engaged in narrowing the digital divide and the councils of government.

Draft-Plan

DOH solicited input on the draft Action Plan through a thirty (30) day public comment period from April 7, 2026 to May 7, 2026. DOH held a virtual public hearing on the Draft State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development, which included the Small Cities CDBG Allocation Plan - Federal Fiscal Year 2026, on April 7, 2026 at 1:00 PM. A follow-up round table meeting was held with state agency partners, including those responsible for management of flood prone areas, public land and water resources, as well as emergency management, on April 15, 2026 at 1:00 PM. A follow-up round table meeting was held with community partners, broadband providers, municipalities, regional councils of government and housing authorities on April 16, 2026 at 1:00 PM. A legal notice was published in four newspapers across the state including one in Spanish announcing the public hearing and comment period. The legal notice and related documents were available on DOH's website. All comments received were summarized and responded to in Attachment A of the 2026-2027 Annual Action Plan for Housing and Community Development.

DOH notified the chief elected officials of all 169 municipalities in the state and its community partners about the dates, times, and locations of the public hearings/round table discussions and of the timing of the commentary periods. DOH submitted the draft Action Plan and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly, held a public hearing on July 9, 2026, at which time it was approved.

In addition, consultation was sought throughout the year with the Balance of State (BOS) Continuum of Care (CoC) Steering Committee. DOH shared with attendees the proposal for Emergency Solutions Grants Program. This process was conducted to seek input and address any concerns that might identify gaps or deficiencies in the proposed service(s). Members were notified of the public hearings to be held for the development of the Action Plan, and encouraged to attend.

E. Other Outreach

There are other ways in which DOH gathers information and input on what needs to be considered in developing the Action Plan. For example, there are meetings of approximately 70 state boards and commissions throughout the year that the Commissioner of DOH or designated staff (on behalf of the Commissioner) attend. Some of the more relevant commissions include the CT BOS/CoC Steering Committee; the Homeless Management Information System (HMIS) Steering Committee; CT Opening Doors Steering Committee; CT Opening Doors- Crisis Re-tooling Workshop; CT Opening Doors- Standards subcommittee; Performance Measurement Committee and the Interagency Council for Supportive Housing and Homelessness. These groups focus on diverse but interrelated issues such as economic development, mental health, other social service issues, education and transportation.

DOH also recognizes the importance of partnering with other agencies to help serve its housing and community development needs. Nonprofit agencies and Regional Councils of Government play an important role in the provision of affordable housing, supportive housing and social services, and economic development activities. Local organizations with direct public contact have a clear view and understanding of the state's housing and human service needs. Such organizations are an essential part of the state's institutional structure and how we address the problems of the populations we serve. Coordination with other state agencies and the private sector is also critical to reaching the populations we serve. DOH will continue to bolster communication and effort to address cross-population issues and to provide services that address our ever-changing needs.

F. Summary of Goals, Objectives and Strategies

In the 2025-2029 Consolidated Plan, DOH identified the following strategies and goals to determine the use of its federal allocations (in conjunction with state funding). We provide these goals and strategies below, with a brief description, for our 26-27 Action Plan.

Promote Affordable Housing and Fair Housing Choice

- DOH will continue to conduct monitoring of its funding recipients in the areas of civil rights and fair housing
- Within available appropriations, DOH will support the Connecticut Fair Housing Center in its civil rights and fair housing related activities
- DOH will continue to develop affordable housing in a variety of locations
- DOH will continue its social mobility initiatives

Affordable Rental Housing

- DOH, along with the Connecticut Housing Finance Authority (CHFA), will continue to preserve and increase the supply of affordable rental housing throughout all regions of the State
- Using federal programs as well as State financing, DOH will continue to invest in the provision of deeply affordable housing
- DOH will prioritize construction of new units and the rehabilitation of existing units
- DOH will also explore additional methods for providing affordable rental opportunities, such as community-based land trusts

Affordable Homeownership

- DOH, along CHFA, will work to improve and maintain access to homeownership for low- and moderate-income households
- DOH, along with CHFA, will provide downpayment assistance to eligible buyers via CHFA's Time to Own program
- DOH will work to expand the supply of affordable housing homeownership opportunities
- DOH will also provide opportunities for rehabilitation of existing affordable homeownership

Public Housing Strategies

- DOH, along with CHFA, will continue to replace/preserve its existing stock of State and Federal public housing, using both CDBG dollars, as well as State bond funding
- DOH will begin to look for opportunities to expand the existing stock of state-financed public housing in the State

Homelessness Prevention

- DOH will continue to address homelessness through efforts including Security Deposit Guarantee program, rapid rehousing, shelter diversion, coordinated access, and permanent supportive housing
- DOH will continue to fund emergency shelters, youth transitional living programs, Rapid Rehousing efforts and other homelessness prevention efforts
- DOH will coordinate homeless prevention efforts through the Balance of State Continuum of Care and The Coordinate Access Networks
- DOH will continue to provide, and whenever possible, expand, rental assistance through the federal Housing Choice Voucher program and the State Rental Assistance Payment program,

Special Needs Housing and Services

- DOH will continue to emphasize programs that create additional rental units for a variety of population groups
- DOH will continue to expand housing opportunities linked to services for eligible populations

Non-Housing Community Development

- DOH will continue to fund infrastructure projects, via CDBG, that foster opportunities for affordable housing development

Eliminate Lead-Based Paint Hazards

- DOH will continue to coordinate with DPH and other state agencies in order to provide lead remediation opportunities.
- Along with its agency partners and other stakeholders, DOH will continue its work on the Healthy Homes Program, which, in addition to lead abatement, also identifies, and provides remediation for, other household health issues, such as Radon or Asbestos.

II. INTRODUCTION

This annual Action Plan is the second action plan under the State of Connecticut's 2025-29 Consolidated Plan for Housing and Community Development (ConPlan), the five-year plan addressing Connecticut's housing and community development needs. The state submits the ConPlan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to receive funding under the Recovery Housing Program (RHP), HOME Investment Partnerships (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), Housing Opportunities for Persons with HIV/AIDS (HOPWA), and National Housing Trust Fund (NHTF) Programs. The total amount of federal funding fluctuates but was approximately $30 million for the previous program year. The state does not anticipate receiving federal HOPWA funds this year, but will utilize state funds to support persons with AIDS and their families. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. The 2026-2027 Action Plan is for the state fiscal year July 1, 2026 to June 30, 2027. In addition, the ConPlan identifies the State's housing priorities for the next five years for all of its anticipated state and federal resources.

The Housing Trust Fund (HTF) Interim Rule (24 CFR Part 93) made the consolidated plan regulations at 24 CFR Part 91 applicable to the HTF. As a result, an HTF grantee (i.e., a State) must include HTF in its citizen participation plan (§ 91.115), strategic plan (§ 91.315), and annual action plan (§ 91.320). In addition, the State must submit to HUD for review and approval an HTF allocation plan with its annual action plan (§ 91.320(k)(5)). Also, as required in § 91.10, the HTF program must be administered by the State on the same program year it established for all grant programs covered by the consolidated plan.

The State of Connecticut's HTF allocation plan is a part of this annual action plan and describes how the State will distribute HTF funds, including how the funds will address priority housing needs. The allocation plan also describes what activities may be undertaken with HTF funds and how recipients and projects will be selected.

The State of Connecticut's Recovery Housing Program (RHP) allocation plan is also a part of this Action Plan. RHP was authorized by the SUPPORT for Patients and Communities Act (SUPPORT Act), passed in 2018. The rules for RHP fall under the umbrella of the Community Development Block Grant (CDBG) Program, as modified for RHP by Federal Register Notice

(FR-6225-N-01). The allocation plan will describe how the State will distribute RHP funds, what activities may be undertaken with RHP funds and how recipients and projects will be selected.

References to sections of the ConPlan are made throughout this document. Not all of these sections are duplicated within this document. The ConPlan and Action Plans are available from the Connecticut Department of Housing (DOH) and can be viewed or downloaded by visiting the Publications section of the DOH's web site at www.ct.gov/DOH.

The activities, programs and resources discussed in this Action Plan will be administered by various agencies including DOH, and Mental Health and Addiction Services (DMHAS), Social Services (DSS) and the Connecticut Housing Finance Authority (CHFA).

The Action Plan includes the following sections in accordance with federal regulations:

- Resources: Funding sources available to address the state's needs and objectives;
- Activities: Method for distributing funds for activities that address needs and objectives;
- Geographic Distribution: Geographic areas to which the state will direct assistance;
- Homeless and Special Needs Activities: Plans to address homelessness and assist persons with special needs;
- Other Actions: Strategies to address underserved populations, foster and maintain affordable housing, remove barriers, and assist families in poverty;
- Summary of Public Comments: Comments made on the Action Plan and DOH responses;
- Applications for Assistance: HUD Form SF-424 for the HOME, SC/CDBG, NHTF, and ESG Programs; and
- Certifications: General and program specific certifications as required by HUD.

III. CITIZEN PARTICIPATION

DOH solicited input before producing an initial draft (pre-plan) of the 2026-2027 Action Plan. After completion of the initial draft, DOH sought comment and feedback for revisions into the final version (draft-plan). DOH adheres to its Citizen Participation for all issues related to public participation and comment. You can find the most recent copy on the Department's website, under Notices and Publications

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DOH notified the chief elected officials of all 169 municipalities in the state and its community partners about the dates, times, and locations of the public hearings/round table discussions and of the timing of the commentary periods. DOH submitted the draft Action Plan and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly may hold a public hearing.

In addition, consultation was sought throughout the year with the CT Balance of State (BOS) Continuum of Care (CoC) Steering Committee. DOH shared with attendees the proposal for Emergency Solutions Grants Program. This process was conducted to seek input and address any concerns that might identify gaps or deficiencies in the proposed service(s). Members were notified of the public hearings to be held for the development of the 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. Other Outreach

There are other ways in which DOH gathers information and input on what needs to be considered in developing the Action Plan. For example, there are meetings of approximately 70 state boards and commissions throughout the year that the Commissioner of DOH or designated staff (on behalf of the Commissioner) attend. Some of the more relevant commissions include the CT BOS/CoC Steering Committee; the Homeless Management Information System (HMIS) Steering Committee; CT Opening Doors Steering Committee; CT Opening Doors-Crisis Re-tooling Workshop; CT Opening Doors-Standards subcommittee; Performance Measurement Committee and the Interagency Council for Supportive Housing and Homelessness. These groups focus on diverse but interrelated issues such as economic development, mental health, other social service issues, education and transportation.

DOH also recognizes the importance of partnering with other agencies to help serve its housing and community development needs. Nonprofit agencies and regional Councils of Government play an important role in the provision of affordable housing, supportive housing and social services, and economic development activities. Local organizations with direct public contact have a clear view and understanding of the state's housing and human service needs. Such organizations are an essential part of the state's institutional structure and how we address the problems of the populations we serve. Coordination with other state agencies and the private sector is also critical to reaching the populations we serve. DOH will continue to bolster communication and effort to address cross population issues and to provide services that address our ever changing needs.

DOH's SC/CDBG Program staff provided outreach and training at the Small Cities Application Workshop on June 2, 2026. Under the new *Developer Engagement Process*, upon receipt of a *DOH/CHFA Development Engagement Profile*, developers/applicants will be contacted by DOH to schedule face-to-face meetings with DOH and CHFA staff to discuss the proposed activity outlined. When funding is available, including HOME, NHTF, and state bond funds, projects in the pipeline will be invited to make an application.

IV. FEDERAL REQUIREMENTS

A. Resources

Federal and state resources, which will be used during this Action Plan's FY to address the needs and strategies identified in the 2025-29 ConPlan, are found in the program-specific sections of this report.

This Action Plan provides a detailed plan for expending FY 2026-27 funds for the following federal programs:

Recovery Housing Program (RHP)	$	938,224
HOPWA	$	0
National Housing Trust Fund (NHTF)	$	3,134,373.2[3]
Small Cities /Community Development Block Grant	$	13,902,275
HOME Investment Partnerships (HOME)	$	10,257,272.83
Emergency Solutions Grant (ESG)	$	2,383,432

Please refer to Tables 1, 2 and 3 for a listing of the state and federal resources that are available to support the state's housing and community development activities. While the state cannot anticipate what other public or private funds may become available to support the programs, activities and strategies discussed here, the state will endeavor to maximize the use of any such resources as they become available. Connecticut's 2025-2029 ConPlan outlines how the state plans to leverage RHP, HOME, SC/CDBG, ESG, and NHTF funds against other sources of funding.

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

[3] The 2026-2027 National Housing Trust Numbers have a separate allocation process and are forthcoming.

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

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

Upon receipt of a *DOH/CHFA Development Engagement Profile*, developers/applicants will be contacted by DOH to schedule a face-to-face meeting with DOH and CHFA staff to discuss the proposed activity outlined. When funding is available, including HOME, NHTF, and state bond funds, projects in the pipeline will be invited to make an application.

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

SC/CDBG funds will be administered through a competitive application funding process, with the exception of Urgent Need and Section 108 projects. ESG will be made available on a competitive 3-year cycle. DOH anticipates conducting a competitive procurement process for HOPWA services to ensure statewide coverage for the Balance of State catchment area. Additionally, effective July 1, 2020, in order to fully coordinate aids related activities with assistance provided under the Continuum of Care Program, the Department of Housing's program will be integrated with the state's Coordinated Entry System known as the Coordinated Access Networks (CANs).

C. Geographic Distribution

1. **Small Cities Community Development Block Grant (SC/CDBG)** - Funding under the SC/CDBG will be available to all eligible communities in accordance with program requirements. Communities with demonstrated greater needs may be given higher priority. The state's allocation of SC/CDBG funds may not be used in any of the following

jurisdictions: Bridgeport, Bristol, Danbury, East Hartford, Fairfield, Greenwich, Hamden, Hartford, Manchester, Meriden, Middletown, Milford Town, New Britain, New Haven, New London, Norwalk, Norwich, Stamford, Stratford, Waterbury, West Hartford, West Haven. These jurisdictions are Entitlement Communities and receive their own allocations of CDBG funds directly from the federal government and are not eligible for a state allocation designated for Small Cities.

2. **Home Investment Partnership Program (HOME) and the National Husing Trust Fund (NHTF)** - Funding under the HOME and NHTF programs will be available in all 169 communities. However, preference will be given to activities in higher opportunity areas as demonstrated through Opportunity Mapping at the DOH website in accordance with the most recent Analysis of Impediments to Fair Housing Choice.
3. **Emergency Solutions Grant (ESG)** - With respect to ESG Emergency Solutions Grant, funds are awarded through a formula established by the federal government. The state's allocation of ESG funds may be used anywhere in Connecticut with the exception of four jurisdictions (Bridgeport, Hartford, New Haven and Waterbury). These jurisdictions receive their own allocations of ESG funds directly from the federal government and are therefore not eligible for state allocations. Because of the transient nature of homelessness, the ESG program is exempt from Priority Funding Area requirements.
4. **Recovery Housing Program (RHP)** - The State of Connecticut will utilize 2026-2027 RHP funds as well as RHP funds from previous years' to act directly, subject to state law and RHP requirements, to carry out activities through employees, contractors, and subrecipients in all geographic areas within its jurisdiction, including entitlement areas and tribal areas.
5. **Housing Opportunities for Persons Living with HIV/AIDS (HOPWA)** – The State of Connecticut will not be receiving HOPWA dollars in FY 26-27 but will be utilizing state dollars to ensure statewide coverage for the balance of state catchment area.
6. **Federal Low-Income Housing Tax Credits (LIHTC)** - Federal Low-Income Housing Tax Credits may be used anywhere within the State of Connecticut. However, in accordance with federal law, states are required to develop allocation criteria that disperse the tax credits across the state through an IRS-approved competitive process. CHFA is Connecticut's tax credit administrating agency and has an approved competitive process that allows points to be given to rental housing projects. CHFA's allocation plan must be and is consistent with the recommendations in the State Plan of Conservation and Development.

D. Homelessness and Other Special Needs Populations

Homeless and other special need populations are described in detail in the "Housing and Homeless Needs Assessment" section of the ConPlan. Strategies to address these needs are listed in the "Strategic Plan" section of the ConPlan. A general description of state and federal resources can be found in the "Institutional Structure" section of the ConPlan.

The following actions will be taken in the program year to prevent homelessness:

- DOH will continue to prevent instances of homelessness through its various efforts associated with homeless outreach, Security Deposit Guarantee program, rapid rehousing, shelter diversion, coordinated access, permanent supportive housing, and others. Each of these programs is designed to assist the target population with staying stably housed and thus not breaching the emergency shelter/transitional living system.
- Shelter diversion is a strategy that DOH will utilize to prevent homelessness for people seeking shelter by helping them identify immediate alternate housing arrangements and, if necessary, connecting them with services and assistance to help them return to permanent housing. This may include, but is not limited to, mental health services, substance abuse treatment, medical care, financial assistance, childcare, or employment services. Diversion efforts occur at the front door of the shelter.

The following actions will be taken in the program year to address emergency shelter and transitional housing needs of homeless:

- DOH will continue to fund emergency shelters and youth transitional living programs. In addition, the Department of Social Services, a sister agency of DOH, will continue to provide services through homeless drop-in day programs, food pantries, and connections with other state services. It is both DOH's and DSS's expectations that these services will assist with the reduction in the re-occurrence of homelessness by assisting the target population with services to achieve housing stability, based upon individual needs.
- DOH will continue to contractually require all emergency shelter and youth homeless programs to enter information into the HMIS. Various services provided include, but are not limited to: advocacy, intake, needs assessment and case management services; health/mental health services; shelter and housing assistance; transportation/provision of bus tokens, substance abuse counseling, information and referral, budgeting, etc.

- DOH will continue to align its emergency shelter services with Emergency Solution Grants expectations. ESG funds may be used for the following components: street outreach, emergency shelter, homelessness prevention, rapid re-housing, HMIS and administrative costs. DOH regularly issues a Request for Proposals from shelter providers in order to allocate a majority of the anticipated ESG funding. The remaining balance of the ESG is identified for two purposes: HMIS local system administration for the Balance of State Continuum of Care agencies to assist with Annual Homelessness Assessment Report (AHAR) reports and ESG-financial assistance for the literally homeless households located in Balance of State communities. It should be noted that the HMIS allocation and ESG-financial assistance allocation includes allowable administrative costs.
- To support ESG Financial Assistance, CT will leverage state resources (CT Rapid Rehousing Program) for housing relocation and stabilization services. Also, DOH has two existing opportunities through state resources (Shelter Diversion and Security Deposit Guarantee Program) that will continue to provide financial assistance for homeless prevention.
- DOH will utilize Recovery Housing Program (RHP) funds authorized by the SUPPORT for Patients and Communities Act (SUPPORT Act), to support individuals in recovery from substance use disorders (SUD) on a path to self-sufficiency by providing stable, temporary housing. RHP dollars will be utilized in the following two ways: 1) in conjunction with the state's two Continuum of Cares, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC) in support of creating sober housing; and 2) in conjunction with the Court Support Services Division of the State of Connecticut Judicial Branch in the creation of transitional housing.

The following actions will be taken in the program year to assist significant homeless subpopulations:

- DOH will leverage existing resources to provide Housing Relocation and Stabilization Services to support the Rapid Re-housing program to ensure that homeless households will have a better chance of remaining stably housed. Through competitive procurement, nine (9) agencies have been awarded assistance to aid the homeless population with housing relocation and up to 12 months of stabilization services and in-home case management. These nine agencies receive referrals for services and financial assistance through their local Coordinated Access Network.

- Clients will attain alternative housing and/or access to social and /or treatment services. Alternative housing includes, but is not limited to, transitional housing, residential treatment programs, supportive and permanent housing. Social services include, but are not limited to, domestic violence abuse counseling, family counseling, educational and employment and financial counseling, childcare, security deposit and rental assistance programs. Treatment services include, but are not limited to, residential and outpatient mental health and substance abuse treatment and medical treatment.
- DOH will provide funding for the Youth Transitional Living Program to two contractors for the provision of multi-family or single room residency living arrangements. A variety of support services are provided to these individuals during their stay in the program. Stays can range from a period of six months to two years. The goal is to have these youth gain self-sufficiency and permanent housing.
- DOH is committed to ending chronic homelessness, those individuals that have either a year of continuous literal homelessness or four episodes of homelessness in the past three years that total 365 days of homelessness and a disability. By working with sister agencies, DOH will identify the needed resources to end chronic homelessness in the state.
- DOH is accessing state resources to address family homelessness by providing more opportunities for homeless families to access rapid rehousing and permanent supportive housing.
- DOH will continue to ensure that the homelessness response system put in place to house veterans operates effectively.
- Though DOH anticipates the end of HOPWA funding, DOH will utilize state funding to provide services to persons with HIV/AIDS and their Families. DOH contractually requires subgrantees and state funded AIDS/HIV residential programs to enter information into HMIS.

E. Other Actions

The strategies to address underserved populations, to foster and maintain affordable housing, to remove barriers, and to assist families at or below the poverty level are discussed in the “Strategic Plan” section of the ConPlan. A general description of state and federal resources can be found in the “Institutional Structure” section of the ConPlan.

1. ***The following actions will be taken in the program year to address obstacles to meeting underserved needs:***
   - Each objective has a proposed funding source (or sources), a targeted population and geographic target, and a priority rating. Each objective is supported by a brief discussion of the need/basis for assigning the priority and identifying obstacles to meeting underserved needs summarized from the Needs Assessment and Housing Market Analysis sections of this plan.

2. ***The following strategies and goals will help to preserve and expand the supply of quality affordable rental housing and to expand and maintain homeownership:***
   - Interdepartmental Cooperation
   - Support Other Housing Providers
   - Financial Resources - DOH, CHFA, and the Office of Policy and Management (OPM) will continue to work at the state and federal level to increase the amount of resources available to build or renovate quality affordable housing.
   - Low Income Housing Tax Credits - CHFA, through any necessary revision of the Low Income Tax Credit Qualified Allocation Plan, will ensure that the Low Income Housing Tax Credit program addresses the needs and priorities of this Consolidated Plan for Housing and Community Development.
   - Rental Housing - DOH and CHFA will individually and jointly finance quality affordable new rental housing and preserve existing state-assisted and/or CHFA finance housing stock by using private, federal, local, and state resources.
   - Housing Rehabilitation - DOH will use its Small Cities Community Development Block Grant (SC/CDBG) program, as well as other programs, to rehabilitate eligible owner-occupied and small rental housing.
   - Homeownership Counseling - CHFA will continue its counseling process for first time borrowers to reduce default rates and will also work to reduce single family delinquencies and foreclosures through proactive intervention indicators.
   - Homeownership for Person with Disabilities - DMHAS, DSS, DOH, and CHFA will promote homeownership opportunities for persons with disabilities who have been unable to access private financing.
   - Mortgage Assistance - CHFA will continue to implement the Time to Own Program, Emergency Mortgage Assistance and CT FAMILIES (Connecticut Fair Alternative

Mortgage Lending Initiative & Education Services) program as well as counseling initiatives and mediation efforts to assist economically distressed households maintain homeownership.

- Encourage and promote mixed use and transit-oriented development. To these ends the DOH will: Prioritize funding requests for affordable housing projects that include mixed-uses and /or are located close to public transportation facilities and are on established bus routes.
- Encourage and support municipal efforts to create higher density residential zoning districts through the Incentive Housing Zone Program and other programs.
- Green Building - Encourage green building by the use of sustainable construction in new buildings that meet Leadership in Energy and Environmental Design (LEED) standards or similar standards and through the use of tax credits, and in coordination with the Green Bank.
- Healthy Homes - DOH, CHFA, the Department of Energy and Environmental Protection (DEEP), the Department of Public Health (DPH), DSS, local governments and property owners will work to help abate lead paint through the Connecticut Children's Healthy Home Program or other similar programs and work with DPH on the implementation of its 'Healthy Homes Initiative' which has been designed to promote and mainstream healthy housing principles to ensure that Connecticut's housing supply is dry, clean, pest-free, ventilated, safe, without contaminants, maintained and accessible.

3. ***The following actions will be taken in the program year to reduce lead-based paint hazards:***
    - Actively participate in the Statewide Healthy Homes Initiative meetings, as scheduled.
    - Collaborate with the DPH Healthy Homes Initiative on the development and implementation of a uniform healthy homes assessment and intervention approach.
    - Support the abatement or remediation of lead-based paint and lead-based hazards, damaged asbestos containing materials, elevated indoor radon levels, and other identified or known environmental hazards in housing units in collaboration with other state agencies and in accordance with applicable federal and state laws. Lead-based paint testing, and remediation or abatement activities will be conducted in accordance with Regulations of CT State Agencies Section 19a-111 et.al., the final lead safe housing rule - [Title X of the Lead-based Paint Hazard Reduction Act of 1992 (24CFR

Pt 35)] the EPA Lead Paint: Renovation, Repair and Painting Program (RRP) effective April 22, 2010, and through healthy homes assessments and intervention strategies established in concert with the Department of Public Health.

- Fund up to three housing rehabilitation projects per year with the goal of making 20 units per year healthy homes (as defined in concert with the statewide Healthy Homes Initiative).
- DOH continues to administer funding under the Lead Hazard Reduction Grant in coordination with DPH and the Connecticut Children's Healthy Homes Program.
- DOH will continue to support to leveraging and expanding activities under the Lead Hazard Reduction Grant in coordination with DPH and the Connecticut Children's Healthy Homes Program.

4. ***The following actions will be taken in the program year to overcome gaps in institutional structures and enhance coordination:***

- The Department of Housing (DOH) is identified as the "first point of contact" for the institutional structure presented in this plan. This role is supported at three levels through: (1) designation by the legislature to serve as the State's lead agency; (2) the role as "grantee" of various HUD program funds; and (3) the mission to serve all the citizens of Connecticut. DOH will: (1) conduct and foster open participation, including supportive assistance, with the goal of facilitating meaningful involvement; (2) work to increase participation at all levels, especially among extremely low- and very low-income groups, as well as those traditionally under-represented; and (3) involve organizations that represent need populations across Connecticut.
- During the program year DOH will continue its participation in various planning committees, and steering groups in order to foster improved coordination between institutional groups and state agencies, as well as to overcome gaps in institutional structures. These include: The Long Term Care Planning Committee; CT BOS /CoC Steering Committee; Money Follows the Person Steering Committee; Interagency Committee on Supportive Housing and Homelessness; the Journey Home Steering Committee; and the Reaching Home Steering Committee.
- The state recognizes the importance of partnering with other agencies to help serve its housing and community development needs. Nonprofit agencies play an important role in the provision of affordable housing, supportive housing and social services, and economic development activities. Local organizations with direct public contact

have a clear view and understanding of the state's housing and human service needs. Such organizations are an essential part of the state's institutional structure and typically serve in one or more of the following capacities: (1) are eligible to receive public and private funds or resources targeted at serving need populations; (2) are legally restricted or structured by organizational charter to serve lower income or specific need populations; (3) are identified by regulation, program or otherwise allowed to undertake certain governmental programs serving need populations; or (4) have daily contact with, represent or advocate on behalf of, certain populations in need.

- Private sector participants, in the preservation or development of the state's housing and community development delivery system, include financial institutions, builders/developers, foundations and realtors. Local financial institutional provide construction financing, low interest rehabilitation loans, mortgage financing and loan servicing, while builders/developers are active in participating in affordable housing projects. Many private businesses and organizations are involved or support the efforts of public agencies to provide human services and opportunities throughout Connecticut. Based on the needs and objectives developed in the *ConPlan*, the state is prepared to support applications for assistance by other entities that serve to accomplish the goals set forth in the plan.
- Connecticut will pursue and support efforts to develop urban/suburban and regional partnerships, in addition to collaboration with private and non-profit development corporations. The collective efforts of all parties will ensure that available resources are allocated to priority activities.

5. ***The following actions planned to enhance coordination between public and private housing and social service agencies:***
   - Connecticut is comprised of many types of communities. The complementary nature between proposed services and programs and other, current government programs are determined, in part, by the mission of each service provider in the system. Factors such as a municipality's current housing infrastructure, the size and expertise of its professional staff, access to transportation, and the relative affordability of its housing stock, all help determine realistic strategies for a town to pursue. The coordination and delivery capabilities described in the *ConPlan* Institutional Structure will complement the State's present efforts to foster coordination of services.

- As lead agency designated in the ConPlan to coordinate and manage the process, DOH is responsible for providing oversight and coordination to the related service providers and the public on HUD-related matters. Consultation with outside individuals and agencies was programmed as a vital part of the ConPlan development. Contribution included both public and private, individual and agency, profit and non-profit, local, regional and state entities.
- The Interagency Council on Supportive Housing was co-chaired by the Secretary of OPM and the Director of the Office of Workforce Competitiveness. Legislative changes and additions to the Council have led to the current Interagency Committee on Supportive Housing and Homelessness. The Committee was established to develop and implement strategies and solutions to address the problems associated with homelessness.

6. ***The following actions will be taken in the program year to reduce the number of persons living below the poverty level:***
    - The five programs that the State receives HUD funding for - RHP, SC/CDBG, HOME, ESG, and NHTF – directly support the overall State Anti-Poverty Strategy by addressing the housing and/or non-housing community development needs of persons at or below the poverty level. All of the activities undertaken by the state under these programs during the program year will further the state's effort to reduce the number of persons living below the poverty level.
    - In addition to the five programs covered by the Consolidated Plan, the State of Connecticut, through several agencies and organizations employs numerous policies and programs to reduce the number of poverty level families within the state. These programs and the organizations that administer them are described with the Institutional Structure section of the Consolidated Plan.
    - The Department of Housing supports the Two-Generational (2Gen) approach, or whole family approach, which focuses on creating opportunities for addressing the needs of children and adults together by taking a family-centered, results-oriented approach so that children and families get the education, workforce training, and social supports they need to secure economic stability that passes from one generation to the next.
    - Additionally, the State of Connecticut has several statutory and federally mandated interconnected/interrelated plans that further articulate and constitute the State's Anti-

Poverty Strategy. These plans include but are not limited to those enumerated below. The plans that follow are available online via the links provided.

- **Child Poverty and Prevention Council progress Report 2014**

  The statutory purpose of the Child Poverty and Prevention Council is to develop and promote the implementation of a ten-year plan to reduce the number of children living in poverty in the state by fifty percent; and establish prevention goals and recommendations and measure prevention service outcomes to promote the health and well-being of children and families.

- **2020-25 Connecticut Economic Action Plan**

  This plan is a strategic plan that reviews numerous factors that influence the state's economic climate, from its transportation network, housing market and education system to its relative tax burden, energy costs and health care system. The plan then recommends specific strategies and initiatives for the future.

- **2025-29 Consolidated Plan for Housing and Community Development**

  In accordance with Section 8-37t of the Connecticut General Statutes and 24 CFR Part 91, Connecticut's Consolidated Plan for Community Development provides the framework for the allocation of federal formula grant funding and describes the methods for the intended distribution of state resources, to address the housing and community development needs of extremely low-, low- and moderate-income households in the state over the next five years. This plan is the basis for the policies, strategies, goals and objectives which will be implemented by the State of Connecticut with regard to housing and housing related activities.

- **2025-2030 State Conservation and Development Policies Plan (ct.gov)**

  Conservation & Development Policies: The Plan for Connecticut 2025-2030 is presented by the Secretary of Office and Policy Management to the Continuing Legislative Committee on State Planning and Development in accordance with Section 16a-29 of the Connecticut General Statutes (CGS).

- **CT TANF State Plan 2024-2026**

  This plan describes Connecticut's programs that furnish financial assistance and services to needy families in a manner to fulfill the purposes of the Temporary Assistance for Needy Families (TANF) program. Connecticut administers a variety of programs through a number of state agencies under the TANF program.

- **Section 8 Housing Choice Voucher Program Administrative Plan 2024**

  This plan outlines the requirements and administration of the Section 8 Housing Choice Voucher Program (HCV) and is the responsibility of the State of Connecticut Department of Housing (DOH). The Department of Housing and its contractors comply with the State Code of Ethics as set forth in Connecticut General Statutes Title1, Chapter 10, Sections 1-79 through 1-101 inclusive.

- **Administrative Plan for the Rental Assistance Payments Program "RAP" July 1, 2019**

  This plan outlines how the State administers, through DOH, the Rental Assistance Program (RAP). RAP, created by legislation in 1985 through Substitute Senate Bill No. 883, is intended to supplement the Federal Section 8 Housing Program (now known as the Housing Choice Voucher Program) by providing an opportunity for low-income families to live in decent, safe and sanitary housing (see sections 17b-812-1 through 17b-812-12 of the Regulations of Connecticut State Agencies). The program requirements are described in and implemented through this administrative plan.

- **Connecticut Child Care Development Fund (CCDF) Plan FY 2025-2027**

  The Plan describes the CCDF program to be administered by Connecticut as conditionally approved by OCC. The Plan serves as the application for CCDF funds by providing a description of, and assurance about, the grantee's child care program and all services available to eligible families.

- **Connecticut Children's Behavioral Health Plan - 2024 Annual Report**

  This plan fulfills the requirements of Public Act 13-127, one part of the Connecticut General Assembly's response to the tragedy in Newtown in December 2012. The Legislation called for the development of a "comprehensive implementation plan, across agency and policy areas, for meeting the mental, emotional and behavioral health needs of all children in the state, and preventing or reducing the long-term negative impact of mental, emotional and behavioral health issues of children." This Plan provides Connecticut with a unique and timely opportunity to align policy and systems to support youth and families and to promote healthy development for all our children.

- **Connecticut Department of Developmental Services Five Year Plan 22-27**
  This plan is a comprehensive five- year plan that serves as a strategic statement of the DDS's direction and an outline of its priorities in carrying out its mission to improve the quality of life for citizens of Connecticut who have disabilities.

7. The Connecticut Housing Finance Authority (CHFA) annually reviews and revises the Federal Low Income Housing Tax Credit Qualified Allocation Plan to assure consistency with state policies described in this Action Plan.

8. CHFA also considers the preservation and redevelopment of state or federal public housing stock in the awarding of Federal Low Income Housing Tax Credits.

9. DOH and CHFA will continue to address middle-income housing and homeownership opportunities through the Workforce Housing and Time to Own programs.

10. In accordance with CFR 91.325(a)(1) Affirmatively furthering fair housing: Each state is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. (See sec. 570.487(b)(2)(ii) of this title).

The State of Connecticut Analysis of Impediments to Fair Housing Choice document reviews relevant public policies and practices, demographic and mapping information, census data and mortgage data, and information from surveys and interviews with people involved in all aspects of fair housing. It includes discussion of the types of impediments to fair housing choice, recommendations for state level actions, and action steps that individual towns can take which would promote greater housing choice in their community. The recommendations listed below are identified for the State of Connecticut/DOH to achieve, to address limitations on fair housing choice and progress is reported annually in it's PER.

- Creation and rehabilitation of affordable housing in a variety of locations.
- DOH will seek opportunities to align policies and funding with the activities of other state agencies.
- Maximize the effectiveness of programs to ensure they are promoting fair housing choice to the greatest extent possible.
- Promote fair housing enforcement and education.
- Review affirmative fair housing marketing plans for developers of affordable housing receiving funding from DOH or CHFA to ensure they comply with the law.

11. The following actions will be taken in the program year to eliminate barriers to affordable housing*:*

- Within available appropriations, DOH will continue to support the Connecticut Fair Housing Center with their efforts to assist the State of Connecticut to fulfill the recommendations in the state's AI for state level action.
- DOH will continue to conduct regular monitoring of its funding recipients in the areas of civil rights and fair housing and enforcement.
- DOH will implement a variety of action steps to address a majority of the barriers identified in the most recent Analysis of Impediments to Fair Housing Choice (AI), including the following:
    - Creation and rehabilitation of affordable housing in a variety of locations.
    - DOH will seek opportunities to align policies and funding with the activities of other state agencies.
    - Maximize the effectiveness of programs to ensure they are promoting fair housing choice to the greatest extent possible.
    - Promote fair housing enforcement and education.
    - Review affirmative fair housing marketing plans for developers of affordable housing receiving funding from DOH or CHFA to ensure they comply with the law.
- DOH will continue its association with selected contractors to administer programs that address housing code violations, energy conservation improvements and fair housing education.

12. The following actions will be taken in the program year to improve public housing and resident initiatives:

- Preservation – DOH will identify opportunities for the potential loss of public housing units due to expiring contracts or owner choice to preserve existing public housing, and work with those owners and prospective developers/investors to leverage a variety of resources targeted at the preservation of these units.
- Replacement – DOH will identify opportunities for the potential replacement of public housing units due to obsolescence or other environmental concerns, and work with the owners and prospective developers/investors to leverage a variety of resources targeted at the replacement of these units.
- DOH will make housing related activities by PHA's a priority and work closely with PHA's to assist in bringing them up to standard.
- As of the publication of this document, there are no non-entitlement PHA's that are on HUD's "troubled" PHA list.
- DOH received $50 million in state bonding authority, via public act 25-174, for the purposes of supporting middle housing for housing authorities in towns whose populations are fewer than fifty thousand.

V. PROGRAM ACTIVITIES

A. HOME Investment Partnerships (HOME) Program

The State of Connecticut will continue its effort to strengthen state and local abilities to expand and preserve the supply of decent, safe, sanitary, and affordable housing with the use of FY 2026-27 HOME funds. All HOME Program assisted rental and home ownership units will meet all program guidelines for income eligibility and accessibility.

DOH will invest in the production of affordable housing through new construction or rehabilitation only when it determines that the units produced will remain affordable for the minimum required time period under the HOME Program. DOH, at its discretion, may extend the affordability period beyond the minimum required by the HOME Program. If HOME funds are used for homebuyers, the state will abide by the guidelines for resale and recapture as required in Section 92.254 of the HOME Investment Partnerships Program Consolidated Final Rule, HUD CPD Notice 12-003 and HUD CPD Notice 12-007.

Pursuant to Sec. 92.218-92.222 of the HOME Final Rule, the Participating Jurisdiction (PJ) incurs a 25% matching obligation for the HOME funds it expends, unless a waiver is provided by HUD due to Fiscal Distress and/or Presidential Disaster Declaration. We anticipate there will be a match requirement for this year's HOME funds.

DOH receives HOME program income from grantees, in the form of loan repayments. The amount of program income listed in the Resource Allocation Plan below is an estimate of what would be available during the program year, based on the average received by DOH over the last three program years. Program income funds are made available for HOME program eligible activities as described herein.

The state is also seeking to expand access to affordable housing through the utilization of partnerships with stakeholders and other funding organizations that leverage non-state resources for development or preservation of affordable housing. Geographically, HOME funds will be available to all 169 communities. DOH will accept applications for all HOME Program eligible activities.

1. **FY 2026-2027 Resource Allocation Plan for the HOME Program**

The FY 2026-27 HUD allocation to DOH for the HOME Program is anticipated to be $10,257,272.83 HOME funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes. DOH will use 10% of its annual HOME allocation for program administration. A minimum of 15% of the annual allocation will be set-aside for Community Housing Development Organizations (CHDO) as required by federal law. The amount of program income is estimated based on an average of the amount received by DOH over the last four program years.

FY 2026-27 Allocation	$ 10,257,272.83
State Administration (10%)	$ 1,025,727.28
CHDO Set-aside (15%)	$ 1,538,590.92
Subtotal	$ 2,564,318.21
Program Allocation	$ 7,692,954.62
Estimated Program Income	$ 0
Allocation available for eligible activities	$ 7,692,954.62

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 as defined above.

2. **Reprogramming of Funds**

During the FY, DOH may recapture funds from previous fiscal years from:

- Non-performing grantees;
- Grantee's underutilized funds; and
- Program income generated by grantees.

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 Applicants**

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

4. **Eligible Activities**

   HOME funds can be used to provide assistance through a broad range of eligible activities which include, but are not limited to; tenant-based rental assistance; home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; construction or rehabilitation of housing for rent or ownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses.

5. **Eligible forms of Subsidy**

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

6. **Debt Refinancing**

   For non-profit developers, DOH may also utilize HOME funds to refinance existing debt or to retire bridge financing provided the following conditions are met:

   a. **Refinancing of Existing Permanent Debt** (applies only to nonprofit developers)**:**
      DOH may permit the use of HOME funds toward the cost of fully or partially refinancing an existing permanent mortgage loan on rental property provided, in the opinion of the Commissioner, the following conditions are met:
      - The rehabilitation of the housing must be the primary eligible activity. Therefore, the cost of the rehabilitation of the housing must equal or exceed $25,000 per HOME-assisted unit;
      - The new investment is being made to create additional affordable units;
      - The housing has not been previously financed with HOME funds;
      - A review of the management practices of the applicant must demonstrate that the proposed rehabilitation is not the result of dis-investment in the property by any entity involved in the application for HOME funds;

- A review of the proposed operating budget for the project must demonstrate that both the cost of the refinancing and the needed rehabilitation of the project can be met and still result in the affordability of the units to HOME-eligible tenants for a period of 15 years or the term of the refinancing, whichever is longer;
- When compared to the refinancing terms being proposed, the loan being refinanced must have:
  - An interest rate higher than the proposed refinancing; or
  - A repayment term that is longer than the proposed refinancing; or
  - A lump-sum repayment requirement (a balloon payment);
- Priority may be given to projects located in a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2), a federally-designated Empowerment Zone or Enterprise Community, a state-designated Neighborhood Revitalization Zone, or Neighborhood Stabilization Program; and
- The activity does not involve the refinancing of a multifamily loan made or insured by any state or federal program, including the SC/CDBG Program.

b. Grants or Loans to Pay Off a Bridge Loan (nonprofit developers only):

DOH may permit the use of HOME funds for the repayment of all or part of any reasonable bridge loans secured by a nonprofit developer to pay for project costs necessarily incurred prior to the availability of (but after a legal commitment of) HOME or other financing. Such expenses may include the cost of acquisition of real property, real estate options and feasibility studies which, in the opinion of the Commissioner, were necessary to the development of the project. Any services paid for with such a bridge loan that will be repaid with HOME funds must be for HOME-eligible expenses. The applicant must have secured all services in accordance with a DOH approved procurement plan.

7. Resale and Recapture Guidelines

In compliance with 24 CFR Part 92.254 a.5., Qualification as Affordable Housing/Homeownership, DOH will require that a deed restriction or restrictive covenant be placed on each property assisted with HOME funds to enforce the affordability requirements.

DOH normally will not permit resale restrictions unless it is required by 24 CFR Part 92.254 or if the sponsor has a long-standing history in owning and/or managing affordable housing. A "long-standing history" means at least 10 years.

a. Homeowner Rehabilitation: For homeowner rehabilitation projects DOH will look to recapture the entire subsidy during the period of affordability. The following policies must be met:

- Though the HOME program does not require an affordability period for homeowner rehabilitation projects, with the exception of assistance to units in a two-to-four-unit property, DOH may establish a stand-alone state mandated affordability period for such projects. Said affordability period will mirror the 5, 10, and 15-year HOME periods but will be enforced by a stand-alone non-HOME restrictive covenant.

b. Homebuyer Assistance: For homebuyer projects, DOH may utilize HOME funds to assist homebuyers provided either resale or recapture requirements are met and in compliance with 24 CFR Part 92.254.

c. The following provisions shall apply to homeownership projects as described below:

- Affordability Period: The minimum affordability period is established by HUD based on the amount of HOME financial assistance in each unit; however, the applicant may request, or DOH may require, a longer affordability period in neighborhoods that are experiencing rapidly appreciating housing costs. A neighborhood with "rapidly appreciating housing cost" is one where, at the time of application, housing costs are increasing at a rate beyond the rate for housing costs contained in the current Consumer Price Index;
- Direct Subsidy (aka: Buyer's Subsidy): consists of any financial assistance that reduces the purchase price from fair market to an affordable price, or otherwise subsidizes the purchase (e.g., down payment or closing cost assistance, subordinate financing);
- Development Subsidy (aka: Developer Subsidy): is provided to the developer and is the difference between the cost to create or rehabilitate housing and the fair market price. While the subsidy does not go directly to the homeowner, it helps make development of an affordable home feasible;

- Affordability Enforcement: In compliance with 24 CFR Part 92.254(b), for HOME Program assisted homebuyer projects, DOH will require that the applicable resale and/or subsidy recapture restriction be applied to the units as required.
- In accordance with the previous provisions, if the sole HOME Program financial assistance to a unit is a developer's subsidy (not combined with a buyer's subsidy), then the only type of restriction permitted is Resale (see below).

Resale Provisions

a. The following provisions shall apply to resale restricted projects as described below:

- "Fair Return on Investment" (Return) shall be equal to the average change in the Consumer Price Index over the original homebuyer's period of ownership to the time of resale (Rate) times the homebuyer's original investment (Investment) plus the residual value of the documented cost of unsubsidized capital improvements (Residual).

  Represented by formula as "Return = Rate x (Investment + Residual)"
- "Residual Value" shall be the value of the capital improvement after allowable depreciation in accordance with current Internal Revenue Service standards for depreciation of fixed assets.
- "Capital Improvement" shall mean any (i) substantial discretionary addition to the unit, (ii) voluntary significant upgrade to materials, or (iii) discretionary material alterations to the appearance of the unit.

b. A resale restriction requires the resale of the unit to HOME Program qualified homebuyers throughout its affordability period. Successful use of this restriction requires imposition of a deed restriction or a restrictive covenant at the initial sale and diligent oversight and assistance at the time of resale. Unless it is required by 24 CFR Part 92.254 or if the sponsor has a long-standing history in owning and/or managing affordable housing, DOH normally will not permit resale restrictions.

c. If resale requirements are employed, then either at the time of resale or in the event that the housing does not continue to be the principal residence of the family for the duration of the affordability period, they must ensure that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family (i.e.: has a household income between 60% and 80% of the area median income) and will use the property as its principal residence.

d. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment as defined above in addition to their original investment. In order to so, DOH shall take any/all steps necessary to ensure such fair return on investment to the original HOME-assisted owner, including, but not limited to: down payment assistance to the buyer; assignment/assumption of the original subsidy by the buyer; or other mechanisms that may be deemed mutually acceptable by DOH and the buyer.

e. Continued Affordability: the resale requirement must ensure that the housing under a resale provision will remain affordable to a range of low-income homebuyers that includes families that have a household income between 60% and 80% of the area median income paying no more than 30 percent of income for principal, interest, property taxes, and insurance. See the exception for participation in other governmental programs detailed in the 30% Rule section of section 8 below on the HOME Final Rule, 24 CFR Part 92 Policies. The State will consider, on a case by case basis, taking the following steps to ensure that the property is affordable to a defined range of low-income homebuyers:

   a. down payment assistance,
   b. mortgage write down, and
   c. write down value of property.

Recapture Restrictions

A subsidy recapture requires that any sale after the initial sale of a HOME Program assisted ownership unit or a homeowner rehabilitation unit during the affordability period trigger a repayment of a portion of the HOME Program subsidy that the buyer received when they originally purchased or rehabilitated the unit. Subsidy recapture is limited to direct homebuyer assistance (not developer subsidy) and subsidy recapture shall be structured so that it is reduced using the following formula:

Yearly Reduction = 1 / #

(Where "#" equals the number of years of affordability required)

Thus, if the affordability period is 15 years, the amount of subsidy subject to recapture decreases by 1/15 each year. Regardless of the preceding, in no event shall this recapture calculation result a payment greater than the net proceeds for any sale. The net proceeds are the sales price minus any superior loan repayment (other than HOME funds) and closing costs.

8. HOME Final Rule, 24 CFR Part 92 Policies

DOH has established the following policies with regard to the requirements outlined in the HOME Final Rule.

- Income Determinations, §92.203b - DOH has selected the Section 8 HCV Program definition for annual income for its HOME program.
- Eligible Activities, § 92.205 - DOH will allow all HOME Program eligible activities including Tenant Based Rental Assistance (TBRA).
- Project Completion, § 92.205(e)(2) DOH will comply with the December 16, 2011 Home Program proposed rule (as applicable to FFY 2012 allocation funds) and CPD Notice 12-007 pursuant to the definition of "project completion" in § 92.2; projects that are not completed within 4 years of commitment will be terminated and be required to repay the entire HOME investment from a non-federal funding source.
- Match, § 92.218 et seq. - The State of Connecticut (PJ) will use state funds from either banked or new activity to fulfill the match obligation.
- Maximum Per Unit Subsidy Limits, § 92.250 - DOH adheres to the HOME statute and regulation at 24 CFR 92.250(a) which limits the amount of HOME funds that a PJ may invest in a HOME-assisted unit. Investment on a per-unit basis shall not exceed 240% of 234 Elevator Type Buildings as dollar limitations are provided by the US HUD Hartford Field Office, and adjusted and published by DOH, periodically. The State will use the current limits until the new HOME limits are published by HUD.

HOME Investment Partnerships Program
2025 STATEWIDE MAXIMUM PER-UNIT SUBSIDY AMOUNT

BEDROOMS:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
HOME Maximum Per-Unit Subsidy	$187,658	$215,122	$261,595	$338,419	$371,477

Source: US HUD Hartford Office
CT Maximum Mortgage Limits -- Section 234 Basic Elevator Type Unit

- Underwriting and Subsidy Layering § 92.250(b) - DOH will adhere to the 2013 HOME Final Rule, 24 CFR Part 92 – Published July 24, 2013 pursuant to underwriting and subsidy layering guidelines with regard to the assessment of market conditions of proposed project neighborhood, experience and financial capacity of developer, firmness of financial commitments, and evaluation of appropriateness of amount of subsidy.

- Property Standards, § 92.251 - All assisted units (new and/or rehab) must meet local or state building code, as well as Model Energy Code for new construction. All housing must meet the housing quality standards in 24 CFR 982. 401 at a minimum.
- Transfer of Homeownership Units, § 92.254 (a)(3) - DOH will adhere to the December 16, 2011 Home Program proposed rule (as applicable to FFY 2012 allocation funds) and CPD Notice 12-007 pursuant to the requirement that homeownership units not sold to an eligible buyer within 6 months of completion must be rented in accordance with § 92.252.
- Maximum Property Value, § 92.254(a)(2)(iii) – For homebuyer assistance or rehabilitation of owner-occupied single-family properties, DOH uses the pre-stimulus Section 203 (b) Single Family Mortgage Limits of the National Housing Act, as amended from time to time.
- If HOME funds are only used to assist an eligible low-income homebuyer to acquire one unit in a single-family property containing more than one unit and the assisted unit will be the principal residence of the homebuyer, the affordability requirements of this section apply only to the assisted unit.
- If HOME funds are also used to assist an eligible homebuyer to acquire one or more of the rental units in the single-family housing, the affordability requirements of § 92.252 apply to the assisted rental units, except that DOH may choose to either impose resale or recapture restrictions on all assisted units (owner-occupied and rental units) in the single family housing. If resale restrictions are used, the affordability requirements on all assisted units continue for the period of affordability. If recapture restrictions are used, the affordability requirements on the assisted rental units may be terminated, in accordance with the provisions under § 92.254(a)(5)(ii)(A)(6), and at the discretion of DOH, upon recapture of the HOME investment.
- If HOME funds are used to assist only the rental units in such a property then the requirements of § 92.252 would apply and the owner-occupied unit would not be subject to the income targeting or affordability provisions of § 92.254.
- Relocation, Sec. 92.253 pursuant to 49 CFR 24 - Applicants considering activities that will trigger displacement or conversion must submit a completed Relocation Plan that

conforms to federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) requirements at 42 USC 4201-4655 and 49 CFR Part 24. Federal law governing relocation will apply to projects utilizing HOME and SC/CDBG funds, except where Connecticut law imposes more stringent requirements. Furthermore, Connecticut General Statutes (CGS) § 8-37z reads in part that "…. the Commissioner of Housing shall ensure that the involuntary displacement of persons and families residing in any single-family or multifamily dwelling, which displacement occurs in connection with any housing or community development project or economic development project receiving state financial assistance under any program administered by the commissioner under the general statutes, is reduced to the minimum level consistent with achieving the objectives of such program…."

- Program Income, Sec. 92.503 - All program income shall be remitted to DOH who shall be solely responsible for its reallocation in accordance with applicable program rules.
- 30% Rule - HOME rents are set in accordance with HOME Rent Limits as published from time to time by HUD, and assume the target income group can pay at 30% of their income. For homeownership, a homebuyer's payment of principal, interest, taxes, homeowner's insurance, required association fees (if applicable) and mortgage insurance premiums cannot be less than 25% nor be greater than 30% of the household's anticipated gross annual income. However, if the purchase is part of an approved government program, DOH may accept that agency's higher ratios upon written request of the developer. Approved government programs include, but are not limited to those sponsored by CHFA, FHA, USDA, Federal Home Loan Bank, Connecticut CDFI Alliance and Fannie Mae. Contracts for financial assistance executed after June 1, 2009 shall have "back-end" ratios not greater than 40%; however, waivers may be granted by the Commissioner or designee in the cases of "approved government mortgages". There is no limit on cash to the buyer remaining after the closing. In addition, the Commissioner may waive the minimum 25% front end ratio on a case by case basis if reasonable grounds to support such a decision are identified.
- Income Limits, Sec. 92.252 - DOH adheres to the basic or "capped" HOME Program Income Limits as calculated and published by HUD annually.
- Rent Limits, Sec. 92.252 - DOH adheres to the basic HOME Program Rent Limits as calculated and published by HUD annually.

- Utility Allowances, Sec. 92.252 – DOH will allow the use of any of the following relative to utility allowance schedules:
  - **a.** Published utility allowance schedules for the Section 8 Housing Choice Voucher Program, as calculated and published by administering entity;
  - **b.** Published utility allowance schedules for the state Rental Assistance Payments Program, as calculated and published by DOH; or
  - **c.** Results of a documented utility study consistent with industry standards on the same or similar units.
- Community Development Housing Organizations (CHDO's) – DOH will reserve not less than 15 percent of their annual HOME Program allocation for investment only in housing to be developed, sponsored, or owned by Community Housing Development Organizations (CHDO's). Only certain types of activities count toward the 15 percent set-aside. CHDO's are a specific type of private nonprofit community based organization that must meet certain requirements pertaining to their legal status, organizational structure, and experience. They must have a clearly defined service area and the capacity to develop affordable housing for the community they serve. DOH will adhere to the 2013 HOME Final Rule, 24 CFR Part 92 – Published July 24, 2013
- Section 3 of the Housing and Development Act of 1968 - Applicants whose projects for which the HOME share of the project costs will be more than $200,000 will be required to comply with Section 3 to the greatest extent feasible and must complete a Section 3 plan as part of the funding application.
- Minority/Women Employment – In accordance with Section 281 of the National Affordable Housing Act, each HOME recipient must ensure that minority and women owned business enterprises have opportunities in all contracting activities. Each recipient is required to include a statement in all bids and solicitations that says "minority and women owned businesses are encouraged to apply." Each recipient is required to obtain from the State Department of Administrative Services, a list of minority and women owned businesses. Applicant shall also make a good faith effort to comply with the DOH Set-Aside Policy for Minority and Women owned businesses.
- Affirmative Marketing – If HOME funds are used to assist projects with 5 units or more the requirements of 24 CFR 92.350 and 92.351 shall apply. An Affirmative Fair Housing Marketing Plan, Tenant Selection Plan and Lease shall be submitted to DOH for approval. The Lease shall comply with the provisions of 24 CFR, 92.253. In

addition, recipients shall follow all applicable provisions of Section 8-37ee-1 – 8-37ee -17 and Section 8-37ee - 300 to 8-37ee – 314 of the Regulations of State Agencies with regard to fair housing policies, procedures and the preparation of fair housing documents.

- Accessibility for People with Disabilities – Recipients must adhere to the following regulations governing accessibility of federally assisted buildings, facilities and programs: Americans with Disabilities Act, Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.
- Labor Requirements – Every contract for construction or rehabilitation shall comply with state and federal labor standards. Furthermore, every contract for the construction or rehabilitation of housing that includes 12 or more HOME -assisted units must comply with the Davis Bacon Act, 40 USC 276a – 276a-5.

9. Evaluation Criteria for HOME Program

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

- **Affordability, Marketability, and Fair Housing and Equal Opportunity** The project must meet <u>one or more of the priorities as outlined in the ConPlan</u>. This category will consider: the overall housing and community development needs of the site; the neighborhood, the community, the municipality and the region in which the activity is proposed; the documented need for the specific activity proposed; the extent to which low- and moderate-income households will be served or will benefit; the extent to which health and safety issues apply; the extent to which the proposal addresses the community's special needs housing and a market analysis of the proposed activity and waiting lists (if appropriate). This category also includes a rating of the applications demonstration of how it will meet DOH established fair housing goals and **requirements**. DOH will consider the demonstration of a previously approved and active Fair Housing Action Plan, and the applicant's performance in achieving the goals of the plan. Applicants must submit a Fair Housing Action Plan that has been updated within the last three years and milestones/achievements as a result of the plan. The extent to which the proposed activity addresses elements in the state's Analysis of Impediments Action Plan will be considered. In addition, the department will also take into account whether the applicant adheres to an Equal Opportunity

Plan, including a Section 3 Plan. This category will also consider the extent to which a proposal promotes racial and economic integration, the extent to which the proposal offers housing choice and opportunities to low- and moderate-income households and to persons with special needs.

- **Project Feasibility and Readiness to Proceed**

  DOH must expend federal funds in a timely manner; therefore, priority shall be given to all projects that have a “ready to proceed” status. “Ready to proceed” means that necessary approvals are in place, such as permits, funding, certifications, etc. This category will consider distinct areas: site, development, and operational feasibility. Site feasibility will consider the environmental condition of the proposed activity, site control, current zoning and approvals, infrastructure condition and needs, the presence of hazardous materials, and historic preservation requirements. Development feasibility will consider project cost including total development cost, per unit cost and program cost (“soft cost”), proposed development budget, appraisals, funding commitments from other sources, amount of funding leveraged, the extent to which the funds are used as gap financing or funding of last resort, relocation, project time line, and project readiness to proceed. Operational feasibility will consider proposed operating budget, proposed rents and/or purchase prices, the reasonableness of operating expenses including fees, and cash flow projections for the project.

- **Applicant/Sponsor Capacity**

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

- **Responsible Growth, Livability Initiatives, and Community Impact**

  Responsible growth[4] includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. DOH may give preference to projects that satisfy the following responsible growth criteria:

  - Conformance with the goals and development and conservation criteria of the current Conservation and Development Policies Plan for Connecticut;
  - Have regional development emphasis or are result of regional collaborations;
  - Reuses and rehabilitates existing property, infrastructure, and land;
  - Are sited within existing developed areas and promote infill development;
  - Are sited within existing public utilities service areas (water, sewer, etc.);
  - For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land;
  - Promote transit-oriented development[5];
  - Provide or leverage educational opportunities at all grade levels;
  - Promote the livable characteristics of the sustainable communities' initiative[6];
  - Promote mixed-use[7] development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other);
  - Integrate sustainable building characteristics such as energy/water conservation, energy efficiency and "green" building into project design; and
  - Avoid adverse impacts to natural and cultural resources and open space.
  - DOH may consider the community impact of a proposal and whether the proposal is part of a comprehensive planning process for the community, such as a

[4] As per the Governor's Executive Order No. 15, DOH is actively adopting responsible growth principles in all its policies and programs.
[5] "Transit-oriented development" as defined in the June Special Session, Public Act No. 07-7 of the Connecticut General Assembly, is the development of residential, commercial and employment centers within one-half mile or walking distance of public transportation facilities, including rail and bus rapid transit and services, that meet transit supportive standards for land uses, built environment densities and walkable environments, in order to facilitate and encourage the use of those services.
[6] HUD, the USDOT and the EPA have entered into a "partnership to help American families gain better access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities". This initiative, known as the Sustainable Communities Initiative, is based on livability principles that emphasize integration of land use with transportation - See "HUD and Dot Announce Interagency Partnership to Promote Sustainable Communities", HUD Press Release No. 09-023, March 18, 2009
[7] Mixed-use refers to a variety of land uses such as residential, retail, commercial, business, office, public, and recreational.

Community Revitalization Strategy, Plan of Development or similar planning effort. The applicant must provide evidence of the planning effort supporting the project. This category will consider: the relationship between the proposed activity and the other housing; housing activities that are planned or underway in the impacted neighborhood; the relationship of the proposed activity to priorities identified in the municipality's or region's plan of development; the economic impact of the proposed activity; local government support for the proposed activity; neighborhood support for the proposed activity and if the proposed activity is located in a targeted investment area, such as a Neighborhood Revitalization Zone or Enterprise Zone.

10. Program Eligibility and Threshold Requirements

- Eligible applicants: As defined by HUD program regulations;
- Applicant capacity: Previous experience with the HOME program and/or other public financing, quality of work product, efficiency and effectiveness in project management;
- Number of open contracts with the DOH: Applicants with three or more open contracts (not pending closeout within six months of application), regardless of funding source, will be rejected;
- Eligible activity: Only those activities eligible under the appropriate federal acts will be funded;
- Statement of compliance with all program requirements: Applicants must be in compliance with all existing DOH assistance agreements and cannot be in default under any CHFA or HUD-administered program (Waiver provision available in extraordinary circumstances);
- Consistency with ConPlan: Applicant must identify how the project is consistent with the goals and strategies of the ConPlan; and
- Fair Housing and Equal Opportunity Compliance: Applicant must provide a certification/demonstration of compliance with all fair housing and equal employment opportunities obligations/guidelines.

11. Method of Distribution for the HOME Program

DOH will continue to accept applications for the HOME Program under the "open" enrollment application process or through the *Developer Engagement Process* (See

Section IV: Federal Requirements, paragraph B). Applications may be accepted on a continuing basis year-round, for as long as funds continue to be available. DOH reserves the right to cease accepting applications at any time that all available funds have been committed; applications will be rejected at that time and applicants will be warned to proceed at their own risk.

- All requests for funding must be submitted directly to the DOH's Office of Housing Development.
- Applicants that are invited to submit a full application for HOME funds are required to submit their requests in a completed format using the Consolidated Application developed jointly by DOH and CHFA and used as the application for all DOH housing development proposals.
- Staff will review the Consolidated Application and any attached materials to determine if the project/activity meets minimum program eligibility and threshold requirements. Minimum program eligibility and threshold requirements include applicant's experience with the HOME Program and/or other public financing, and current status of existing contracts with DOH and CHFA. Applications that do not meet basic eligibility and threshold requirements will be rejected for funding.
- Depending on the nature of the proposed activity, site inspections may be conducted by DOH staff. An evaluation of the site's feasibility will be completed and considered as part of the review process.
- All applications, and any attached materials throughout the application process, may be reviewed and evaluated by senior staff in the Office of Housing Development.
- Applications will be considered against financial and qualitative issues, including but not limited to:
  - Financial feasibility;
  - Reasonableness to proceed to construction;
  - Financial leveraging and firm financial commitments;
  - Social and economic impact on the neighborhood, community, region and state as defined in the strategies and priorities outlined in the ConPlan, including but not limited to transportation, education, and job creation/retention.
  - Level of consistency with DOH's responsible growth criteria including compliance with the current Conservation and Development Policies Plan for Connecticut;
  - Fair Housing and Equal Opportunity Compliance;
  - Number of current open contracts;

- Current projects' expenditure rates; and
- Prior audit or monitoring performance.

- Final recommendations to the Commissioner will be based on the overall quality of the application as well as fund availability.
- Approved applicants will receive notification from the Commissioner's office.
- If the application is not approved, senior staff will advise the applicant of the rejection in writing and identify the reasons for the rejection.

12. HOME Monitoring

Monitoring during the Development Stage: The Office of Housing Development is responsible for monitoring all housing projects financed by the Department with both state and federal (HOME) funds. DOH will monitor applicants' compliance to program requirements in accordance with 24 CFR 92. Staff, regularly monitors the physical construction of any housing project, including plans/spec review, as well as physical inspection on-site during construction. The Office of Housing Development is responsible for additional monitoring during construction, including Davis-Bacon wage rate compliance and Section 3 compliance, if applicable, programmatic compliance and initial occupant eligibility. Each project is further subject to regular periodic monitoring including: a) desk reviews of quarterly reports during development, b) programmatic reviews, and c) long term monitoring relative to the affordability and program compliance.

Long-term Compliance Monitoring: In accordance with 24 CFR Part 92 of the HOME Final Rule, and the contract for financial assistance, once a project's development stage is completed (placed-in-service), the Office of Housing Development will:

a. Perform periodic desk and/or file reviews and on-site visits as needed to ensure that the Owner and/or property management firm are operating the project in compliance with the contract for financial assistance. The areas to be reviewed for compliance may include, <u>but are not limited to</u>:

- resident or tenant qualifications, income calculations and appropriate supporting documentation;
- the gross rent payment and its components, including utility allowance;
- the vacancy history of both HOME-assisted and market-rate units;
- resident or tenant selection;
- annual assessment of on-going affirmative fair marketing efforts and results of those efforts;

- housing quality standards;
- financial condition; and
- overall property management.

b. Report any instances of noncompliance (past or present), when appropriate, to HUD, after giving the Owner appropriate time to correct the problem.

c. Maintain the information used to complete the compliance review for three years after the calendar year in which it was received.

Site visits to HOME projects with 1-4 units will be performed once every three years. Site visits to HOME projects with 5-25 units will be performed at least once every two years. Site visits to HOME properties with more than 25 units should be performed at least once a year. On-site inspections may be separate from any review of low-income certifications, supporting documentation and financial records. Monitoring shall include a “sufficient” (10-20%) random sample to insure statistical reliability. Monitoring may be expanded, if sampling identifies problems or reveals additional risks.

B. National Housing Trust Fund (NHTF)

The NHTF program was created by section 1131 of the Housing and Economic Recovery Act of 208 (Public Law 110-289). Section 1131 amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) to add a new section 1337 “Affordable Housing Allocation” and a new section 1338, “Housing Trust Fund.” NHTF provides formula grants to states to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low-income and very low-income households, including homeless families. DOH currently intends to coordinate the use of NHTF with the application process for both HOME and state bond funding. It will be used to leverage the development of units targeted for extremely low income families, with a priority for the development of permanent supportive housing units.

HUD published an interim rule for NHTF (Interim Rule) on January 30, 2015. The rule, codified at 24 CFR Part 93, establishes both the program requirements and the formula for allocating grant funds to states.

The NHTF allocation plan, detailed below, is an annual submission to HUD that describes how the state will distribute the NHTF funds, including how it will use the funds to address its priority housing needs. The allocation plan also describes what activities may be undertaken with NHTF funds and how recipients and projects will be selected. All NHTF Program assisted rental units will meet all program guidelines for income eligibility and accessibility.

DOH will invest in the production of affordable housing through new construction or substantial rehabilitation only when it determines that the units produced will remain affordable for the minimum required time period under the NHTF. DOH, at its discretion, may extend the affordability period beyond the minimum required by the NHTF. DOH views the NHTF as primarily a production program meant to add units to the supply of affordable housing for extremely low-income (ELI) (with incomes not greater than 30 percent of area median income (AMI)) and very low-income (VLI) (with incomes not greater than 50 percent of AMI) households. DOH will use NHTF funds in combination with State Bond Funds, federal HOME, federal Section 811 PRA and other funds to develop/rehabilitate ELI housing. In accordance with the program guidelines, all of the NHTF funds received in the first year will support the creation, preservation, rehabilitation, or production of affordable rental housing for ELI persons or families.

DOH seeks to expand access to affordable housing through the utilization of partnerships with stakeholders and other funding organizations that leverage non-state resources for development or preservation of affordable housing.

1. FY 2026-27 Resource Allocation Plan for the NHTF Program

The FY 2026-27 HUD allocation to DOH for the NHTF is anticipated to be $3,144,833.37. Funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes. For the first year in which NHTF funds are made available, DOH is required to spend NHTF funds on housing for ELI families or families with incomes at or below the poverty line, whichever is greater. In addition, administrative costs cannot exceed 10 percent of the annual grant. The amount of program income is expected to be $0 as the awards will be structured as non-interest-bearing loans or advances, deferred payment loans, or grants.

National Housing Trust Fund FY 26-27 Allocation		
FY 2026-2027 Allocation	$	3,134,373.2
State Administration (10%)	$	313,437.32
Program Allocation	$	2,820,935.88
Estimated Program Income	$	0
Allocation available for eligible activities	$	2,820,935.88

2. NHTF Distribution

NHTF funds will be distributed using the following criteria:

a. Eligible Recipients

Applications will only be accepted from eligible recipients which include: units of general local government (including other PJ's: Participating Jurisdictions), for-profit and nonprofit entities (including CHDO's and local housing authorities), and joint ventures among various types of entities.

Every contract for construction or substantial rehabilitation shall comply with state and federal labor standards. Furthermore, every contract for the construction or rehabilitation of housing that includes 12 or more NHTF -assisted units must comply with the Davis Bacon Act, 40 USC 276a – 276a-5.

b. Geographic Diversity

Funding will be available in all 169 communities. Priority will be given to activities in higher opportunity areas as demonstrated through Opportunity Mapping at the DOH website, and in accordance with the most recent Analysis of Impediments to Fair Housing Choice.

c. Applicant Capacity

Capacity of eligible applicants will be evaluated in accordance with the applicant's ability to obligate NHTF funds and undertake eligible activities in a timely manner. Experience in completing affordable residential projects and in completing market rate residential projects will be taken into consideration.

d. Project-based Rental Assistance

Proposed projects that have a firm commitment for project-based state or project-based federal rental assistance, or have a percentage of supportive housing units located within the proposed development made available to homeless or at risk individuals or families will be prioritized for assistance.

An NHTF-assisted unit that has either project-based State or project-based Federal rental assistance attached to it may not receive NHTF operating cost assistance;

If project-based State or project-based Federal rental assistance is included as noted above, the applicable program requirements related to site and neighborhood standards will apply to an NHTF-assisted units.

e. Duration of Affordability Period

Units that have an affordability period of less than 30 years will be deemed ineligible to receive NHTF funds. It is encouraged that the affordability period be greater than 35 years.

f. Priority Housing Needs

Priority consideration will be given to projects or activities that are consistent with priorities detailed in the most recent ConPlan.

Projects that include the incorporation of sustainable development standards into all project designs, including green building standards, alternate energy sources, water conservation, land design conservation, and energy conservation, will also be prioritized.

Additional consideration will be given to projects that are a mixed-income development, where a portion of the units are not income restricted and the projected rents of the non-restricted units are targeted to income levels substantially higher than the restricted.

g. Eligible Forms of Subsidy/Leveraging

Priority consideration will be given to those projects/activities that leverage non-federal funding sources. DOH will look at the percentage of DOH's investment versus the total development cost. Other state funds, including but not limited to Urban Act, Brownfields, HTCC, State Historic Tax Credits, and CRDA, are not considered leverage for the purposes of this scoring category.

NHTF funds will be provided as non-interest-bearing loans or advances, deferred payment loans, or grants. Program income is not anticipated as a result of these subsidy types.

h. Eligible Activities

Projects which do not produce affordable units for ELI families/individuals will not be eligible to receive NHTF funds. NHTF funds will only be used to assist units that provide housing opportunities for ELI families/individuals:

- NHTF funds can be used for the production, preservation, and substantial rehabilitation of affordable rental housing; for operating costs of NHTF-assisted rental housing; and for reasonable administrative and planning costs;
- NHTF funds may be used for new construction or substantial rehabilitation of public housing units only in accordance with the following:
    - NHTF funds may be used for new construction of public housing as part of the Choice Neighborhoods (Choice) program under a HUD appropriation act or for new public housing units that have been allocated and will receive low-income housing tax credits under section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42).
    - NHTF funds may be used for the substantial rehabilitation of existing public housing units in which the public housing assistance will be converted and used at the properties under the Rental Assistance Demonstration (RAD) program under HUD's 2012 Appropriations Act (Pub. L. 112–55, 125 Stat. 552, approved November 18, 2011) or subsequent statutes.
    - NHTF funds may also be used for the substantial rehabilitation of existing public housing under the Choice program, and of existing public housing units that have been allocated and will receive low-income housing tax credits under section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42).

        - The public housing units constructed using funds under this part must replace units that were removed from a public housing agency's public housing inventory as part of a Choice program grant, or as part of a mixed financed development under section 35 of the 1937 Act. The number of replacement units cannot be more than the number of units removed from the public housing agency's inventory.
        - The public housing units constructed or substantially rehabilitated using funds under this part must receive Public Housing Operating Fund assistance (and may receive Public Housing Capital Fund assistance) under section 9 of the 1937 Act. These units cannot receive operating costs assistance or operating cost assistance reserves under this part.
    - NHTF-assisted housing may not receive Operating Fund or Capital Fund assistance under section 9 of the 1937 Act during the NHTF period of affordability.
- NHTF funds may be used for affordable housing in a project that also contains public housing units, provided that the NHTF funds are not used for the public housing units and NHTF funds are used only for eligible costs, in accordance with this part;
- NHTF-assisted housing must be permanent housing;
- Not more than one-third (1/3) of the annual grant may be used for operating cost assistance and operating cost reserves. Operating cost assistance may be provided only to rental housing acquired, rehabilitated, or newly constructed with NHTF funds;
- The cost of relocation payments and other relocation assistance to persons displaced by the NHTF-assisted units are eligible costs:
    - Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket costs incurred in the temporary relocation of persons.
- The activities and costs are eligible only if the housing meets the property standards in § 93.301, as applicable, upon project completion;
- Acquisition of vacant land or demolition must be undertaken only with respect to a particular housing project intended to provide affordable housing within the time frames established in the definition of ''commitment'' in § 93.2;

i. Other Requirements

a. Maximum Per Unit Subsidy Limit

The total amount of NHTF that DOH may invest on a per-unit basis shall not exceed 210% of the statewide per-unit dollar limitations established under Section 234 Condominium Housing, elevator-type, basic mortgage limits, as dollar limitations are provided by the US HUD Hartford Field Office, and adjusted and published by DOH, periodically. The State will use the current limits until the new HOME limits are published by HUD. The State leverages NHTF, HOME and State Bond Dollars, using the same subsidy limits. Therefore, the State will adopt the HOME Maximum Subsidy Limits as our NHTF limits, allowing consistency across programs and beneficiary groups.

National Housing Trust Fund (NHTF)
2025 STATEWIDE MAXIMUM PER-UNIT SUBSIDY AMOUNT

BEDROOMS:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
NHTF Maximum Per-Unit Subsidy	$187,658	$215,122	$261,595	$338,419	$371,477

Source: US HUD Hartford Office
CT Maximum Mortgage Limits -- Section 234 Basic Elevator Type Unit

The State is establishing the above single statewide maximum subsidy limit to be consistent with the administration of its other state-funded development programs. Cost per unit standards are published annually by DOH and the Connecticut Housing Finance Authority ("CHFA"). It is the intention of DOH to leverage state resources with the NHTF in order to produce units that are affordable to ELI. The current cost per unit standards can be found at the CHFA website: 2026 CHFA Construction Guidelines: Construction Costs

Rehabilitation Standard – Substantial Rehabilitation Only

DOH, in conjunction with CHFA has adopted detailed policies and requirements relative to new construction, rehabilitation and property maintenance. These policies and requirements are updated on an annual basis, and are available at both the DOH and CHFA websites.

For the purposes of NHTF, “rehabilitation” is limited to substantial rehabilitation, and funds will not be provided for minor repair, moderate repair or maintenance activities. Prior to occupancy, all newly constructed or substantially rehabilitated units must be in full compliance with all of the following policies, regulations, statutes and requirements shall apply:

1. 2026 CHFA Multifamily Design & Construction Standards -The standards are not intended to reduce or circumvent the requirements of law and current applicable codes. Although they apply primarily to new construction, they also apply to rehabilitation of existing structures as applicable to the proposed scope of work. These standards may be modified only where the particular characteristics of the site or other local conditions make compliance impractical or undesirable. If an applicant is unable to comply with any of the items listed, the applicant must contact DOH to discuss; at which time, additional requirements may be necessary.
2. 2026 CHFA Construction Guidelines: Architectural & Construct Services /Asset Management and Capital Improvement Guide (CIG) - Building materials, components, fabrications, and equipment for all proposed repair, replacement and capital improvement projects shall comply with all Building Codes, State and Federal regulations and the applicable section(s) of the current “Multifamily Design, Construction and Sustainability Standards”. However, when determining the scope of work for proposed repair, replacement and capital improvement projects, applicants are strongly encouraged to consider the interconnection of individual building materials, components, fabrications, and equipment that comprise a fully-functioning building. To determine the Technical Services process for reviewing specific Asset Management capital improvement, repair and replacement projects, consult the “Construction Guidelines: Technical Services/Asset Management (TSAM) Capital Improvement Project Review”.
3. 2026 CHFA Construction Guidelines: Project Planning & Technical Services Review - Requires that all building materials, components, fabrications, and equipment for all proposed repair, replacement and capital improvement work be completed in accordance with all applicable Building Codes, State and Federal regulations and current “Multifamily Design, Construction and Sustainability Standards – CHFA” (the Standards). The “Construction Guidelines: Technical Services/Asset Management (TSAM) Capital Improvement Project Review”

outline the Technical Services process for reviewing specific Asset Management capital improvement, as well as repair and replacement projects associated with the useful life of major systems. When determining the scope of work for proposed capital improvement, repair and replacement projects, consideration of the interconnection of the individual materials, components, fabrications, and equipment that comprise a fully-functioning building is strongly encouraged.

4. 2026 CHFA Construction Guidelines: Environmental and Hazardous Materials Review - These environmental/hazardous materials guidelines shall be followed for providing construction financing of multifamily developments pertaining to both new construction and the rehabilitation of existing buildings & properties. These guidelines provide specific guidance relevant to, but are not limited to the following: lead-based paint, asbestos, radon, mold, flood classification and/or flood zone.
5. 2022 Connecticut State Building Code - At a minimum, all activities using NHTF are required to comply with the above current code.
6. 2026 CHFA Construction Guidelines: Energy Conservation & Sustainability - These guidelines outline the related standards for developments funded through CHFA, and are intended to provide guidance for sustainable project planning, procurement of sustainability-related financial incentives through utility companies and the CT Green Bank, and for CHFA Technical Services review.

j. Method of Distribution for the NHTF Program

DOH will continue to accept applications for the NHTF Program under the "open" enrollment application process or through the *Developer Engagement Process* (See Section IV: Federal Requirements, paragraph B). Applications may be accepted on a continuing basis year-round, for as long as funds continue to be available. DOH reserves the right to cease accepting applications at any time that all available funds have been committed; applications will be rejected at that time and applicants will be warned to proceed at their own risk.

- All requests for funding must be submitted directly to the DOH's Office of Housing Development.

- Applicants that are invited to submit a full application for HOME funds are required to submit their requests in a completed format using the Consolidated Application developed jointly by DOH and CHFA and used as the application for all DOH housing development proposals.
- Staff will review the Consolidated Application and any attached materials to determine if the project/activity meets minimum program eligibility and threshold requirements. Minimum program eligibility and threshold requirements include applicant's experience with the NHTF Program and/or other public financing, and current status of existing contracts with DOH and CHFA. Applications that do not meet basic eligibility and threshold requirements will be rejected for funding.
- Depending on the nature of the proposed activity, site inspections may be conducted by DOH staff. An evaluation of the site's feasibility will be completed and considered as part of the review process.
- All applications, and any attached materials throughout the application process, may be reviewed and evaluated by senior staff in the Office of Housing Development.
- Applications will be considered against financial and qualitative issues, including but not limited to:
    - Financial feasibility;
    - Reasonableness to proceed to construction;
    - Financial leveraging and firm financial commitments;
    - Social and economic impact on the neighborhood, community, region and state as defined in the strategies and priorities outlined in the ConPlan, including but not limited to transportation, education, and job creation/retention.
    - Level of consistency with DOH's responsible growth criteria including compliance with the current Conservation and Development Policies Plan for Connecticut;
    - Fair Housing and Equal Opportunity Compliance;
    - Number of current open contracts;
    - Current projects' expenditure rates; and
    - Prior audit or monitoring performance.
- Final recommendations to the Commissioner will be based on the overall quality of the application as well as fund availability.
- Approved applicants will receive notification from the Commissioner's office.
- If the application is not approved, senior staff will advise the applicant of the rejection in writing and identify the reasons for the rejection.

k. Eligible Housing

Eligible housing shall consist of affordable housing that has maximum rent (including utilities) that is established at 30 percent of the annual income of a family whose income equals 30 percent of AMI or 30 percent of the poverty line, whichever is greater. HUD will publish the NHTF rent limits on an annual basis. NHTF maximum rents will not exceed the HUD published NHTF rents, on an annual basis.

- Income from all family members must be included when determining income eligibility. DOH will utilize the definition of annual income in 24 CFR 5.609 (Section 8 definitions).
- If the NHTF- assisted unit receives Federal or State project-based rental subsidy, the maximum rent is the rent allowable under the Federal or State project-based subsidy program.
- Utility Allowances – DOH will allow the use of any of the following relative to utility allowance schedules:
    - Published utility allowance schedules for the Section 8 Housing Choice Voucher Program, as calculated and published by administering entity;
    - Published utility allowance schedules for the state Rental Assistance Payments Program, as calculated and published by DOH; or
    - Results of a documented utility study consistent with industry standards on the same or similar units.
- DOH shall annually review and approve rents for NHTF units.
- In a project containing NHTF-assisted and other units, the grantee may designate fixed or floating NHTF units. This designation must be made at the time of project commitment in the written agreement between the DOH and the recipient, and the NHTF units must be identified not later than the time of project completion.
    - Fixed units must remain the same throughout the affordability period.

- Floating units must be changed to maintain conformity with NHTF requirements during the affordability period so that the total number of housing units meeting the requirements remains the same.

C. Small Cities Community Block Grant (SC/CDBG) Program

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 SC/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 SC/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. DOH will use their General Fund personal services appropriation as the source of funding for the match.

DOH does not routinely collect program income from its grantees. However, in accordance with our Program Income Plan and our assistance agreement any returned for recaptured program income would be available for additional SC/CDBG activities.

1. FY 2026-27 Resource Allocation Plan for SC/CDBG Program

The FY 2026-27 allocation to DOH for the SC/CDBG Program is anticipated to be $13,902,275. SC/CDBG funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes. DOH will use $100,000 plus 2% of the award for its administration of the SC/CDBG Program. DOH will also use up to 1% of the award for technical assistance activities including technical assistance training sessions for grantees and handbooks for use by local governments. The total funds available to fund projects in FFY 26 (SFY 27), is anticipated to be $38,862,683: FFY 26 (SFY 27) allocation of $13,902,275 minus administrative costs of $542,764 plus the estimated amount of reprogrammed funds from previous years of $25,503,172.

DOH will focus 2026-27 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("**SSHP**") but will not exclude housing authorities outside of the SSHP, Public Infrastructure in support of affordable housing, or other housing/community development activities that support low- and moderate-income households.

Grantee Administration costs are restricted up to 8% of any grant award or $33,000, whichever is lower. Requests for funding will be a part of the standard competitive funding round for projects and activities. 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 as defined above.

Table A: Summary of CDBG-SC Funding			
Small Cities CDBG Program	**FFY 24 (SFY25) Actual**	**FFY 25 (SFY 26) Estimated**	**FFY 26 (SFY 27) Available**
Uncommitted Balance Carried Forward from the previous year	$7,373,059	$17,914,963	$25,503,172
Plus Reprogrammed Funds/Program Income	$1,258,644	$0	$0
Plus Reprogramed Admin prior years	$0	$0	$0
Plus Reprogrammed TA prior years	$0	$0	$0
Reallocation Total	$8,631,703	$17,914,963	$25,503,172
PLUS			
Annual Allocation	$13,880,022	$13,960,891	$13,902,275
Minus Administrative Authorization	($596,762)	($454,530)	($542,764)
Net Allocation	$13,283,260	$13,506,361	$13,359,511
EQUALS			
Total CDBG funding available for projects	$21,914,963	$31,421,325	$38,862,683
MINUS			
Committed Funds	$4,000,000	$5,918,153	$0
EQUALS			
Uncommitted Balance to be Carried Forward to the following year	$17,914,963	$25,503,172	$38,862,683

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. Activities

Communities funded under the SC/CDBG Program can undertake a wide range of activities in the areas of housing, economic development, community facilities, and public services; provided each activity meets one of the three national program objectives, see #4 below.

Eligible activities include:

- Acquisition of real property;
- Clearance (including assessment and remediation of known or suspected environmentally contaminated sites), rehabilitation, reconstruction, and construction of buildings;
- Code Enforcement;
- Disposition of real property;
- Economic development assistance to for-profit business;
- Energy efficiency/conservation;
- Housing services;
- Loss of rental income;
- Micro-enterprise assistance;
- Planning and capacity building;
- Program administrative costs;
- Public facilities and improvements;
- Public services;
- Relocation assistance;
- Removal of Architectural Barriers (commonly called ADA Improvements); and
- Technical assistance.

Any activity not specifically authorized by HUD program regulations will be considered to be ineligible for assistance under the SC/CDBG Program.

Ineligible activities include:

- Buildings for the general conduct of government (except ADA improvements);
- Faith-based assistance used for primarily religious activities;
- Income payments;
- New construction of permanent residential structures; and
- Political activities.

Note: *Different programs have different income group targets. For the purposes of this document the terms "low-income", "low and moderate income", "low-moderate income" and "low-mod income" include the "very low" and "extremely low" income groups as directed by federal regulations for programs that specifically target such groups. Please see the Code of Federal Regulations for specific guidance with the applicability of such targets.*

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 SC/CDBG 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 sidewalks[8]), 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 disabilities[9]); or

[8] *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.*

[9] *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.*

- Direct benefit (e.g., housing rehabilitation and job creation[10]).

- 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. Community Revitalization Strategies (CRS)

In 1996, HUD established criteria, which allowed states to approve a locally determined strategy for revitalizing an area that is among the community's most distressed. In order to provide some incentive for communities to undertake such revitalization, the SC/CDBG Program regulations provide certain benefits for the use of SC/CDBG funds in such an area. DOH will apply the same criteria to communities eligible for the SC/CDBG Program.

A community that is interested in undertaking a Community Revitalization Strategy (CRS) must submit a request to DOH prior to applying for SC/CDBG funds. A community's revitalization strategy must be designed to provide for the economic empowerment of low- and moderate-income residents of a particular area that is among the community's most distressed. It must also provide for other long-term improvements within a reasonable period of time. Therefore, the CRS must clearly describe how it meets the following criteria:

- Boundaries: A community must identify the neighborhood's boundaries for which the CRS applies. All areas within the boundaries must be contiguous;
- Demographic Criteria: The designated area must be a primarily residential area that contains at least 51% Low- and Moderate-Income (LMI) residents. However, a community may not utilize the area benefit presumption authorized by 24 CFR 570.483(e)(5)(i) or the aggregation of housing units authorized by 24CFR 570.483 (e)(5)(ii) unless it meets the additional demographic criteria outlined in 24 CFR

[10] *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.*

570.483(b)(1)(v). Communities that intend to utilize the area benefit presumption or the aggregation of housing units must provide DOH with the census data needed to support the LMI percentage and poverty rate in the designated area;

- Consultation: The community must describe how the CRS was developed in consultation with the area's stakeholders, including residents, owners/operators of businesses and financial institutions, nonprofits, and community groups that are in or serve the neighborhood;
- Assessment: The CRS must include an assessment of the economic conditions of the area and an examination of the opportunities for economic development improvement and the problems likely to be encountered;
- Economic Empowerment: There must be a realistic development strategy and implementation plan to promote the area's economic progress focusing on activities to create meaningful jobs for the unemployed low- and moderate-income residents of the area as well as activities to promote the substantial revitalization of the area; and
- Performance Measures: The CRS must identify the results to be achieved, expressing them in terms that are readily measurable, in the form of benchmarks.

In order to avoid an unnecessary burden for the community in describing its CRS, the community may refer to specific portions of other documents that the community must provide to DOH. Additional data may be required if the referenced documents do not contain sufficient data to determine that each of the criteria has been met.

A community with an approved Neighborhood Revitalization Zone (NRZ) pursuant to Connecticut General Statutes Chapter 118, Sec. 7-600 may use the strategic plan developed for the NRZ as the CRS as long as any additional information required by DOH is also provided.

Once a CRS is approved, the community is eligible for the following incentives:

- Job Creation/Retention as a Low- and Moderate-Income Area Benefit: Job creation/retention activities undertaken pursuant to the CRS may be qualified as meeting area benefit requirements, thus eliminating the need for a business to track the income of the persons that take or are considered for such jobs;
- Aggregation of Housing Units: Units assisted pursuant to the CRS may be considered to be part of a single structure for purposes of applying the low- and moderate-income

national objective criteria, thus providing greater flexibility to carry out housing programs that revitalize neighborhoods;

- Aggregate Public Benefit Standard Exemption: Economic development activities carried out under the strategy may be exempt from the aggregate public benefit standards, thus increasing a community's flexibility for program design as well as reducing its record-keeping requirements; and
- Public Service Cap Exemption: Public services carried out pursuant to the CRS by a Community Based Development Organization (CBDO) will be exempt from the Public Services federal funding cap.

6. Section 108 Community Development Loan Guarantee Program (Section 108)

Section 108 Loan Guarantees are an extension of the SC/CDBG Program and provides a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects, in accordance with Section 108 of the Housing and Community Development Act of 1974, as amended. The program is designed to assist non-entitlement local governments (eligible communities) with eligible large-scale projects that address public needs and that could not otherwise advance without the loan guarantee.

Guaranteed by HUD and backed by the full faith and credit of the United States Treasury, Section 108 Notes are issued to investors through private underwriters. Section 108 funds are offered to eligible communities in the form of loans that must be repaid in full. Under this provision of the SC/CDBG program, for any projects approved under this provision, the state pledges its future SC/CDBG funds as the ultimate repayment source in case of repayment default by the loan recipients.

The state's participation in the Section 108 program does not commit any funding to any local government. HUD will make the ultimate decisions regarding any local government applications for Section 108 loans. All Section 108 projects must meet all applicable CDBG requirements and result in significant employment and/or benefit for low- and moderate-income persons. Projects that already have an alternate source of financing under another program will generally not be considered for Section 108 loans unless the available funds are not sufficient to meet the project's needs. Section 108 program regulations are found at 24 CFR Subpart M-Loan Guarantees, Sections 570.700 to

570.711. All Section 108 projects will be required to provide additional security and demonstrate that the Section 108 borrowing can be paid back. Additionally, in order to be considered for funding by DOH, all Section 108 projects of regional significance must receive the approval of either the regional planning organization or the economic development district in which the project is proposed.

Eligible communities can apply directly for Section 108 loans with the approval of DOH, more specifically the Office of Housing Development. The loan requirements and eligible activities are described previously. However, the citizen participation requires that the details of any proposed loan be included in an amendment to the annual Action Plan.

Proposals for Section 108 loans may be accepted by DOH throughout the year and will be evaluated on project merits by a review team. Communities will be requested to complete a pre-application, which will enable DOH to determine that the proposal meets federal eligibility and feasibility criteria. Proposals will be accepted for large-scale housing rehabilitation, housing development, site preparation, infrastructure and economic development. The amount of funds committed to a particular project will be based on financial need and public benefit relative to risk.

7. Evaluation Criteria for SC/CDBG Program

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

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

The project must meet one or more of the priorities as outlined in the ConPlan. This category will consider: the overall housing and community development needs of the site; the neighborhood, the community, the municipality and the region in which the activity is proposed; the documented need for the specific activity proposed; the extent to which low- and moderate-income households will be served or will benefit; the extent to which health and safety issues apply; the extent to which the proposal addresses the community's special needs housing and a market analysis of the proposed activity and waiting lists (if appropriate). This category also includes a rating of the applications demonstration of how it will meet DOH established fair housing goals and requirements. DOH will consider the demonstration of a previously approved and active Fair Housing Action Plan, and the applicant's performance in achieving the goals of the plan. Applicants must submit a Fair Housing Action Plan that has been updated within the last three years and milestones/achievements as a result of the plan. The extent to which the proposed activity addresses elements in the state's Analysis of Impediments Action Plan will be considered. In addition, the department will also take into account whether the applicant adheres to an Equal Opportunity Plan, including a Section 3 Plan. This category will also consider the extent to which a proposal promotes racial and economic integration, the extent to which the proposal offers housing choice and opportunities to low- and moderate-income households and to persons with special needs.

b. Project Feasibility and Readiness to Proceed

DOH must expend federal funds in a timely manner; therefore, priority shall be given to all projects that have a "ready to proceed" status. "Ready to proceed" means that necessary approvals are in place, such as permits, funding, certifications, etc. This category will consider distinct areas: site, development, and operational feasibility. Site feasibility will consider the environmental condition of the proposed activity, site control, current zoning and approvals, infrastructure condition and needs, the presence of hazardous materials, and historic preservation requirements. Development feasibility will consider project cost including total development cost, per unit cost and program cost ("soft cost"), proposed development budget, appraisals, funding commitments from other sources, amount of funding leveraged, the extent to which funds are used as gap financing or funding of last resort, relocation, project time line, and project readiness to proceed. Operational feasibility will consider proposed operating budget, proposed rents and/or purchase prices, the reasonableness of operating expenses including fees, and cash flow projections for the project.

c. Applicant/Sponsor Capacity

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

d. Responsible Growth, Livability Initiatives, and Community Impact

Responsible growth[11] includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. DOH may give preference to projects that satisfy the following responsible growth criteria:

- Conformance with the goals and development and conservation criteria of the current Conservation and Development Policies Plan for Connecticut;
- Have regional development emphasis or are result of regional collaborations;
- Reuses and rehabilitates existing property, infrastructure, and land;
- Are sited within existing developed areas and promote infill development;
- Are sited within existing public utilities service areas (water, sewer, etc.);
- For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land;
- Promote transit-oriented development[12];
- Provide or leverage educational opportunities at all grade levels;
- Promote the livable characteristics of the sustainable communities' initiative[13];
- Promote mixed-use[14] development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other);
- Integrate sustainable building characteristics such as energy/water conservation, energy efficiency and "green" building into project design; and
- Avoid adverse impacts to natural and cultural resources and open space.

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[11] As per the Governor's Executive Order No. 15, DOH is actively adopting responsible growth principles in all its policies and programs.
[12] "Transit-oriented development" as defined in the June Special Session, Public Act No. 07-7 of the Connecticut General Assembly, is the development of residential, commercial and employment centers within one-half mile or walking distance of public transportation facilities, including rail and bus rapid transit and services, that meet transit supportive standards for land uses, built environment densities and walkable environments, in order to facilitate and encourage the use of those services.
[13] HUD, the USDOT and the EPA have entered into a "partnership to help American families gain better access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities". This initiative, known as the Sustainable Communities Initiative, is based on livability principles that emphasize integration of land use with transportation - See "HUD and Dot Announce Interagency Partnership to Promote Sustainable Communities", HUD Press Release No. 09-023, March 18, 2009
[14] Mixed-use refers to a variety of land uses such as residential, retail, commercial, business, office, public, and recreational.

- DOH may consider the community impact of a proposal and whether the proposal is part of a comprehensive planning process for the community, such as a Community Revitalization Strategy, Plan of Development or similar planning effort. The applicant must provide evidence of the planning effort supporting the project. This category will consider: the relationship between the proposed activity and the other housing; housing activities that are planned or underway in the impacted neighborhood; the relationship of the proposed activity to priorities identified in the municipality's or region's plan of development; the economic impact of the proposed activity; local government support for the proposed activity; neighborhood support for the proposed activity and if the proposed activity is located in a targeted investment area, such as a Neighborhood Revitalization Zone or Enterprise Zone.

8. Method of Distribution for SC/CDBG Program

FY 2026-27 funding for the SC/CDBG Program will be available through a competitive application funding round. The CDBG Application Workshop will be held on June 2, 2026. DOH will provide adequate advance notice of fund availability and 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. Notification of such limitation will be included in DOH's notice of fund availability should DOH elect to set such a limitation.

In the case of Urgent Need, DOH will accept applications on a first-come first-serve basis, if funds are available. DOH will primarily focus 2024 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("**SSHP**") but will not exclude housing authorities outside of SSHP or Public Infrastructure in support of affordable housing.

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

The CDBG general application process is subject to change annually and will be communicated by DOH. Method of Distribution includes the following:

- The process is started by the applicant completing/submitting an Intent to Apply Form. It is noted that all proposed projects must meet eligibility requirements and national objective criteria. It is understood that the proposed project could change by the time applications are submitted;
- Attend the Application Workshop and receive the application form;
- Hold Public Hearing (eventually there will be two public hearings at different times during the project): Notice to be published at least twice in a daily newspaper of general circulation in the municipality; Affidavit of Publication and meeting minutes will be a part of application;
- Conduct an Environmental Review: Establish Environmental Review Record; Determine type of activity and environmental impact; Publish request for release of funds; Request release of funds from DOH;
- Write Application: Select eligible activity; Determine National Objective; Prepare and submit application to DOH;
- Rate and Rank: DOH receives and reviews application; DOH rates sand ranks applications;
- Award: DOH submits ratings and rankings to Commissioner of Housing for award approval; Governor's Office announces the awards;
- Contract Documents: DOH prepares contract documents; DOH sends contract documents to grantee; Grantee returns signed documents to DOH; Commissioner of Housing executes contract documents;
- Construction Period;
- DOH conducts Monitoring and Closeout.

9. Program Eligibility and Threshold Requirements:

DOH has established the following threshold requirements in order for applicants to be eligible to apply for funds:

- Eligible applicants: As defined by HUD program regulations;
- Eligible activity: As defined by HUD program regulations;
- National Objective: Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Citizen Participation: Applicants must provide certification of compliance with citizen participation criteria;

- Consistency with the ConPlan: Applicants must identify how the project is consistent with the goals and strategies of the ConPlan;
- Fair Housing and Equal Opportunity Compliance: Applicants must submit a Fair Housing Action Plan which complies with DOH's guidelines/policies;
- Statement of Compliance: Applicants must be in compliance with all existing department assistance agreements and cannot be in default under any CHFA or HUD administered program; and
- Expenditure Rates – 2025 grants are a Program Waiver; 2024 grants must be 50% expended by April 29, 2026; 2023 grants must be 100% expended and have a Pre-Closeout Certificate by April 29, 2026; 2022 grants and older must have been closed out with a Certificate of Completion and Semi-Annual Progress Reports by April 29, 2026.
- No more than 2 open grants are allowed per applicant.
- Open, unresolved monitoring findings will be considered.
- Applicants "terminated for cause" in the last 5 years are ineligible.

a. Planning Only Grants:

Requests for funding are part of the competitive application process outlined above. Federal and state policy requires that all "Planning Only" grants develop plans that, if implemented, would meet the low- and moderate-income or slum and blight national objectives. To meet this requirement, Planning Only grants must be for a specific eligible activity. Communities are limited to one Planning Only grant request per program year in an amount not to exceed $25,000. Total awards for Planning Only grants do not exceed 2% of the state's annual allocation. These activities are not actively being considered this year.

b. Economic Development:

Requests for funding are part of the competitive application process outlined above. Economic Development activities are not actively being considered this year.

Eligible communities or multi-jurisdictional applicants can assist businesses in meeting the national objective for low- and moderate-income benefit through job creation or retention. In addition to the criteria stated above, economic development activities must demonstrate the appropriateness of SC/CDBG funding; that the type and level of SC/CDBG Program financial assistance is reasonable in relation to the achieved public benefit; and that the level of financial assistance would not unduly enrich the business.

c. Public and State-Assisted Housing Modernization:

Requests for funding are part of the competitive application process outlined above. Public and State-Assisted Housing Modernization is our focus this year. All applications for the rehabilitation of Public and State-Assisted Housing must meet the "readiness to proceed" criteria. To meet this criterion, owners must, at a minimum, have their preliminary architectural plans and drawings completed, including all necessary approvals, prior to application submission. This process will guarantee that the application is meeting all of the criteria of architectural review and will ensure the owners readiness to move forward at the time of award.

d. Housing Rehabilitation Program:

Requests for funding are part of the competitive application process outlined above. While DOH is not actively prioritizing Housing Rehabilitation activities, DOH will consider Housing Rehabilitation projects on a case by case basis. All applications for the rehabilitation of private residential properties must meet the National Objective of benefiting L/M income persons and the SC CDBG program requirements as described throughout this document.

e. Public Service:

Requests for funding are a part of the standard application process outlined above. The Department is not actively allocating funds to Public Service activities for this period.

f. Funding Priorities:

DOH will focus 2026 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("SSHP"). The Department may allocate funds to housing authorities outside of SSHP and Public Facilities/Infrastructure that support affordable housing for this period.

g. Program Income:

It is the policy of DOH that funds provided under the SC/CDBG Program are considered "revolving loan funds". Program Income, which has been derived from eligible activities funded with SC/CDBG Program funds, may be used only for eligible

SC/CDBG Program activities and in accordance with the provisions of Title I of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570.489(e). Program Income is defined as gross income received by a unit of general local government or a sub-recipient of the local government that has been directly generated from the use of SC/CDBG Program funds. Program income received in a single year by a revolving loan fund is considered program income regardless of the amount. There is an 8% limit on grantee administration costs, and up to a 12% limit on program costs per the amount of program income allocated toward a specific activity. Funds received from other than a revolving loan program retained by a unit of local government must not exceed $33,000.

- The Program Income Reuse Plan must have been approved by the municipality in compliance with all applicable requirements, including, without limitation, the requisite public hearing(s) prior to its being filed with the state or filed with the application. If the municipality has an approved Program Income Reuse Plan on file with the state, it has the option of retaining the Program Income and expending it in accordance with the Small Cities Program Income Guidelines and in accordance with requirements of the approved Program Income Reuse Plan; however, the municipality must substantially expend its Program Income by the end of the Program Year. The municipality will be required to disburse its Program Income prior to requesting additional funds or drawdowns for the same Program.
- Any program income and miscellaneous revenue must be reported quarterly to the state as part of the reporting process.
- Program income must be expended before requesting additional grant funds if the grantee has a current grant and the activity was approved in the program income re-use plan, (2) request DOH's permission by completing a program income application to expend program income on an activity that was not approved in the program income re-use plan, (3) the grantees' request for a future grant if awarded will be reduced by the excess program income and (4) the grantee will be requested to return the excess program income to DOH if the funds can't be expended within a reasonable amount of time (DOH to determine reasonable).

h. Project award amounts:

Project award amount for Public Housing Modernization is $2,000,000. DOH will focus 2026 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("SSHP") but will not exclude housing authorities outside of the SSHP, Public Infrastructure in support of affordable housing, or other housing/community development activities that support low- and moderate-income households

A town can request to exceed the amounts noted below if they submit a request letter and provide detail:

Housing Rehabilitation Program	$ 800,000
Public Housing Modernization	$2,000,000
Public Facilities	$1,000,000
Infrastructure Streets & Sidewalks	$1,000,000
Public Services	$ 350,000

i. Admin and Program Costs for Housing Rehab projects

Under the Connecticut Small Cities CDBG Program, grantee administration costs are limited to $33,000 for housing rehabilitation programs and $28,500 for all other activities. Program costs are limited to 12% of grant funds for all activities.

j. Final Recommendations:

Based on the overall quality of the application and compliance with the threshold and evaluation requirements, staff will make recommendations to the Commissioner. For competitive application funding rounds, the criteria above will be used to rate and rank all applications for major activities; and recommendations to the Commissioner's office will be based on this rating and ranking system. Applicants will receive written notification after final decisions have been made. Applicants that are not funded will be notified in writing.

10. Small Cities CDBG Monitoring

Monitoring during the Development Stage: The Offices of Small Cities-CDBG and Architectural and Technical Services (ATS) in DOH has the primary responsibility for monitoring all projects financed by DOH with federal (Small Cities CDBG) funds. DOH will monitor applicants' compliance to program requirements in accordance with 24 CFR 570 for the for SC/CDBG Program. Technical Services staff will monitor the physical construction of any project, including plans/spec review, on-site construction monitoring, as well as physical inspection during construction. SC/CDBG staff are responsible for the overall coordination of all monitoring during construction; including: a) Davis-Bacon wage rate compliance, if applicable, b) Section 3 compliance, if applicable, c) as well as regular periodic monitoring including; i) desk reviews of quarterly reports, ii) programmatic reviews, and iii) long term monitoring relative to program compliance.

Long-term Compliance Monitoring: In accordance with 24 CFR Part 570, and the contract for financial assistance, once a program is completed, the OSCTS will:

a. Perform periodic desk and/or file reviews and on-site visits as needed to ensure that the Grantee is operating the program in compliance with the contract for financial assistance. The areas to be reviewed for compliance may include, but are not limited to:

- Program management;
- Citizen participation;
- Financial management;
- Procurement;
- Labor standards compliance;
- Construction management;
- Affirmative fair marketing and
- Assessment of Fair Housing Assistance Plan efforts;
- Section 3 and MBE/SBE efforts; and
- Program income.

b. Prepare monitoring letters and note any areas of non-compliance to the communities and allow appropriate time to correct the problem.

On Site monitoring visits to CDBG program grantees will be performed not-less-than once during the life of the project.

D. Recovery Housing Program (RHP)

The Recovery Housing Program (RHP) is authorized by the SUPPORT for Patients and Communities Act (SUPPORT Act), which was passed in 2018. RHP rules fall under the umbrella of the Community Development Block Grant (CDBG) Program, as modified for RHP by Federal Register Notice (FR-6225-N-01) (the Notice).

The intent of the pilot Recovery Housing Program (RHP) is to support individuals in recovery from substance use disorders (SUD) on a path to self-sufficiency by providing stable, temporary housing. RHP funds may be used to develop or maintain housing for individuals in recovery from SUD.

The RHP is administered by the United States Department of Housing and Urban Development (HUD). Within the State of Connecticut, the Department of Housing (DOH) is designated as the principal state agency for the allocation and administration of RHP funding.

As mandated by the SUPPORT Act, The State of Connecticut will distribute funds giving priority to entities with the greatest need and ability to deliver effective assistance in a timely manner. DOH will utilize RHP dollars in the following two ways: 1) in conjunction with the state's two Continuum of Cares, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC) in support of creating sober housing; and 2) in conjunction with the Court Support Services Division of the State of Connecticut Judicial Branch in the creation of transitional housing.

The RHP is incorporated into this FY 2026-2027 Action Plan and includes the following sections in accordance with federal regulations:

- Resources: Funding sources available;
- State Direct Activity;
- Method for distributing funds for activities;
- Geographic Distribution: Geographic areas to which the state will direct assistance;
- Administration Costs;
- Program Income;
- Monitoring;
- Procurement Process;
- Priority Needs;
- National Objectives;
- Eligible Activities;

- Overall Benefit;
- Waivers and Alternative Requirements
- Summary of Public Comments: Comments made on the Action Plan and DOH responses;
- Applications for Assistance: HUD Form SF-424;

1. FY 2026-2027 Federal Resource Allocation Plan for the RHP

The following table details the funding allocated to the State of Connecticut under Section 8071 of the pilot Recovery Housing Program (RHP) authorized by the SUPPORT for Patients and Communities Act (SUPPORT Act).

Recovery Housing Program funds for the State of Connecticut	
Allocation Year	Recovery Housing Program Funds
Federal Fiscal Year 2026	$938,224

The State of Connecticut will comply with RHP expenditure requirements and deadlines, including to expend at least 30% of its RHP funds within one year from the date HUD signs the RHP grant agreement, to expend 100% of the RHP funds before the end of the period of performance and to limit administrative costs to 5% of the RHP grant. All program activities will be carried out directly through employees, procured contracts, or under agreements with subrecipients. RHP funds will be used in accordance with all program requirements including 2 CFR Part 200. All costs charged to the RHP grant must be reasonable and necessary.

The Federal Fiscal Year 2026 allocation to DOH for the RHP Program is $938,224. RHP funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes. Grant administration for FFY 26 will be capped at 5% of the allocation. Administration matching funds are not required. The state does not intend to utilize RHP funds to generate program income or to allocate RHP funding for technical assistance.

As mandated by the SUPPORT Act, the State of Connecticut will distribute funds giving priority to entities with the greatest need and ability to deliver effective assistance in a timely manner. RHP dollars will be utilized in the following two ways: 1) in conjunction with the state's two Continuum of Care, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC) in support of creating sober housing; and 2) in conjunction with the Court Support Services Division of the State of Connecticut Judicial Branch in the creation of transitional housing.

Recovery Housing Program Dollars from Previous Years' Allocation	
RHP Awards	**Award Funding**
RHP Funding Allocation FFY 20	$ 944,000
RHP Funding Allocation FFY 21	$ 944,199
RHP Funding Allocation FFY 22	$ 1,064,668
RHP Funding Allocation FFY 23	$ 1,209,615
RHP Funding Allocation FFY 24	$ 1,205,697
RHP Funding Allocation FFY 25	$ 938,224
Total Years' RHP Funding	$ 6,306,403

Should the amount of the authorizations by the federal government be greater or lesser than the anticipated allocation denoted, these funds will be distributed on a prorated basis as defined above. While the state cannot anticipate what other public or private funds may become available to support the programs, activities and strategies discussed here, the state will endeavor to maximize the use of any such resources as they become available.

2. Reprogramming of Funds

During any fiscal year, DOH may recapture funds. Recaptured funds may come from:

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

Any reprogrammed funds obtained during the FY will be reallocated 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. State Direct Administration

The State of Connecticut will use its RHP funds to act directly, subject to state law and RHP requirements, to carry out activities through employees, contractors, and subrecipients in all geographic areas within its jurisdiction, including entitlement areas and tribal areas. The state will focus RHP funds towards projects that complement federal substance abuse-related assistance, and will be responsible for submitting the Request for Release of funds to HUD for approval.

The State of Connecticut will carry out activities through subrecipients and will comply with 24 CFR 570.489(m) relating to monitoring and management of subrecipients. The definition of subrecipient at 24 CFR 570.500(c) applies when utilizing subrecipients, and the requirements of 24 CFR 570.489(g) (as modified by section II.D.vii) shall apply. For purposes of this alternative requirement, the definition of subrecipients at CFR 570.500(c) is modified to expressly include Indian tribes. Indian tribes that receive RHP funding from the State of Connecticut must comply with the Indian Civil Rights Act (Title II of the Civil Rights Act of 1968, 25 U.S.C. 1301 et seq).

For activities carried out by the State of Connecticut in entitlement areas, the provisions of 24 CFR 570.486(c) are waived to the extent necessary to allow the state, either directly or through units of general local government, to use RHP funds for activities located in entitlement areas without contribution from the entitlement jurisdiction.

At its discretion, the State of Connecticut may carry out activities utilizing the state CDBG program regulations to distribute RHP funds to units of general local government, Indian tribes, tribally-designated housing entities, and entitlement areas.

4. National Objectives and Eligible Activities

The State of Connecticut will utilize RHP funding on RHP-eligible activities (42 U.S.C. 5305(a)). The state will utilize RHP funding for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder.

CDBG-eligible activities that meet the RHP intent of providing stable, temporary housing for individuals in recovery from a substance use disorder are limited to:

- Public facilities and improvements;

- Acquisition of real property;
- Lease, rent, and utilities;
- Rehabilitation and reconstruction of single-unit residential buildings;
- Rehabilitation and reconstruction of multi-unit residential buildings;
- Rehabilitation and reconstruction of public housing;
- Disposition of real property;
- Clearance and demolition;
- Relocation; and
- Expansion of existing eligible activities to include new construction of housing.

Any activity not specifically authorized by HUD program regulations will be considered to be ineligible for assistance under the Recovery Housing program.

RHP funds may not be used for activities to aid in the prevention or elimination of slums or blight, or activities addressing urgent needs. All RHP funds must be used for activities that benefit LMI persons. 24CFR 570.208(a)(2) and 570.483(b)(2)(i)(B) expand Limited Clientele criteria to enable assistance for acquisition, rehabilitation, reconstruction, or new construction activities, when at least 51% of beneficiaries are LMI. Any cost or other limitations on beneficiary participation may not be prohibitive for low-income persons. In addition, 24CFR 570.208(a)(2)(i)(A) or 570.483(b)(2)(ii)(A) expands eligible categories of Limited Clientele to include persons who meet the federal poverty limits or persons who are insured by Medicaid.

Lease, rent, and utilities costs may be paid for an eligible individual for up to 2 years. There is not limit on the portion of the grant that may be used for such costs. Payments must result in a new service or quantifiable increase in an existing service.

Grant administration will be capped at 5% of the allocation. The state does not intend to utilize RHP funds to generate program income or to allocate RHP funding for technical assistance. Administration matching funds are not required.

5. Waivers and Alternative Requirements

Section 8071 of the SUPPORT Act (Section 8071) requires funds appropriated or made available for the Recovery Housing Program be treated as community development block grant (CDBG) funds under Title I of the Housing and Community Development Act of 1974, unless otherwise provided in Section 8071 or modified by waivers and alternative requirements. The SUPPORT Act authorizes the Secretary to waive or specify alternative requirements to any provision of Title I of the HCD Act, except for requirements related to fair housing, nondiscrimination, labor standards, the environment, and requirements that activities benefit persons of low-and moderate-income. These waivers and alternative requirements are only applicable to the use of RHP funds and do not apply to CDBG funds used in conjunction with RHP funds or other sources of CDBG funds that are used for similar activities.

The State of Connecticut will follow all applicable waivers and alternative requirements to the CDBG program requirements at Title I of the Housing and Community Development Act (HCDA) and 24 CFR Part 570 that HUD has found are necessary to expedite or facilitate the use of RHP funds. Except as specified in the Notice, the statutory and regulatory provisions of the annual CDBG program apply.

6. Geographic Distribution

The State of Connecticut will use its RHP funds to act directly, subject to state law and RHP requirements, to carry out activities through employees, contractors, and subrecipients in all geographic areas within its jurisdiction, including entitlement areas and tribal areas. Whenever possible, the State of Connecticut will prioritize the distribution of funds in the service are of the Opening Doors Fairfield County (ODFC) Continuum of Care, service availability through Court Support Services Division of the State of Connecticut Judicial Branch in the creation of transitional housing.

7. Method of Distribution

The state's methods of distributing funds and carrying out activities funded by HUD will be through a Notice of Funding Availability (NOFA) and a competitive application process. The state will distribute RHP funds with priority given to entities serving populations with the greatest need and the ability to complete the eligible activity in a timely manner. Should insufficient applications be received to fully utilize available funding, the Department will consult with the state's two Continuum of Care, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC) to identify other potential opportunities. To maximize and leverage these resources, the state will coordinate RHP-funded projects with other Federal and non-federal assistance related to substance abuse, homelessness and at-risk of homelessness, employment, and other wrap-around services.

8. Program Eligibility and Threshold Requirements

DOH has established the following threshold requirements in order for applicants to be eligible to apply for funds:

- Eligible applicants: nonprofit corporations, municipal and tribal governments;
- Eligible activities: must benefit individuals in recovery from a substance use disorder and are limited to:
  - Acquisition of real property;
  - Lease, rent, and utilities;
  - Rehabilitation and reconstruction of multi-unit residential buildings;
  - Disposition of real property;
  - Clearance and demolition;
  - Relocation; and
  - New construction of housing.
- National Objective: Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Statement of Compliance: Applicants must be in compliance with all existing department assistance agreements and cannot be in default under any CHFA or HUD administered program.

9. Application Evaluation Process

Proposals will be evaluated by a review team on applicant qualifications including but not limited to:

- financial capacity of the applicant to provide and/or coordinate the provision of necessary services;
- organizational capacity of the applicant to provide and/or coordinate the provision of necessary services;
- past positive history of the applicant with DOH.

DOH will conduct due diligence and evaluate all eligible applications using the evaluation criteria described herein. Depending on the nature of the proposed activity, site inspections may be conducted by DOH staff or its agent. An evaluation of the site's feasibility will be completed and considered as part of the final review. Staff/agent review will include but not be limited to the following:

- detailed project description including map showing project location;
- Project participants and partners including names of lead applicant(s), leasing agencies, equity provider, source of permanent financing and owner of assets after project completion, as applicable;
- project budget and requested grant amount;
- consistency with the RHP program national objectives.

All final decisions are left to the discretion of the DOH Commissioner.

As previously noted, should insufficient applications be received to fully utilize available funding, the Department will consult with the state's two Continuum of Care, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC) to identify other potential opportunities.

10. Funding Priorities

As mandated by the SUPPORT Act, The State of Connecticut will distribute funds giving priority to entities with the greatest need and ability to deliver effective assistance in a timely manner. RHP dollars will be utilized in the following two ways: 1) in conjunction with the state's two Continuum of Cares, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC); and 2) in conjunction with the Court Support Services Division of the State of Connecticut Judicial Branch in the creation of transitional housing.

11. Program Income /Technical Assistance/Matching Requirements

Grant administration will be capped at 5% of the allocation. The state does not intend to utilize RHP funds to generate program income or to allocate RHP funding for technical assistance. Administration matching funds are not required.

12. Monitoring for Recovery Housing Program Funds

The Department of Housing shall make reviews and audits of any designated public agencies, units of general local government, and subrecipients. In the case of noncompliance, the state shall take action to prevent further efficiencies and mitigate consequences (24 CFR 570.492).

Additionally, under 24 CFR 58.49 (b) – responsible entity for environmental review, the Department of Housing shall be the responsible agency for submitting the Request for Release of funds to HUD for approval.

13. Reporting on Recovery Housing Program Funds

The accomplishments for the State of Connecticut Recovery Housing Program for Federal Fiscal Year 2026 will be provided upon guidance from HUD with 100% expenditure of funds by September 1, 2027.

14. Cross-Sector Partnerships

The intent of RHP is to support individuals in recovery from substance use disorders (SUD) on a path to self-sufficiency by providing stable, temporary housing. Cross-sector partnerships help serve the diverse needs that those entering recovery housing are likely to have and enhance the impact of recovery housing.

Recovery housing is one component of the care continuum that promotes long-term recovery and addresses the needs of the whole person with a SUD. Whole Person Care addresses various dimensions of an individual's life that require different treatment that may affect long-term recovery. Partnerships that bring additional resources to collectively address all dimensions are essential. The State of Connecticut intends to coordinate with the state's two Continuum of Care, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC); and will also coordinate with the Court Support Services Division of the State of Connecticut Judicial Branch.

E. Emergency Solutions Grants (ESG) Program:

Connecticut anticipates receiving $2,383,432 in federal ESG funds for the Action Plan program year beginning July 1, 2026. ESG funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes.

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 as described in this section. During the FY, DOH may recapture funds from previous fiscal years due to any of the following: a) nonperformance; underutilization; or program income.

Funds may be reallocated 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 during the FY, these funds will be distributed in accordance with the Action Plan guidelines in effect as of the date of reallocation.

DOH administers these funds by providing assistance to about ten (10) non-profit organizations. DOH will be re-bidding in this fiscal year. In addition, DOH provides state and other funding to these providers who are experienced, well established in their communities and provides quality services. The funding received from ESG enables the organizations to provide shelter beds, case management services and rapid re-housing services to homeless persons. DOH is currently developing a more formal process for the future allocation of all sources of funds to homeless shelters.

The pool of federal and state dollars, allocated to local community faith-based organizations and municipalities, is for the provision of temporary shelter for homeless individuals and families. The funds provide operational costs, essential services such as counseling, case management, health, education, employment and training as well as HMIS costs and rapid re-housing. It is projected that under the Emergency Solutions Grants Program (ESG), federal ESG funds will be targeted as follows: Operations (Emergency Shelter) 50%; HMIS 4%; Rapid Re-Housing 41% and administration 5%.

Through competitive procurement, DOH had awarded to seven (7) ESG funded shelters: two (2) shelters that support families, four (4) shelters for both families and individuals, and one (1) shelter that supports individuals. These shelters were previously established due to the documented need to support homeless individuals and families. As needs are identified in local communities, DOH examines its current financial capability to determine if there is financial and program support for new shelters. In addition to ESG funded shelters, DOH also funds an additional 32 shelters utilizing state and federal funds, which bring the total funded shelters to 37. DOH intends to utilize ESG monies for Rapid Re-housing for this fiscal year. DOH has awarded a non-profit the right to act as the ESG financial assistance fiduciary agency. At a minimum 40% of the annual ESG allocation will go to this fiduciary to administer financial assistance requested by housing relocation and stabilization agencies. DOH has leveraged existing resources to provide Housing Relocation and Stabilization Services to support the Rapid Re-housing program to ensure that homeless households will have a better chance of remaining stably housed. Through competitive procurement, nine (9) agencies have been awarded assistance to aid our homeless population with housing relocation and up to 12 months of stabilization services and in-home case management. These nine agencies receive referrals for services and financial assistance through their local Coordinated Access Network (CAN).

The ESG program is funded by the U.S. Department of Housing and Urban Development (HUD) to provide states and localities with resources and incentives to devise and implement long-term comprehensive strategies for meeting the emergency shelter and housing needs of the homeless and those at risk of homelessness.

ESG and State General Fund dollars are utilized in conjunction with the state's two Continuum of Cares, the Connecticut Balance of State Continuum of Care (CT BOS CoC) and Opening Doors Fairfield County (ODFC).

The CT BOS CoC and ODFC are united coalitions of community and state systems that assist homeless and near homeless residents in Connecticut region to obtain housing, economic stability, and an enhanced quality of life through a coordinated community-based process of identifying and addressing needs utilizing ESG and State General Fund dollars. Avoiding duplication of efforts, leveraging resources and coordinated planning are other purposes of the CT BOS and ODFC. More specifically the CT BOS CoC and ODFC are responsible for the following:

- Enhance the knowledge of the service and housing providers to address the housing and service needs of homeless and formerly homeless persons in CT;
- Identify housing needs of homeless and low-income persons in Connecticut on an ongoing basis;
- Identify the gaps and needs of homeless households in Connecticut and participate in the process of prioritizing local, state and federal funding to meet these needs;

- Support planning and development of housing and services to meet prioritized needs within Connecticut;
- Participate in the development and operation of a coordinated access system (CAN) that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services and helps direct those persons to the appropriate providers;
- Evaluate outcomes of projects funded under Emergency Solutions Grant and CoC programs and report to HUD;
- Ensure that there is a single Homeless Management Information System (HMIS) Connecticut; and
- Ensure that there is at least a biennial point-in-time count of homeless persons in the Connecticut.

CT BOS and ODFC CoC Steering Committees are the planning bodies that coordinate policies, strategies and activities toward ending homelessness in the Connecticut. The Steering Committees gather and analyze information in order to determine the local needs of people experiencing homelessness, implement strategic responses, educate the community on homeless issues, provides advice and input on the operations of homeless services and measures CoC performance.

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.

1. **Outcome Measures for Homeless Shelter:**
   DOH has negotiated the client-based outcomes and measures with directors of emergency shelters listed below. Each shelter will select and negotiate individual numerical outcomes and measures with DOH staff and will submit monthly statistical demographics reports, as well as ESG annual performance reports. DOH has also added contractual language as it relates to Homeless Management Information System (HMIS) requirements and utilization. The projected numerical goals represent statewide outcomes that will be evaluated every six months.

Clients will attain alternative housing and/or access to social and/or treatment services. Alternative housing includes, but is not limited to, transitional housing, residential treatment programs, supportive and permanent housing. Social services include but are not limited to domestic violence abuse counseling, family counseling, educational and employment and financial counseling, child care, security deposit and rental assistance programs. Treatment services include, but are not limited to, residential and outpatient mental health and substance abuse treatment and medical treatment.

a. **Measure 1:** At least 40% of clients access permanent housing.

b. **Measure 2:** No more than 15% of clients are discharged to homelessness.

c. **Measure 3:** At least 100% of Clients access additional social and /or outpatient treatment services as needed in the housing plan.

d. **Measure 4:** For clients whose housing plans include agreed upon goals of accessing information on health, education, housing, budgeting, and/or other services as defined in the program component selected above, in order to make informed decisions about their health, education, finances, housing and other identified needs, 100% were provided with such information, as individually appropriate, in order to enable them to make informed decisions on meeting those needs.
   - 100% of clients have come in to the program through local coordinated access

e. **Measure 5:** The monthly shelter utilization rate, as reported in the Monthly Shelter Utilizer Report, shall be at or above 80%.

f. **Measure 6:** If the monthly shelter utilization rate falls under 80% for more than 3 months consistently during this contract period, the contractor will communicate with DOH to explain the reasons for the low utilization rate.

2. **Homeless and other Special Needs:**

DOH provides funding for the youth transitional living program to two (2) contractors for the provision of multi-family or single room residency living arrangements. A variety of support services are provided to these individuals during their stay in the program. Stays can range from a period of six months to two years. The goal is to have these youth gain self-sufficiency and permanent housing.

Permanent Supportive Housing is strongly supported in Connecticut. In April 2006, a Memorandum of Understanding (MOU) was entered into by several state agencies including the Office of Policy and Management (OPM), DOH, the Department of Mental Health and Addiction Services (DMHAS), the Department of Social Services (DSS), the Connecticut Housing Finance Authority (CHFA) and the Corporation for Supportive Housing (CSH). This MOU was in support of the statewide Next Steps Supportive Housing Initiative and the purpose was to increase service-supported, affordable housing for people with mental illness or substance abuse problems who face homelessness. DOH has devoted both Section 8 and State Rental Assistance to project-based programs developed as part of this initiative. DOH actively participates in the Balance of State Continuum of Care Steering Committee and Homeless Management Information Systems (HMIS) Steering Committee Meetings. DOH is also a member of the Reaching Home Steering Committee. Reaching Home is the leadership structure for planning and oversight of a framework to end homelessness in Connecticut modeled after the Federal Strategic Plan to Prevent and End Homelessness, *Opening Doors.*

3. **Certification on Coordinated State Policy Regarding Discharge:**

The State of Connecticut has been aware of issues related to the lack of coordination around discharge of persons from state institutions and facilities and problems related to resulting homelessness due to the lack of such coordination. Although Connecticut does not yet have a coordinated policy for the discharge of persons from publicly funded institutions in order to prevent discharge resulting in homelessness, the following are examples of current efforts to address this issue:

- DSS and the Department of Corrections (DOC) have entered into a Memorandum of Understanding in which DOC provides funding for two DSS eligibility workers to determine the eligibility of persons being released from Corrections for state service programs. The state programs include Medicaid, Supplemental Nutrition Assistance Program, State Administered General Assistance (SAGA), Temporary Family Assistance (TFA) and the State Supplement Program. The theory is if the services are in place before the person is released, it will lessen the likelihood of homelessness.

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

DOH does not anticipate new federal funding for HOPWA related activities. However, Connecticut will allocate approximately $4,331,822 in annual funding from Connecticut's general operating budget to address individuals and families living with HIV/AIDS.

Should the amount of the allocation by the state government be greater or lesser than the anticipated allocation denoted, these funds will be distributed on a prorated basis as described in this section.

During the FY, DOH may recapture funds from previous fiscal years from:

- Non- performing grantees;
- Grantee's underutilized funds; and
- Program income generated by grantees.

Funds may be reallocated during the FY based on demand and/or emergency situations. In the event that additional funds are made available these funds will be distributed in accordance with the Action Plan guidelines in effect as of the date of reallocation.

DOH anticipates conducting a competitive procurement process for HOPWA/state services to ensure statewide coverage for the balance of state catchment area: Windham County, New London County, Middlesex County and Litchfield County.

The type of housing to be funded is tenant-based scattered site apartments or congregate housing, with applicable administration costs within the identified cap. The housing programs are located in two Balance of State EMSAs and provide housing with supportive services to approximately 20 individuals at any one time. The supportive services include case management, cooking and cleaning assistance, transportation, education and volunteer opportunities.

Effective 7/1/17, in order to fully coordinate HOPWA/state activities with assistance provided under the Continuum of Care Program, CT DOH's HOPWA/state program was integrated with the State's Coordinated Entry System known as Coordinated Access Networks (CANs). The use of the coordinated entry system will assure that HOPWA/state assistance is provided to those living with HIV/AIDS with the highest vulnerability and risks to housing stability. All referrals for permanent housing funded through HOPWA/state funding will occur through the CAN system. Grantees are required to report permanent supportive housing (PSH) vacancies to the relevant local CAN and to accept only applicants referred by the CAN. This ensures that applicants who have been homeless the longest and have the most intensive service needs receive priority access to HOPWA/state resources. If there are no literally homeless people living with HIV/AIDS in a CAN's geographic area, the CAN prioritizes people at risk of homelessness with the most intensive service needs for referral to HOPWA/state funded PSH.

The non-profit organizations that provide the described services have established excellent reputations within their communities. Each has developed networks that are informed of the available housing and supportive services provided. Staff works closely with discharge planners from hospitals, homeless shelters and correction facilities, as well as, with case managers and care coordinators from the regional AIDS consortia. As mentioned previously, Advancing Connecticut Together (ACT) and its members, through its quality assurance program, continue to work closely with DOH to establish appropriate and measurable performance measures for ACT's activities. In addition, ACT mails a semi-annual newsletter to approximately 1,200 social service and housing contacts. The DOH consults with ACT for technical assistance in the development of service models and program evaluation. ACT is a membership organization for AIDS housing providers in the state.

DOH has contractually required Homeless Management Information System (HMIS) utilization by all HOPWA/state grantees. The Department has also aligned its contract outcome measures with HUD's HOPWA outcome measures.

1. **Outcome Measures for AIDS Housing:**

   DOH has negotiated the following outcomes and measures with the AIDS residence service providers. Each organization that receives HIV/AIDS funds will establish numerical goals for the outcomes and measures selected, submit semi-annual reports and their annual CAPER Report to the Department. The numerical goals identified below represent the goal for all individual AIDS residence programs.

   a. **Measure 1:** 80 % clients will maintain housing stability, avoid homelessness and access care each year.

   b. **Measure 2:** 100 % of clients will have income below 80% of area median income upon intake.

c. **Measure 3:** 100% of clients will have a housing plan for maintaining or establishing stable on-going housing within 60 days of intake.

d. **Measure 4:** 100% of clients will have contact with case manager/benefits counselor consistent with the schedule specified in client's individual service plan.

e. **Measure 5:** 100% of clients had contact with a primary health care provider consistent with the schedule specified in client's individual service plan.

f. **Measure 6:** 75 % of clients have accessed and can maintain medical insurance/assistance.

g. **Measure 7:** 50 % of clients have successfully accessed or maintained qualification for sources of income.

h. **Measure 8:** 10% of total numbers of households have obtained an income-producing job.

G. Monitoring for ESG and HOPWA Programs:

The following describes the standards and procedures that the DOH will use to monitor activities carried out in furtherance of Connecticut's Consolidated Plan and will use to ensure long-term compliance with requirements of the ESG and HOPWA/state programs:

- ESG Monitoring: DOH Grants and Contract Staff monitor ESG Programs using a tool developed by the staff which, in a comprehensive manner, reviews each program's administration, personnel policies and procedures, accounting, budgeting, reporting, program services, goals and objectives, outcomes and measures, contractor's self-evaluation process, quality assurance/licensure compliance, and state and federal regulations. After all phases of the program have been evaluated, the staff representative will write up any areas of concern with whatever follow-up is needed. DOH staff will provide follow-up if it is deemed necessary; and

- HOPWA/state Monitoring: HOPWA/state contracts are handled a little differently than ESG. In addition to the above review, a coordinated effort between DOH representatives and staff Members from AIDS CT ("ACT") perform a "Standards of Care" review as well as a HOPWA/state monitoring to ensure compliance with federal regulations.

The Standard of Care is a comprehensive tool first produced in 1992 and in 2014 went through substantial revision to align it to the standards used in supportive housing. The philosophy behind the tool's development and use is the belief that all people have a right to safe, affordable, accessible, and permanent housing that enhances their quality of life. These "Standards" were developed by the Continuous Quality Improvement Committee, which is a monthly gathering of supervisors running HIV/AIDS housing programs. They describe the best practices of operating supportive residential programs for people living with HIV/AIDS.

The Standards of Care is a tool used to assure high quality programs by outlining benchmarks for service delivery and design, health and safety, and general management. The "Standards" also ensure that programs adhere to Harm Reduction, particularly addressing participants' right to low-barrier access to housing, and the ability to maintain participation in supportive services and housing regardless of substance use.

Annually, the CQI committee in conjunction with DOH representatives and an independent consultant hired by ACT use the tool to identify program's strengths and weaknesses, highlight their best practices, and develop a framework for providing technical assistance to correct deficiencies.

The Standards of Care reviews include the following 7 main sections:

1. Facilitated Access to Housing and Services
2. Client Rights, Input, and Leadership
3. Housing Quality and Safety
4. Support Services Design and Delivery: Client-Focused/Client-Centered Services & client Engagement Service Delivery Design
5. Support Services Design and Delivery: Services that Promote Recovery, Wellness and Community Integration
6. Focus on Housing Stability
7. Building Internal Quality Assurance Practices, Key Staffing and Coordination

H. State and Federal Resources for DOH FY 2026-27

These tables list the levels of state and federal funding anticipated to be available in FY 2026-27. Please note that Connecticut's 2025-29 ConPlan outlines how the state plans to leverage RHP, SC/CDBG, HOME, ESG, and NHTF funds against other sources of funding. For more detail concerning how Connecticut leverages federal and state funds against each other and against non-governmental funding sources, please refer to the Connecticut 2025-29 ConPlan.

Table 1: Anticipated State and Federal Funding for Development and Housing Support			
Housing (DOH)	**State FY 2026-27**	**HUD FY 2026-27**	**Total**
RHP	$ 0	$ 938,224	$ 938,224
HOME	$ 0	$ 10,257,272.83	$ 10,257,272.83
SC/CDBG	$ 0	$ 13,902,275	$ 13,902,275
NHTF	$ 0	$ 3,134,373.2	$ 3,134,373.2
Housing Trust Fund (State)	$ 170,000,000	$ 0	$ 170,000,000
Affordable Housing (Flex)	$ 200,000,000	$ 0	$ 200,000,000
Subsidized Assist Living Demonstration	$ 3,402,000	$ 0	$ 3,402,000
Elderly Rental Registry & Counselor	$ 1,011,170	$ 0	$ 1,011,170
Fair Housing	$ 670,000	$ 0	$ 670,000
Elderly/Congregate Rental Assistance	$ 2,172,786	$ 0	$ 2,172,786
Congregate Operating Subsidy	$ 12,864,700	$ 0	$ 12,864,700
Crumbling Foundations	$ 182,977	$ 0	$ 182,977
Lead Hazard Removal-Healthy Homes	$ 1,500,000	$ 0	$ 1,500,000
Workforce Housing	$ 115,000,000	$ 0	$ 115,000,000
Time to Own	$ 60,000,000	$ 0	$ 60,000,000
TOTAL	$ 566,803,633	$ 28,242,605.2	$ 595,035,778.03

Source: DOH/OPM

Table 2: Anticipated State and Federal Funding for Individual and Family Services			
	STATE FY 2026-27	**HUD FY 2026-27**	**TOTAL FY 2026-27**
Housing Opportunities for Persons AIDS	$ 4,331,822	$ 0	$ 4,642,675
Section 8 Rental Assistance	$ 0	$ 80,489,608	$ 80,489,608
Rental Assistance Program	$ 86,732,797	$ 0	$ 70,138,890
Rapid Rehousing	$ 1,907,148	$ 2,136,491	$ 4,043,639
Rapid Rehousing RA	$ 0	$ 6,272,598	$ 6,272,598
Shelter	$ 9,153,630	$ 7,779,635	$ 16,933,265
Coordinated Access	$ 1,050,032	$ 1,970,290	$ 3,020,322
Diversion	$ 1,066,044	$ 1,647,167	$ 2,713,211
Security Deposit Guarantee Program	$ 750,000	$ 0	$ 5,000,000
Permanent Supportive Housing	$ 673,962	$ 302,865	$ 976,827
Homeless Youth	$ 3,235,121	$ 3,178,158	$ 6,413,279
Project Longevity	$ 2,491,355	$ 0	$ 2,491,355
HUBs	$ 1,200,000	$ 2,575,867	$ 3,775,867
TOTAL	$ 100,294,941	$ 110,413,532	$ 210,708,473

Source: DOH/OPM

Table 3: CHFA Anticipated State and Federal Funding			
Connecticut Housing Finance Authority (CHFA)	**State FY 2026-27**	**Federal FY 2026-27**	**Total**
Low Income Housing Tax Credit	$ 0	$ 10,000,000	$ 10,000,000
Housing Tax Credit Contribution	$ 10,000,000	$ 0	$ 10,000,000
TOTAL FOR CHFA:	$ 10,000,000	$ 10,000,000	$ 20,000,000

Source: DOH/OPM

I. Performance Measurement

Last year's 2025-26 Action Plan outlined DOH's proposed accomplishments for FY 2025-2026. These were based on the performance measurement system presented in the 2025-29 ConPlan. The results for FY 2025-26 proposed accomplishments will be contained in the 2025-26 Consolidated Annual Performance Evaluation Report (CAPER).

Likewise, the 2026-27 Action Plan outlines DOH's proposed accomplishments for FY 2026-27, based on the performance measurement system presented in the 2025-29 ConPlan. The results for FY 2026-27 proposed accomplishments will be contained in the 2026-27 Consolidated Annual Performance Evaluation Report (CAPER). Connecticut's 2025-29 Consolidated Plan, 2026-27 Action Plan and subsequent Action Plans outline Overarching Principles, Goals, Strategies, Objectives, Outputs, Outcomes, and Indicators based on HUD's Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs as contained in the Federal Register dated March 7, 2006 (Volume 71, Number 44). The state intends to make available NHTF, HOME, SC/CDBG, and ESG funds to eligible recipients based on the priorities set forth in the state's 2025-29 ConPlan and this document.

The 2025-2029 Consolidated Plan is intended to describe the state's strategic goals and objectives relative to the use of its state and federal resources, specifically regarding:

Below is a summary of the Performance Measures as contained in the 2025-29 ConPlan, which serve as an outline of the annual proposed accomplishments for the 2026-27 Action Plan. They address the following areas: Fair Housing and Housing Choice; Affordable Rental Housing; Affordable Homeownership; Public Housing Strategies; Homelessness Prevention; Special Needs Housing and Services; Non-Housing Community Development; Barriers to Affordable Housing; and Lead-Based Paint Hazards.

In addition, it is intended to address issues related to: The state's anti-poverty strategy; The state's institutional structure; Coordination among state agencies and with other interested parties, both public and private.

Objectives, Outputs, Outcomes, and Indicators

Each goal is supported by specific objectives (objectives are either specific actions to be taken or specific milestones to be achieved) designed to help achieve the goal. Each of these objectives is, in turn, followed by an output, a corresponding proposed outcome, and an indicator. Outputs are the products of the activities undertaken to meet the objectives and outcomes are the benefits that result from undertaking those activities. Indicators are the metric that will gauge the performance of the state in meeting the objectives and ultimately the goal to which they relate.

Basis for Assigning Priority

During the development of the 2025-2029 Consolidated Plan, CEW Advisors, Inc., on behalf of the DOH, engaged in a comprehensive fact-finding exercise which included data research and analysis, literature review of relevant reports, studies, and planning guides. This data was validated and supplemented through roundtable discussions, focus groups, one-on-one consultation interviews, stakeholder conversations, community meetings, and online survey results to identify priority needs. This information served as the foundation for the development of the Consolidated Plan and guides the Strategic Plan. These priority needs are integrated into the Goals of this Consolidated Plan and will be addressed systematically through a series of projects and actions over the next five years.

The State of Connecticut defines "high priority need" to include activities, projects, and programs that will be funded with federal funds, either alone or in combination with other public or private investments, to address the described needs during the Strategic Plan program years. Regarding "low priority needs," these are activities, projects, or programs that ***may*** be funded with federal funds, either alone or in combination with other public or private investments, if additional federal funding becomes available during the strategic plan program years.

Priority ratings were established after a thorough examination of Connecticut's housing and community development needs and the state's current and historical housing market. (See Needs Assessment and Housing Market Analysis sections), and based on the consultation and community engagement process described above. Based on the review of all relevant and available data, and in discussion with state agency partners, municipal leaders and staff, public housing authorities, affordable housing developers, public service agencies, and the broader public, key themes and priorities were consistently identified. Issues chosen to be assigned high priority funding status within this plan were selected based on four primary factors: were selected at the Department of Housing. Issues chosen to be assigned high priority funding status within this plan were selected based on four primary factors:

(1) The primary eligibility criteria of the respective funding;

(2) The availability of “other” funds to address the issue;

(3) The issue’s relative demonstrated need (as identified in the needs assessment); and

(4) The impact of the issue on the prevention and reduction of homelessness.

High Priority Needs and Funding

As stated above, only those issues deemed to be a high priority to the state have been identified in this plan. All other issues are, by default, deemed to be a lower priority in terms of funding attention.

This does not exclude the state from funding lower priority projects. The high priority designation serves to emphasize to the public, the areas in which the state will concentrate its efforts over the next five years, in terms of housing and community development. Further, it defines where the state will focus its usage of the federal funds accessed through the four state administered federal programs governed by this plan.

A proposed project that addresses a high priority need is not guaranteed funding based solely on the fact that it will address a high priority need. All projects funded by the state must be financially and logistically feasible as well as meet all of the eligibility criteria of the proposed funding source. When two or more projects are competing for funding dollars (all things being equal), the project addressing the high priority need will be given funding preference. ***Note: for the purposes of this plan, “Other Funds” include all available state, federal or private funds other than those identified.***

Geographic Targeting

The state will target its state and federal funds to certain geographic areas consistent with the priorities set in the recommended State Plan of Conservation and Development, except as prohibited by federal or state law. For example, the state's allocation of SC/CDBG and ESG funds may only be used in non-entitlement areas. However, since there is a major emphasis on directing resources to areas in need of revitalization, resources will be focused, to the greatest extent possible, in targeted areas.

- The existing Section 8 Housing Choice Voucher/Certificate, Section 8 Moderate Rehabilitation, Resident Service Coordinator grant, Elderly Rental Assistance Payments, State Rental Assistance Payments, and other “housing support” programs are exempt from the state’s geographic targeting.

The following federal resources will be directed toward specific geographic areas as described below:

1. **Small Cities Community Development Block Grant (SC/CDBG)** - Funding under the SC/CDBG will be available to all eligible communities in accordance with program requirements. Communities with demonstrated greater needs may be given higher priority. The state's allocation of SC/CDBG funds may not be used in any of the following jurisdictions: Bridgeport, Bristol, Danbury, East Hartford, Fairfield, Greenwich, Hamden, Hartford, Manchester, Meriden, Middletown, Milford Town, New Britain, New Haven, New London, Norwalk, Norwich, Stamford, Stratford, Waterbury, West Hartford, West Haven. These jurisdictions are Entitlement Communities and receive their own allocations of CDBG funds directly from the federal government and are not eligible for a state allocation designated for Small Cities.
2. **Home Investment Partnership Program (HOME) and the National Husing Trust Fund (NHTF)** - Funding under the HOME and NHTF programs will be available in all 169 communities. However, preference will be given to activities in higher opportunity areas as demonstrated through Opportunity Mapping at the DOH website in accordance with the most recent Analysis of Impediments to Fair Housing Choice.
3. **Emergency Solutions Grant (ESG)** - With respect to ESG Emergency Solutions Grant, funds are awarded through a formula established by the federal government. The state's allocation of ESG funds may be used anywhere in Connecticut with the exception of four jurisdictions (Bridgeport, Hartford, New Haven and Waterbury). These jurisdictions receive their own allocations of ESG funds directly from the federal government and are therefore not eligible for state allocations. Because of the transient nature of homelessness, the ESG program is exempt from Priority Funding Area requirements.
4. **Recovery Housing Program (RHP)** - The State of Connecticut will utilize RHP funds to act directly, subject to state law and RHP requirements, to carry out activities through employees, contractors, and subrecipients in all geographic areas within its jurisdiction, including entitlement areas and tribal areas.
5. **Housing Opportunities for Persons Living with HIV/AIDS (HOPWA)** – The State of Connecticut will not be receiving HOPWA dollars in FY 26-27 but will be utilizing state

dollars to ensure statewide coverage for the balance of state catchment area: Windham County, New London County, Middlesex County and Litchfield County.

6. **Federal Low-Income Housing Tax Credits (LIHTC)** - Federal Low-Income Housing Tax Credits may be used anywhere within the State of Connecticut. However, in accordance with federal law, states are required to develop allocation criteria that disperse the tax credits across the state through an IRS-approved competitive process. CHFA is Connecticut's tax credit administrating agency and has an approved competitive process that allows points to be given to rental housing projects. CHFA's allocation plan must be and is consistent with the recommendations in the State Plan of Conservation and Development.

AFFORDABLE HOUSING

Goal

Enhance a suitable living environment, create decent housing, provide economic opportunities for low- and moderate-income persons and address the shelter, housing and service needs of the homeless, those threatened with homelessness with an emphasis on ending chronic homelessness and preventing future homelessness.

Affordable Housing Strategies

Fair Housing and Housing Choice

Fair housing initiatives promote equal housing opportunity for all of Connecticut's citizens and increase housing choice opportunities through the application of responsible development principles and strategies.

Consistent with the recommendations in the Analysis of Impediments to Fair Housing Choice, the state will implement the following strategies, within available programs and appropriations:

- Creation and rehabilitation of affordable housing in a variety of locations.
- DOH will seek opportunities to align policies and funding with the activities of other state agencies.
- Maximize the effectiveness of programs to ensure they are promoting fair housing choice to the greatest extent possible.
- Promote fair housing enforcement and education.
- Review affirmative fair housing marketing plans for developers of affordable housing receiving funding from DOH or CHFA to ensure they comply with the law.

Supply of Quality Affordable Housing

The state will work to preserve and increase the supply of quality affordable rental housing available to low- and moderate-income households and improve the ability of low- and moderate-income residents to access homeownership opportunities and, within available resources, assist distressed households in maintaining homeownership. While increasing the supply of low- and moderate-income homes available for ownership, the quality of the living environment can be improved by incorporating responsible development strategies such as mixed-use and transit-oriented developments.

The following strategies and goals will help to preserve and expand the supply of quality affordable rental housing and to expand and maintain homeownership:

- Interdepartmental Cooperation - DOH will work cooperatively with other state agencies over the next five years in its effort to not only provide quality affordable housing, but to rebuild ailing urban and suburban centers into healthy communities.

- Support Other Housing Providers - DOH and CHFA will, to the extent possible, support the applications of housing providers for affordable housing funds for which DOH is not an eligible applicant. This includes support for persons and organizations applying for Section 202, Continuum of Care grants, Federal Historic Tax Credits, USDA, and other federal and private funding.

- Financial Resources – DOH, CHFA, and the Office of Policy and Management (OPM) will continue to work at the state and federal level to increase the amount of resources available to build or renovate quality affordable housing.

- Low Income Housing Tax Credits - CHFA, through revision of the Low Income Tax Credit Qualified Allocation Plan will ensure that the Low Income Housing Tax Credit program addresses the needs and priorities of this Consolidated Plan for Housing and Community Development.

- Rental Housing – DOH and CHFA will individually and jointly finance quality affordable new rental housing and preserve existing state-assisted and/or CHFA financed housing stock by using private, federal, local, and state resources.

- Housing Rehabilitation - DOH will use its Small Cities Community Development Block Grant (SC/CDBG) program, as well as other programs, to rehabilitate eligible owner-occupied and small rental housing.

- Homeownership Counseling - CHFA will continue its counseling process for first time borrowers to reduce default rates and will also work to reduce single family delinquencies and foreclosures through proactive intervention indicators.

- Homeownership for Persons with Disabilities – DMHAS, DSS, DOH, and CHFA will promote homeownership opportunities for persons with disabilities who have been unable to access private financing.

- Mortgage Assistance - CHFA will continue to implement the Emergency Mortgage Assistance and CT FAMLIES (Connecticut Fair Alternative Mortgage Lending Initiative & Education Services) program as well as counseling initiatives and mediation efforts to assist economically distressed households maintain homeownership. CHFA will also continue providing forgivable Down Payment Assistance via the Time to Own program to Qualifying households

- Encourage and promote mixed use and transit-oriented development. To these ends the DOH will prioritize funding requests for affordable housing projects that include mixed-uses and/or are located close to public transportation facilities and are on established bus routes.

- Encourage and support municipal efforts to create higher density residential zoning districts through the Incentive Housing Zone Program and other programs.

- Green Building - Encourage green building by the use of sustainable construction in new buildings that meet Leadership in Energy and Environmental Design (LEED) standards or similar standards and through the use of tax credits, and in coordination with the Green Bank.

- Healthy Homes - DOH, CHFA, the Department of Energy and Environmental Protection (DEEP), the Department of Public Health (DPH), DSS, local governments and property owners will work to help abate lead paint through the Connecticut Lead Action for Medicaid Primary Prevention Project (LAMPP) or other similar programs and work with DPH on the implementation of its 'Healthy Homes Initiative' which has been designed to promote and mainstream healthy housing principles to ensure that Connecticut's housing supply is dry, clean, pest-free, ventilated, safe, without contaminants, maintained and accessible.

2026-2027 Affordable Housing Objectives

Fair Housing and Housing Choice

In the second year of the 2025-29 ConPlan, the state will focus its resources to achieve the following:

- Within available appropriations, the DOH will continue to support the Connecticut Fair Housing Center with their efforts to assist the State of Connecticut to fulfill the recommendations in the Analysis of Impediments to Fair Housing for state level action.

- DOH will continue to conduct regular monitoring of its funding recipients in the areas of civil rights and fair housing and enforcement.

Quality Affordable Housing

In the second year of the 2025-29 ConPlan, the state will focus its resources to achieve the following:

With Regard to New Affordable Rental Housing

- DOH will work to create 3,100 new quality affordable rental housing units.

With Regard to New Homeownership Opportunities

- DOH will work to create 1,000 new affordable homeownership opportunities.

With Regard to Preserving Existing Affordable Rental Units

- DOH will work to preserve 3,100 existing affordable rental housing units.

With Regard to Maintaining Homeownership

- DOH will work to maintain homeownership for 450 households.

The above referenced figures were based on historic program performance, current unit production costs and anticipated financial resources at the time the 2025-29 ConPlan was developed.

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives of the Consolidated Plan and associated Action Plan. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

To achieve the aforementioned one-year Objectives for Affordable Housing Strategies, the state will endeavor to undertake a combination of the following activities, initiatives and specific objectives:

Objective 1:
Enhance suitable living environments for low- and moderate-income through Fair Housing and Housing Choice.

Output:

- Within available resources, fund the activities of the Fair Housing Center related to outreach and education with an emphasis on preventing discrimination and increasing housing choice opportunities annually.
- Improve availability/accessibility by supporting the construction and/or rehabilitation of affordable housing for ELI.
- Improved availability/accessibility and affordability by promoting and funding at least one inter-municipal or regional partnership for a housing and/or community development project that benefits low- and moderate-income persons/households to increase housing choice.
- Continue to fund mobility counseling/tenant education programs to encourage/assist/educate approximately 8,177 DOH Section 8 Housing Choice Voucher (S8 HCV) and 5,573 State Rental Assistance Payments Program (RAP) participants with moves to areas of higher opportunity.
- Support the upgrading of existing infrastructure within areas where the majority of residents are of low-and-moderate-income to increase housing choice.
- Support up to five infrastructure projects to include reconstruction of streets, sidewalks, water lines, and drainage problems in predominately low-and-moderate-income areas.
- Improve availability/accessibility by supporting the construction and/or rehabilitation and/or expansion of up to five existing public facilities that primarily serve low-and-moderate-income persons, including but not limited to: transitional housing, battered women shelters, daycare centers, and efforts to meet the needs of persons with physical disabilities by supporting projects designed to make current facilities accessible or to provide new facilities for persons with physical disabilities annually.

Outcome:

- Increased opportunities for housing choice.

Indicator(s):

- Number of fair housing educational and outreach opportunities achieved
- Increased housing choice for ELI, low-and-moderate-income residents.
- Number of regional projects funded that promote fair housing and further the state's fair housing efforts.

- Number of inter-municipal or regional housing projects supported.
- Number of infrastructure projects conducted per year.
- Number of DOH S8 HCV and RAP participants educated through this program that move to areas of de-concentrated poverty.
- Number of DOH S8 HCV and RAP participant moves from an area of very low or low opportunity to a higher opportunity area.

Objective 2:
Enhance suitable living environments through the creation of decent affordable housing.

Output:
- Produce up to 3,100 newly constructed or rehabilitated rental units that serve households.
- Produce up to 1,000 newly constructed or created homeowner units that serve low-and-moderate income households.
- Rehabilitate up to 450 homeowner units that serve low-and-moderate income households.
- Preserve up to 3,100 rental units that serve low- and moderate-income households.
- Create and/or preserve up to 100 residential units through the adaptive re-use of historic structures.
- Support energy conservation/efficiency activities that would primarily serve ELI, low-and-moderate-income persons.

Outcome:
Increased rental housing opportunities that serve ELI, low-and-moderate income households in a variety of geographies.

Indicators:
- Number of newly constructed rental units.
- Number of newly rehabilitated rental units.
- Number of new multifamily housing units created in areas of high opportunity.
- Number of residential units created/preserved by re-use of historic structures.
- Number of energy efficiency programs funded each year.

Outcome:
Increased homeowner housing opportunities that serve low-and-moderate income households in a variety of geographies.

Indicators:
- Number of newly constructed ownership units.
- Number of newly rehabilitated ownership units.
- Number of single-family moderate rehabilitation programs funded each year.
- Number of single-family units rehabbed each year.
- Number of residential units created/preserved by re-use of historic structures.
- Number of energy efficiency programs funded each year.

Objective 3:

To enhance suitable living environments though financial intermediaries.

Output:

- Provide economic opportunities in the form of rent subsidies.
- Provide economic opportunities in the form of mortgage assistance.
- Assign priority consideration to the creation of flexible mechanisms that include gap financing and regulatory relief so that the production of affordable homeownership units can be significantly increased throughout the state.
- Produce affordable homeownership units through increased funding flexibility and reduced regulatory burden.
- Coordinate grants and loans from the Housing Trust Fund, Affordable Housing (AHP) and HOME Programs, treating each pool of funding as a source of flexible capital.
- Develop housing projects by allowing developers to seek subsidized capital from a pool of flexible capital.
- Promote and leverage transit-oriented development, mixed-use development, brownfield redevelopment and other responsible development principles and strategies.

Outcome:

Expansion of access to rental and homeowner housing that serves low-and-moderate income households.

Indicators:

- Number of rent subsidies.
- Number of mortgage assistance.
- Number of at-risk properties identified.
- Number of homeowners assisted.
- Number of mortgages purchased annually in federally targeted urban areas.
- Number of program and investment partnerships created.
- Leverage of CHFA's current programs and leverage of local, state and federal resources.
- Number of moderate- and high-income households encouraged to move to urban neighborhoods through the creation of a homestead tax exemption.
- Number of rental housing units constructed, rehabbed or preserved using CHFA's multi-family housing development mortgage programs and tax credit equity funding programs.
- Number of housing units funded using CHFA's Low Income Housing Tax Credit Program and tax-exempt bonds.
- Number of housing projects developed through pools of flexible capital.
- Number of affordable homeownership units produced through flexible mechanisms and regulatory relief.

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	HOME, State, Section 8 HCV	Low-Mod Income	Statewide
Objective 2	HOME, State, CHFA, CDBG, State/Federal Weatherization Programs	Low-Mod Income, CHFA Targeted Populations	Statewide, CHFA Targeted Areas, CDBG Eligible Communities, Statewide
Objective 3	HOME, State, CHFA	Low-Mod Income, CHFA Targeted Populations	Statewide, CHFA Targeted Areas,

PUBLIC HOUSING

Goal

Provide decent housing and enhance suitable living environments for residents of public housing.

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives of the Consolidated Plan. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

The unit counts presented in relation to the Public Housing Objectives enumerated below are not in addition to the unit counts stated in the Affordable Housing section of this plan. As stated above funded activities can fulfill multiple objectives. Also, multiple programs and funding sources are often used/combined to fund projects/units. In order to fulfill the stated Public Housing Goal the state will endeavor to undertake a combination of the following activities, initiatives and specific objectives:

Objective 1:

Address the housing needs of residents of public housing through preservation of existing housing units, the creation of replacement units and additional rent subsidies.

Output:

- Preserve federally assisted housing units annually by working with current owners and prospective purchasers of these projects to retain them in service to low-income households over the long-term with a focus on projects nearing the end of their current mortgage service periods and those in need of capital reinvestment to provide quality rental housing through a new extended use period.
- Invest in the maintenance/rehabilitation/modernization of 1,000 existing publicly-assisted rental housing units annually to preserve them as a long-term resource.
- Preserve or replace state or federally assisted housing units annually by working with current owners and prospective developers of these projects to retain them in service to low-income households with a focus on projects in need of capital reinvestment to provide quality rental housing through a new extended use period.
- Encourage local public housing authorities and DOH to respond to all notices of funding availability from HUD to increase the supply of Federal Section 8 Housing Choice Vouchers wherever possible.

- Where possible, DOH will invest in the development of new state financed public housing units, utilizing state bond dollars.

Outcome:

- New/improved availability/accessibility and affordability in public housing.

Indicators:

- Number of public housing units preserved/rehabilitated annually.
- Number of units and properties redeveloped and maintained via capital funding each year.
- Number and amount of new funding opportunities identified and developed annually.
- Number of new Section 8 vouchers each year.

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State SC/CDBG HOME CHFA Section 8	Low-Mod Income, CHFA Targeted Populations	State-Wide, CHFA Targeted Areas, SC/CDBG Eligible Communities

HOMELESSNESS PREVENTION & SUPPORTIVE HOUSING

GOAL

Enhance suitable living environment, create decent housing, and address the shelter, housing and service needs of the homeless, and those threatened with homelessness with an emphasis on ending chronic homelessness, including veteran's homelessness and youth homelessness, as well as preventing future homelessness.

OBJECTIVES, OUTPUTS, OUTCOMES AND INDICATORS

It is important to note that funded activities can fulfill multiple objectives of the Consolidated Plan. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

Objective 1:
Maintain and/or expand the Rapid Re-housing Program (RRP) and related services and reduce the recurrence of homelessness. Facilitate the transition of those experiencing homelessness into permanent housing.

Output:

- Utilize all eligible resources administered by the DOH to reduce the recurrence of homelessness by assisting families who are leaving homeless shelters and transitional living programs to achieve housing stability by providing support services.
- Increase awareness of the service community for the need to have more flexible and diverse service for changing populations.

- Continue RRP to promote quick access to housing for those who are eligible.
- Utilize the Coordinated Access Network (CAN) to produce better placements and outcomes for the most vulnerable individuals in need of assistance, including persons with HIV/Aids and other special-needs populations
- Continue implementing the CT811 PRA program to locate project-based rental subsidies in areas where community-based services are available.
- Carry out the Homeless Prevention and Response Fund which will provide forgivable loans and grants to landlords to renovate multifamily homes in exchange for participation in the scattered site supportive housing program or the rapid re-housing program.

Outcome:
- Eliminate chronic homelessness and veteran's homelessness and reduce the occurrence of homelessness in individuals/families/youth. Additionally, avert homelessness for those individuals and families in danger of becoming homeless.

Indicator(s):
- Number of homelessness recurrences among assisted individuals/families/youth leaving shelters and transitional living programs.
- Increases in efficiency or elimination of duplications identified.
- Timely placement of the most vulnerable individuals/families.
- Number of clients served by DSS, DCF and DHMAS through homeless prevention, rapid re-housing and follow-up services is increased.

Objective 2:
Enhance suitable living environments that assist families and individuals to remain in permanent housing.

Output:
- Maintain the state-funded Eviction Foreclosure Prevention Program that assists families and individuals to remain in permanent housing.
- Increase the supply of permanent supportive housing opportunities for individuals and families experiencing homelessness or at risk of becoming homeless, particularly those with special needs by providing financing for renovation of existing buildings. Create 50 new supportive housing units.
- Improve coordination and consistency across the CAN's.
- Make available funds for a statewide or series of public service activities designed to prevent homelessness.
- Maintain and expand, wherever possible, access to Housing Choice Vouchers and State Rental Assistance Certificates for eligible households.

Outcome:
- New and improved sustainability in permanent housing for at risk families and individuals.

Indicator(s):
- Funding level and dollars committed to the Eviction Foreclosure Prevention Program.
- Number of at-risk families and individuals assisted and remain in permanent housing.
- Number of supportive housing units created.
- Number of project-based rental subsidies placed.

Objective 3:
Continue prioritizing homelessness, specifically targeting elderly households, families with children, homeless youths, and at-risk veterans, as well as other special needs populations

Output:
- Place all known homeless veterans, families, and youth in permanent supportive housing or in service-enhanced housing with subsidies.

Outcome:
- All known homeless veterans, families, and youth are placed in permanent supportive housing or in service-enhanced housing with subsidies.

Indicator(s):
- Number of veterans, families, and youth using a VASH voucher
- Number of veterans, families, and youth placed in permanent supportive housing

Objective 4:
Maintain the state's network of "Homeless Shelters."

Output:
- Continue to fund "Homeless Shelters" across the state.

Indicator(s):
- Funding leveraged (ESS/ESG).
- Number of shelters DOH funds (ESS/ESG).
- Number of beds by type (men, women, children) (ESS/ESG).
- Number of clients (ESS/ESG).
- Number of services/type provided (ESS/ESG).

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	MFP, State, CT811 PRA, ESS/ESG	Low-Mod Income	State-Wide
Objective 2	EFPP, State, ESS/ESG, TANF	Low-Mod Income	State-Wide
Objective 3	MFP, State, CT811 PRA, VASH	Low-Mod Income	State-Wide
Objective 4	ESS/ESG, State	Low-Mod Income	State-Wide

OTHER SPECIAL NEEDS

GOAL

Create decent housing, a suitable living environment and economic opportunities for low- and moderate-income persons with special needs.

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives of the Consolidated Plan. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

Special Needs – General

Objective 1:
Improve coordination of the efforts of state agencies and quasi-public entities involved in housing and the provision of social services to persons with special needs.

Output:
- Participate in Interagency Councils and/or Interagency Committees that meet regularly to insure coordination of efforts for persons with special needs.

Outcome:
- Coordination between state agencies and quasi-public entities is increased, maintained and sustained leading to more efficient, timely and targeted use of resources which will ultimately lead to more special needs persons being assisted.

Indicator(s):
- Number of specials needs persons assisted over time.

Objective 2:
Support and promote the coordination of multiple agency resources and inter-agency cooperation.

Output:
- Utilize the various agency plans to identify opportunities for coordination between state agencies.

Outcome:
- Agency priorities are better aligned, and efficiencies are implemented resulting in more efficient, timely and targeted use of resources which will ultimately lead to more special needs persons being assisted.

Indicator(s):
- Number of special needs persons assisted over time.

Objective 3:
Provide permanent housing, employment and support services, and rental subsidies to meet the needs of each individual by providing appropriate services which anticipate client needs and address changes in age, health, income and other circumstances to ensure long-term housing stability and independence.

Output:
- Link permanent housing, employment and support services, and rental subsidies programs to meet the needs of each individual.

Outcome:
- Improved delivery and effectiveness of programs and services.

Indicator(s):
- Number of clients that received appropriate services across programs.
- Change in the number of clients that received appropriate services over time.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-Wide
Objective 3	State	Low-Mod Income	State-Wide

Older Adults and Frail Older Adults

Objective 1:
Maintain the housing choice opportunities for older adults and frail older adults, including access to appropriate services.

Output:
- Provide funding to preserve existing housing opportunities that serve older adults and frail older adults.
- Promote cross-population of housing and service options through a continuum of opportunities in one location (rental – congregate – assisted living – nursing facility).

Outcome:
- Older adults and frail older adults are able to live within their community of choice in quality, accessible, affordable housing and obtain the services they need to do so.

Indicator(s):
- Vacancy rate at existing facilities.
- Number of clients being served by each program.
- Average age of occupant by facility.

Objective 2:
Promote efficiency in service delivery to older adults and frail older adults.

Output:
- Increase client caseload per case manager.

Outcome:
- More older adults and frail older adults will receive assistance and be able to live independently longer with a higher quality of life.

Indicator(s):
- Number of new client cases managed.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-Wide

Persons with Disabilities

Objective 1:
Increase the number of linkages among federal agencies, state agencies and consumers in providing resources to continue family cohesion with those individuals with disabilities through placement in stable living situations and providing them with appropriate supportive services.

Output:
- Increase and/or maintain linkages among federal agencies, state agencies and consumers.

Outcome:
- Family cohesion with those individuals with disabilities is increased which ultimately increases quality of life for all members.

Indicator:
- Number of families with individuals with disabilities that are placed in stable living situations with appropriate services.

Objective 2:
Increase the accessibility of DMHAS provided client support services connected to affordable housing for individuals with disabilities.

Output:
- The number of individuals with disabilities receiving DMHAS support services tied to affordable housing is increased.

Outcome:

- Accessible, affordable housing is made available to individuals with disabilities that require it. State and federal resources designed to aid disabled persons are coordinated and leveraged increasing the quality of life for the recipients.

Indicator(s):

- Number of DMHAS clients with disabilities accessing services and affordable housing.
- Measured decrease in average wait period to receive services and affordable housing.
- Year over year change in the number of individuals with disabilities accessing services and affordable housing.

Objective 3:

Continue to provide for accessibility modifications.

Output:

- Accessibility modifications for 10 to 25 housing units per year are funded.

Outcome:

- New/Improved Availability/Accessibility.
- The supply of housing accessible to the disabled is increased providing more housing options for the disabled allowing them to live within the community of their choice.

Indicator(s):

- Number of accessibility modifications funded.

Objective 4:

Expand accessibility modification activities to: 1) specifically target persons with disabilities who are ready and willing to leave nursing facilities and return to community living; and 2) provide a full range of supportive services, including but not limited to employment training, social, health, recreational, housing and transportation services to ensure successful transition and long-term independence.

Output:

- Bond funds are provided to complete accessibility modifications for persons leaving nursing facilities under MFP.
- RAP set-aside for eligible persons in support of the MFP is established.

Outcome:

- Independent living is restored to those capable of living independently with the aid of appropriate support services. Lower costs to the state and increase in the quality of life for these individuals.

Indicator(s):

- Number of accessibility projects completed.
- Number of persons returned to independent living as a result of accessibility modifications being made.
- Number of eligible persons transitioning from nursing homes provided RAP certificates.

Objective 5:
Create a continuum of affordable housing with support services and increase the supply of appropriate housing so that the disabled can live independently within their community of choice.

Output:
- The number of accessible housing units in the state is increased.
- Partnerships between service and housing providers

Outcome:
- New/improved affordability.
- Independent living is maintained for those capable of living independently with the aid of appropriate support services. Lower costs to the state and increase the quality of life for these individuals.

Indicator(s):
- Number of partnership opportunities identified.
- Number of partnership opportunities achieved.
- Year- over-year change in number of clients being transitioned without displacement.
- Number of new accessible housing units created.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-wide
Objective 3	State/HOME/ SC/CDBG	Low-Mod Income	State -Wide/ SC/CDBG Eligible Communities
Objective 4	State	Low-Mod Income	State-Wide
Objective 5	State/HOME	Low-Mod Income	State-Wide

Persons With HIV/AIDS And Their Families

Objective 1:
Continue to fund existing HIV/AIDS programs

Output:
- Existing HIV/AIDS programs are maintained and expanded.

Outcome:
- New/improved availability/accessibility especially in connection with the CANs.
- Persons living with HIV/AIDS continue to receive appropriate care and services.
- Funding leveraged (beyond HOPWA).
- Number of service providers DOH funds (beyond HOPWA).
- Number of clients receiving assistance (beyond HOPWA).
- Type of assistance (beyond HOPWA).

Indicator(s):
- Dollars leveraged/amount of additional funding received.
- Number of people served by the programs.
- Year over year change in the number of clients accessing services.

Objective 2:
Increase access to supportive housing services for people living with HIV/AIDS and increase number of clients over five years.

Output:
- Number of people accessing supportive housing services.

Outcome:
- New/improved availability/accessibility.
- Supportive housing services become available to more persons living with HIV/AIDS.

Indicator(s):
- Number of people accessing supportive housing services.
- Year over year change in number of people accessing supportive housing services.

Objective 3:
Assess the effectiveness of supportive housing programs for people living with HIV/AIDS periodically through the use of performance measures and ongoing mechanisms to track client preferences and needs.

Output:
- AIDS/HIV supportive housing programs are evaluated annually and modified as necessary to improve services and benefits to clients.

Outcome:
- New/improved availability/accessibility.
- Supportive housing programs become more efficient and effective in helping persons living with HIV/AIDS live longer and better lives.

Indicator(s):
- Number of evaluations conducted.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State/HOPWA	Low-Mod Income	State-Wide/ HOPWA Eligible Communities
Objective 2	State/HOPWA	Low-Mod Income	State-Wide/ HOPWA Eligible Communities
Objective 3	State/HOPWA	Low-Mod Income	State-Wide/ HOPWA Eligible Communities

Persons With Alcohol Or Other Drug Addiction

<u>Objective 1</u>:
Continue existing substance abuse programs at levels permitted by funding availability. Link employment services, housing subsidies and long-term supportive care to meet the needs of each beneficiary, by adapting services which anticipate and deal with changes in age, health, income and other circumstances. In particular, these actions will influence long term stability.

<u>Output</u>:
- Increase the number of clients who are provided appropriate services.

<u>Outcome</u>:
- More persons with substance abuse issues receive appropriate care leading to a better quality of life and a lower incidence of the negative consequences and costs associated with substance abuse.

<u>Indicator(s)</u>:
- Number of clients receiving appropriate services.
- Number of substance abuse clients that received appropriate services.
- Year over year change of the number of substance abuse clients that received appropriate services.

Objective:
Increase coordination between care providers to overcome programmatic barriers for linking individuals/families who are coming out of treatment to find permanent housing.

Output:
- Increase the number of persons with substance abuse issues who are provided permanent housing after coming out of treatment.

Outcome:
- More persons with substance abuse issues finding permanent housing after coming out of treatment.

Indicator:
- Number of clients who find permanent housing after coming out of treatment.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide

Ex-Offenders

Objective 1:
Increase the availability of permanent supportive housing as a housing option, assist individuals leaving the correction system, facilitate their integration back into the community. Individuals leaving the corrections system and in need of long-term supports could either immediately, or after living for a short time in a halfway house, live in supportive housing. The Connecticut Department of Correction (DOC) will work with other state agencies to maximize the use of various funding streams to assist persons to reintegrate into their communities after release from DOC facilities.

Output:
- The state will work to increase the availability of permanent supportive housing, the number of halfway house beds, and other supervised community placements that will enhance re-entry efforts.
- The state will utilize funding from the Connecticut Collaborative on Re-Entry (CCR) to aid supportive housing efforts which will be targeted to a small set of individuals with high recidivism rates resulting from complex unmet needs, histories of long-term homelessness, chronic health conditions, and untreated mental illness and addiction.

Outcome:
- Recidivism rates will be reduced as a result of the increase in the availability of permanent supportive housing, the number of halfway house beds, and other supervised community placements that will enhance re-entry efforts.

Indicator(s):
- Year over year change in the number of halfway house beds and other supervised community placements, enhance re-entry efforts, and pilot approaches.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide

NON-HOUSING COMMUNITY DEVELOPMENT

GOAL

Enhance suitable living environments, create decent housing and provide economic opportunities for low- and moderate-income persons through community development activities that promote responsible growth principles to develop viable urban communities and suitable living environments.

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives of the Consolidated Plan. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

Objective 1:
Enhance suitable living environments, create decent housing and provide economic opportunities by promoting and funding at least one project of infrastructure in support of affordable housing

Output:
- Funding up to 1 infrastructure in support of Affordable Housing project via CDBG

Outcome:
- New/Improved availability/accessibility.
- State, local and regional revitalization efforts and resources will be coordinated to maximize return on investment and chances of success.
- Increased vibrancy of our communities, which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive regional cooperative and cost sharing agreements and strategies which develop viable communities and primarily benefit low-and-moderate-income persons.
- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):
- Number of infrastructure projects in support of affordable housing funded under the SC/CDBG program annually.
- Cost savings for local municipalities.
- Number of low-and-moderate-income persons served annually.

Objective 2:
Enhance suitable living environments by supporting the upgrading of existing infrastructure within areas where the majority of residents are of low- and moderate-income.

Output:
- Support up to four infrastructure projects per year under the SC/CDBG program to include reconstruction of streets, sidewalks, water lines, and drainage problems in predominately low- and moderate-income areas.

Outcome:
- New/Improved availability/accessibility.
- Infrastructure projects will assist in the creation of a safe and sanitary living environment, benefit low-and-moderate-income persons, aid in the elimination of slums or blight and provide community facilities and services affecting public health, safety and welfare all of which will lead to a better quality of life for the citizens of the state.
- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive local and regional infrastructure improvement strategies which develop viable communities and primarily benefit low-and-moderate-income persons.

- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):
- Number of infrastructure projects funded under the SC/CDBG program per year.
- Number of low-and-moderate-income persons served annually.

Objective 3:
Enhance suitable living environments by supporting the construction and/or rehabilitation and/or expansion of existing public facilities that primarily serve low- and moderate-income persons, including but not limited to: homeless shelters, battered women shelters, daycare centers, and efforts to meet the needs of persons with physical disabilities by supporting projects designed to make current facilities accessible or to provide new facilities that are accessible to persons with physical disabilities.

Output:
- Support up to three public facilities projects per year under the SC/CDBG Program.

Outcome:
- New/Improved availability/accessibility.
- Public Facilities projects will assist in the creation of a safe and sanitary living environment, benefit low-and-moderate-income persons, aid in the elimination of slums or blight and provide community facilities and services affecting public health, safety and welfare all of which will lead to a better quality of life for the citizens of the state.
- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive local and regional public facility improvement strategies which develop viable communities and primarily benefit low-and-moderate-income persons.
- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):
- Number of public facilities projects conducted per year.
- Number of low-and-moderate-income persons served annually.

Objective 4:
Enhance suitable living environments and create decent housing by supporting energy conservation/efficiency projects that would that primarily serve low-and-moderate-income persons.

Output:
- Fund up to two projects per year under state/federal weatherization programs that would improve energy efficiency.

Outcome:

- New/Improved availability/accessibility and/ or affordability.
- Energy costs borne by low- and moderate-income persons and/or by the state will be reduced freeing up resources that can be used to provide other needed assistance to low-and-moderate-income persons.
- The state will move closer to energy independence/self-sufficiency, air quality will improve as will the quality of life of the state's citizens.

Indicator(s):

- Number of low-and-moderate-income persons served annually.
- Number of units with improved energy efficiency annually.

Objective 5:

Assist in the creation of a safe and sanitary living environment, benefit low-to moderate- income people, aid in the elimination of slums or blight and provide community facilities and services affecting public health, safety and welfare all of which will lead to a better quality of life for the citizens of the state through the redevelopment of brownfield redevelopment projects.

Output:

- Provide federal/state/local community development resources for brownfield redevelopment projects

Outcome:

- Brownfield remediation will assist in the creation of a safe and sanitary living environment, benefit low-to moderate- income people, aid in the elimination of slums or blight and provide community facilities and services affecting public health, safety and welfare all of which will lead to a better quality of life for the citizens of the state.
- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive local and regional land use and development/redevelopment strategies which develop viable communities and primarily benefit low-and moderate- income persons.
- Strategies which facilitate the coordination of available brownfield remediation resources with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):

- Level of funding provided for brownfield redevelopment projects during the next five years.
- Number of brownfield projects undertaken as a result of the funding provided.
- Number of brownfields/acres and/or buildings brought back to productive use.

Objective 6:

Implement up to one Section 108 Program activity in the next five years.

Output:

- Identify potential projects eligible for Section 108 Program funding.
- Support one Section 108 program activity on behalf of one non-entitlement community.

Outcome:

- New/Improved availability/accessibility to funds.
- Creation and/or retention of permanent, private sector job opportunities principally for low- and moderate-income persons.
- Increased employment opportunities for low-and-moderate-income persons.
- The vibrancy of our communities will be improved which will in turn enhance the quality of life for the citizens of the state.
- Local governments will be encouraged and assisted in developing comprehensive economic development strategies to create viable communities by providing economic opportunities, principally for low-and-moderate-income persons.
- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):

- Number of projects funded under the Section 108 Program annually.
- Number of jobs created by Section 108 projects funded annually.
- Percent of jobs created benefiting low-and-moderate-income persons.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State/SC/CDBG	Low-Mod Income	State -Wide/ SC/CDBG Eligible Communities
Objective 2	State/SC/CDBG	Low-Mod Income	State -Wide/ SC/CDBG Eligible Communities
Objective 3	State/SC/CDBG	Low-Mod Income	State -Wide/ SC/CDBG Eligible Communities
Objective 4	State/SC/CDBG	Low-Mod Income	State -Wide/ SC/CDBG Eligible Communities
Objective 5	State/SC/CDBG	Low-Mod Income	State -Wide/ SC/CDBG Eligible Communities
Objective 6	Section 108	Low-Mod Income	State -Wide

COMMUNITY REVITALIZATION

GOAL

Enhance suitable living environments, create decent housing and provide economic opportunities for low- and moderate-income persons through community development activities that promote responsible growth principles to develop viable urban communities and suitable living environments.

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

The unit counts presented in relation to the Community Revitalization Objectives enumerated below are not in addition to the unit counts stated in the Affordable Housing section of this plan. As stated above funded activities can fulfill multiple objectives. Also, multiple programs and funding sources are often used/combined to fund projects/units. In order to fulfill the stated Community Revitalization Goals the state will endeavor to undertake a combination of the following activities, initiatives and specific objectives:

Objective 1:

Enhance sustainable living environments, create decent housing and provide economic opportunities for low- and moderate- income persons through community revitalization activities that promote responsible growth principals to develop viable urban communities and suitable living environments.

Output:

- Consolidate state bond allocations for shovel ready projects.
- Coordinated state agency activities to encourage and promote support of one Community Revitalization Strategy or Neighborhood Revitalization Zone.

Outcomes:

New and improved sustainable communities.

Indicator(s):

- Number of responsible development projects developed and/or implemented as a result of the implementation of the federal Recovery Zone Economic Development Bond Program.
- Bond allocations consolidated for shovel ready projects.
- Number of state agency activities coordinated to encourage and promote support of Community Revitalization Strategies and Neighborhood Revitalization Zones.
- Number of Community Revitalization Strategies and Neighborhood Revitalization Zones supported using the SC/CDBG Program involving two or more state agencies.

Objective 2:

Enhance suitable living environments and create decent housing in areas of need.

Output:

- Support up to one municipality in rezoning efforts to enable for higher-density housing, mixed-use developments, and/or transit-oriented developments.
- Support local efforts to develop appropriate urban infill housing to make better use of limited urban land. Support 20 to 60 units of infill housing in urban areas using the HOME/State Housing Programs.
- Promote and support mixed-income housing developments in areas that currently under-serve low-and-moderate-income households.
- Give preference to one mixed-income infill project creating at least 10-25 units of housing in areas that currently under-serve low-and-moderate-income households using the HOME/State Housing Programs.
- Promote mixed-use and/or transit-oriented developments with residential ownership opportunities for low-and-moderate- income households in areas of need.

Outcomes:

- New and improved sustainability.
- New and improved affordability.
- New and improved availability/accessibility.

Indicator(s):

- Number of municipalities funded for zoning changes that enable higher density housing, mixed-use developments, and transit-oriented developments.
- Number of municipalities funded through the Incentive Housing Zone Program.
- Number of municipalities that pursued building higher density housing after adopting the incentive housing overlay zones.
- Number of municipalities supported in rezoning efforts to enable higher-density residential uses, mixed-use developments, and/or transit-oriented developments.
- Number of units of infill housing in urban areas created.
- Number of mixed-income housing units created.
- Number of mixed-use and /or transit-oriented development projects in an urban or suburban area supported for low-and-moderate-income households.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State, SC/CDBG	Low-Mod Income	State-Wide
Objective 2	State, HOME, SC/CDBG	Low-Mod Income	State-Wide

BARRIERS TO AFFORDABLE HOUSING

GOAL

The state will reduce or eliminate the impact of barriers at the state, local and regional level in order to promote fair housing choice in Connecticut.

Objective 1:
Encourage the creation and rehabilitation of affordable housing in a variety of locations through competitive funding rounds

Output:
- Continue to assign a high point value for developments that achieve fair housing goals in historically under-served communities
- Increase funding flexibility to seize immediate development opportunities to increase affordable housing units in high opportunity communities.
- Evaluate the effectiveness of funding rounds in facilitating the creation of new family affordable housing units to ensure the availability of affordable family housing in diverse areas.

Outcomes:
New affordable housing opportunities in historically under-served communities.

Indicator(s):
- Number of applications received that target communities of high or moderate opportunity.
- Number of applications received that promote fair housing choice, racial and economic integration.

Objective 2:
Collaborate with other agencies to affirmatively further fair housing

Output:
- Participate in new and existing opportunities to align policies and funding with other agencies

Outcomes:
Provide improved housing choice and opportunities in alignment with investments by other agencies

Indicator(s):
- Number of housing opportunities generated in alignment with other state investments.
- Number of collaborative opportunities

Objective 3:
Maximize effectiveness of mobility programs

Output:
- Work with mobility counselors under contract to improve processes

Outcomes:
Provide increased opportunities for mobility.

<u>Indicator</u>(s):

- Number of clients successfully moved to an improved opportunity area

<u>Objective 4</u>:
Improve fair housing education and enforcement

<u>Output:</u>

- Work with mobility counselors under contract to improve processes

<u>Outcomes</u>:
Provide increased opportunities for mobility.

<u>Indicator</u>(s):

- Number of clients successfully moved to an improved opportunity area

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State, HOME	Low-Mod Income	State-Wide
Objective 2	State, HOME	Low-Mod Income	State-Wide
Objective 3	State	Low-Mod Income	State-Wide
Objective 4	State, Sec 8 HCV	Low-Mod Income	State-Wide
Objective 5	State, SC-CDBG, HOME, Sec 8 HCV	Low-Mod Income	State-Wide

LEAD-BASED PAINT HAZARDS

GOAL

Enhance suitable living environment and create decent housing for low- and moderate-income persons through the evaluation and reduction of lead-based paint hazards and the implementation of Healthy Homes principles, assessment practices, and evidence-based interventions.

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

Objective 1:
Enhance suitable living environments and ensure the availability of a decent housing supply that is free of lead-based paint, dry, clean, pest-free, ventilated, safe, without contaminants, maintained and accessible.

Output:

- Actively participate in the Statewide Healthy Homes Initiative meetings, as scheduled.
- Collaborate with the DPH Healthy Homes Initiative on the development and implementation of a uniform healthy homes assessment and intervention approach.
- Support the abatement or remediation of lead-based paint and lead-based paint hazards, damaged asbestos containing materials, elevated indoor radon levels, and other identified or known environmental hazards in housing units in collaboration with other state agencies and in accordance with applicable federal and state laws. Lead-based paint testing, and remediation or abatement activities will be conducted in accordance with Regulations of CT State Agencies section 19a-111 et.al., the final lead safe housing rule – [Title X of the Lead-based Paint Hazard Reduction Act of 1992 (24 CFR Pt 35)] the EPA Lead Paint: Renovation, Repair and Painting Program (RRP) effective April 22, 2010, and through healthy homes assessments and intervention strategies established in concert with the Department of Public Health
- Fund up to three housing rehabilitation projects per year with the goal of making 20 units per year healthy homes (as defined in concert with the Statewide Healthy Homes Initiative).

Outcomes:

- Improved accessibility to housing free of lead-based paint and other environmental health and safety hazards.

Indicator(s):

- Number of housing lead-safe rehab projects per year.
- Number of housing units made lead-safe per year.
- Number of housing units that have had a healthy homes assessment conducted.
- Number of housing units where a healthy homes intervention activity is performed.
- Number of low-and-moderate income persons served per year.
- Number of National Center for Healthy Homes training courses coordinated with DPH per year.

GEOGRAPHIC DISTRIBUTION & RELATIVE PRIORITY			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	HOME SC/CDBG Other/ State	Low-Mod Income	State-Wide SC/CDBG Small Cities

VI. ATTACHMENTS TO THE 2026-27 ACTION PLAN

Attachment A – Citizen Participation

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

Attachment B – Citizen Participation Documents

- Attachment B-1 - Legal Notices/Round Table Invites for Public Meetings/Hearing and Public Comment Periods for the pre-draft/Draft 2026-2027 Annual Action Plan
- Attachment B-2 - Virtual Public Hearing Recording
- Attachment B-3 - Written Comments

Attachment C – Approved 2026 CDBG-SC Allocation Plan

Attachment A – Citizen Participation

- Attachment A-1 Citizen Participation Plan
- 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

The following is the citizen participation and engagement process that will be utilized by the Department of Housing ("**DOH**") to solicit participation and input into the planning process for the development of the Five Year Consolidated Plan for Housing and Community Development ("**ConPlan**") and the Annual Action Plans ("**AAP**") that support it. In addition, this process will be used whenever possible in the development of all other plans and amendments prepared by DOH. This includes the development of the Analysis of Impediments to Fair Housing Choice ("**AI**"), as well as any required state plans and amendments that support the housing and community development activities of DOH.

Periodically throughout any given year, DOH staff will meet with state agency partners and major interest groups to discuss a variety of housing and community development issues in order to collect information on needs, priorities and issues of interest.

- These meetings will be part of continuous input into the departments' planning and policy development activities as they relate to housing and community development issues.

  These major interest groups include, but are not limited to:
  - the chief elected officials of entitlement and non-entitlement communities
  - the Connecticut Branch of the National Association of Redevelopment Officials
  - the Balance of State: Continuum of Care
  - other Continuum of Care in Connecticut
  - the nonprofit and for-profit development community
  - regional and statewide Chambers of Commerce and other representatives of the business community
  - the Councils of Government and other regional planning organizations
  - the legal aid organizations
  - the housing advocacy community
  - regional and statewide nonprofit organizations, public service agencies, and community-based and faith-based organizations
  - regional and statewide philanthropic organizations

Whenever possible, prior to the development of any relevant plan, including the development of the state's consolidated plan, any substantial amendments to the consolidated plan, and the annual performance report, the DOH will:

- Hold at least one public meeting, which may include a virtual or hybrid public meeting, to solicit input in the development of such plan.
  - If a virtual or hybrid meeting is being held, the meeting will also have a call in number for those individuals who do not have computer access.
  - Notice of this meeting will be published approximately 2 weeks in advance of the meeting, in at least 3 newspapers serving all regions of the state, as well as the state's minority communities.
  - In addition, notice of the meeting will be emailed to the above referenced major interest groups, and/or other state agencies as well as all interested residents of Connecticut who have expressed an interest in receiving information on all activities of the Department, known as the "Community Partners" list.

- Solicit written comment/input into the development of such plan for not less than fifteen (15) days.

Staff will prepare a draft plan, taking into consideration the input received as a result of input/comment from the above listed organizations, state agencies and interested parties. As appropriate, the plan will 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.

DOH will:

- Post the draft plan in a prominent place on the DOH website.

- Prepare a notice of the publication of such plan ("**Notice**") and such Notice will include information on the following opportunity for input/comment:

    - DOH will hold at least one public meeting, which may include a virtual or hybrid public meeting, to solicit input in the development of such plan.
        - If a virtual or hybrid meeting is being held, the meeting will also have a call in number for those individuals who do not have computer access.
        - Notice of this meeting will be published approximately 2 weeks in advance of the meeting, in at least 3 newspapers serving all regions of the state, as well as the state's minority communities.
    - The Notice will include the opportunity to provide written email comments for a period of not less than thirty (30) days.
    - As part of the Notice, the state will provide information on how citizens who have special needs may obtain the draft plan in a form which is accessible to them.

- In addition, the Notice will be emailed directly to the above referenced major interest groups, and/or other state agencies as well as all interested residents of Connecticut who have expressed an interest in receiving information on all activities of the Department, known as the "**Community Partners**" list.

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 DOH 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 public hearing or during the public comment period will be considered by DOH before the draft plan is finalized and submitted to U.S. Department of Housing and Urban Development (HUD). A summary of the comments and the agency's responses will be included as an attachment to the final action plan.

The procedures and actions discussed above will constitute the state's citizen participation plan for HUD related to documents that require citizen participation.

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

Language assistance for those with limited English proficiency.

For any of the above-mentioned opportunities for citizen participation, DOH shall make reasonable efforts to provide interpretation and translation services for non-English speaking individuals when necessary to ensure meaningful access to participation by non-English speaking persons.

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

DOH solicited input before producing an initial draft (pre-plan) of the 2026-2027 Action Plan. After completion of the initial draft, DOH sought comment and feedback for revisions into the final version (draft-plan). DOH adheres to its Citizen Participation for all issues related to public participation and comment. You can find the most recent copy on the Department's website, under Notices and Publications.

Pre-Plan

The DOH conducted one virtual public meeting, one round table discussion with state officials, and a second round table with housing organizations and other DOH community partners to seek input into the development of the State's 2026-2027 Annual Action Plan, which includes the Small Cities CDBG Allocation Plan. In accordance with HUD's May 6, 2020 CPD-20-04 Notice, this outreach included:

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

In accordance with DOH's Citizen Participation Plan, a fifteen (15) day community input period began on March 17, 2026 and ended on April 1, 2026. The Department conducted a virtual public meeting on March 17, 2026 which began at 1:00 PM and ended when all attendees had the opportunity to provide input and comment. A legal notice for the public meeting was posted on DOH's website and published in four newspapers across the state including one in Spanish. The Department also held one State Agency Partners Round Table Discussion on March 18, 2026 from 1:00 PM to 3:00 PM and one Community Partners Round Table Discussion on March 19, 2026 from 1:00 PM to 3:00 PM. The State Agency Partners Round Table included those responsible for management of flood prone areas, public land and water resources, as well as emergency management. The Community Partners Round Table included municipalities, community partners, public housing authorities, broadband internet service providers/organizations engaged in narrowing the digital divide and the councils of government.

Draft-Plan

DOH solicited input on the draft Action Plan through a thirty (30) day public comment period from April 7, 2026 to May 7, 2026. DOH held a virtual public hearing on the Draft State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development, which included the Small Cities CDBG Allocation Plan - Federal Fiscal Year 2026, on April 7, 2026 at 1:00 PM. A follow-up round table meeting was held with state agency partners, including those responsible for management of flood prone areas, public land and water resources, as well as emergency management, on April 15, 2026 at 1:00 PM. A follow-up round table meeting was held with community partners, broadband providers, municipalities, regional councils of government and housing authorities on April 16, 2026 at 1:00 PM. A legal notice was published in four newspapers across the state including one in Spanish announcing the public hearing and comment period. The legal notice and related documents were available on DOH's website. All comments received were summarized and responded to in Attachment A of the 2026-2027 Annual Action Plan for Housing and Community Development.

DOH notified the chief elected officials of all 169 municipalities in the state and its community partners about the dates, times, and locations of the public hearings/round table discussions and of the timing of the commentary periods. DOH submitted the draft Action Plan and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly, may hold a public hearing.

In addition, consultation was sought throughout the year with the Balance of State (BOS) Continuum of Care (CoC) Steering Committee. DOH shared with attendees the proposal for Emergency Solutions Grants Program. This process was conducted to seek input and address any concerns that might identify gaps or deficiencies in the proposed service(s). Members were notified of the public hearings to be held for the development of the 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:

There was a question on whether the State has funds available to help fund staffing for Fair Housing Commissions.

> **Response**: DOH does have a contract with the Fair Housing Center that handles a number of fair housing related activities on our behalf. The Partnership for Strong Communities has a statewide Fair Rent Commission network.

There was a question about the drop in budget numbers.

> **Response:** RHP is $0 with program end date in 2027 with DOH utilizing previous years' allocations in FY 2026-2027; HOPWA is $0 because state did not meet the formula for federal dollars but DOH will put in approximately $4 Million in state dollars and will continue helping persons with AIDS.

There were several comments encouraging the State to place emphasis on channeling money to places where the federal government is cutting such homeless services and other special needs populations including the elderly.

Response: DOH appreciates the desire to support homeless services and special needs populations and shares the same sentiment. We will continue to fund these activities as best possible, including supportive housing initiatives.

There was a comment on continuing to support HOPWA in the Waterbury area.

Response: HOPWA is $0 because state did not meet the formula for federal dollars but DOH will put in approximately $4 Million in state dollars and will continue helping persons with AIDS.

There was a comment encouraging the department to support Universal Design or development/rehab that could support persons with disabilities.

Response: DOH supports the creation/rehab of units that support persons with disabilities

There was a suggestion for the department to try to change the messaging around affordable housing so that people truly understand what it is.

Response: DOH, CHFA, OPM and other community partners recognize this and conversation has begun.

There was a comment on having better oversight of management companies for affordable housing properties.

Response: DOH will pass this along.

There was a question about how DOH might help municipalities with the preservation of affordable housing which will be one of the strategies in the new municipal and regional housing growth plans.

Response: DOH has funding for development and rehabilitation of affordable housing units and we are encouraging developers to come back to us when the deed restriction is expiring and units need work. DOH/CHFA have SSHP/Critical Needs funding for state owned properties and we also have the CDBG Development program.

There was a concern that there may be affordable units out there that town's don't know about.

Response: DOH reaches out to municipalities every year in early July to acquired new deed restrictions and CO's from municipalities when collecting data for the Affordable Appeals List.

There was a concern that housing authorities are in great need of resources for deteriorating units.

Response: DOH is targeting its CDBG funding towards rehabilitating state-owned properties; DOH/CHFA have the SSHP/Critical Needs program for properties in the State Sponsored Housing Portfolio; There is a new Middle Housing program in partnership with housing authorities that will also be rolled out soon; more substantial rehabilitation may come thru the developer engagement process.

There was a comment about the possibility of including assistive technology or smart technology in some of the development of affordable housing.

Response: DOH appreciates this comment and will pass it along.

There was a statement that older adults are looking for affordable housing with wrap around services available at the location.

Response: DOH appreciates this concern and is aware and will do everything we can do relative to this issue.

There was a concern on the disability side that a lot of people with disabilities are not getting communications in the way that meets their needs best, especially the deaf population/hard of hearing population, deaf/blind population and the blind population.

Response: DOH will make every effort to communicate in ways such as American Sign language or Braille, writing in plain language and considering the logistical details of communication methods when contacting consumers, especially those who are Def, DeafBlind, or Hard of Hearing who may use phone relay systems.

There was a question on what the plans for the Recovery Housing Program (RFP) were.

Response: DOH has been working with a consultant provided by HUD to create the RFP and scoring process. It is expected that it will go out within the next few weeks.

There was a statement about older adults looking for help with home modifications and upkeep of property so that they won't have to move to an institutionalized setting.

Response – DOH has two different initiatives through CIL. There are grants and loans for property owners to modify their property for accessibility features or renters whose landlords are willing to make those modifications where we can actually provide a grant on behalf of the tenant to get those accessibility modifications done. We used to have a program that was an emergency senior repair program. It may be time to not only rethink and refund that program, but look to expand it.

There was a comment about DOH coordinating with DEEP on their new loan program for affordable housing.

Response - DOH has been collaborating with DEEP on this program. In part it will leverage some of our activities, but its also looking at the broader multifamily rental market and finding ways to help them become more affordable by addressing their energy needs.

There was a question on whether housing for young adults/ the START program could be expanded?

Response: You are correct the state only funded to maintain/cost of living. We suggest that if you or anyone is finding a need for additional support, it is great to put it in writing as our plan goes before the legislator and it is a way to get that information in front of them.

Attachment B – Citizen Participation Documents

- Attachment B-1 Legal Notice/Round Table invites for Pre-Plan and Draft Plan Public Meetings and Virtual Public Hearing/Public Comment Period for the development of the annual 2026-2027 Action Plan for Housing and Community Development, which includes the Small Cities CDBG Allocation Plan - Federal Fiscal Year 2026
- Attachment B-2 Recordings for Pre-Plan and Draft Plan Round Tables and Public Meetings for the annual 2026-2027 Action Plan for Housing and Community Development, which incudes the Small Cities CDB Allocation Plan - Federal Fiscal Year 2026
- Attachment B-3 Written Comments

NOTICE OF VIRTUAL PUBLIC MEETING AND COMMUNITY INPUT PERIOD

The State of Connecticut Department of Housing
Is seeking public input into the development of the State of Connecticut 2026-2027
Annual Action Plan for Housing and Community Development

A fifteen (15) day community input period will begin on March 17th, 2026 and end on April 1st, 2026. The Department of Housing is seeking community input the development of the 2026-2027 Annual Action Plan for Housing and Community Development. This plan is the second annual implementation plan under the 2025-2029 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the new Recovery Housing Program (RHP), the National Housing Trust Fund (NHTF), the HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2025-2029 ConPlan represents approximately $150 million in federal funding over the five-year period.

The Department of Housing will conduct a VIRTUAL PUBLIC MEETING on March 17th, 2026 beginning at 1:00 PM and ending when all attendees have had an opportunity to provide input and comment. Housing authorities, municipalities, non-profits, advocates and the general public are invited to attend this public meeting and provide input/comment on housing and community development priorities in Connecticut's communities. If you or your organization is interested in participating in the VIRTUAL PUBLIC MEETING, please send an e-mail to CT.HOUSING.PLANS@ct.gov with *"Virtual Public Meeting – 2026-2027 Annual Action Plan"* in the "Subject" line. An E-mail link will be sent to all registered participants using the Microsoft TEAMS application.

DOH will also accept electronic input/comment on the administration of these funds through 5:00 pm on April 1st, 2026 at CT.HOUSING.PLANS@ct.gov. All input and comments received will be taken into consideration in the drafting of the plan. For copies of the 2025-2029 ConPlan and prior year Action Plans, please refer to the Department of Housing's website, http://www.ct.gov/doh under POLICY & RESEARCH, or you may request a copy via email at the above address.

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 the Department of Administrative Services - Small Agency Resource Team 860-270-8022.

COMMUNITY PARTNER ROUND TABLE DISCUSSION

Input into the State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development

March 19, 2026
1:00 PM to 3:00 PM
Teams Meeting

Microsoft Teams meeting

Join: https://teams.microsoft.com/meet/26841696331627p=UPCvpVltWnlrgHtkEP

Meeting ID: 268 416 963 316 2

Passcode: B66hz3p8

Dial in by phone

+1 860-840-2075,,649105318# United States, Hartford

Find a local number

Phone conference ID: 649 105 318#

The Connecticut Department of Housing (DOH) ***invites*** you to the **Community Partner Round Table Discussion for input into the preparation of the State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development.** This Action Plan is the second annual implementation plan under the 2025-2029 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the Recovery Housing Program (RHP), National Housing Trust Fund (NHTF), the HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Shelter/Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2025-2029 ConPlan represents approximately $150 million in federal funding over the five-year period.

The purpose of this Round Table Discussion is to solicit input into the development of the 2026-2027 Annual Action Plan relative to implementation and allocation. Please click accept to this meeting invite if you are able to attend. We look forward to seeing you!

For copies of the 2025-2029 ConPlan and related documents, please refer to the Department of Housing's website, 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 the ADA (504) Coordinator at 860-270-8022. The location for this meeting is handicapped accessible.

STATE AGENCIES ROUND TABLE DISCUSSION

for

Input into the State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development

March 18, 2026
1:00 PM to 3:00 PM
Teams Meeting

Microsoft Teams meeting
Join: https://teams.microsoft.com/meet/26184109654765?p=SqAYqvhiMQWswwX1zX
Meeting ID: 261 841 096 547 65
Passcode: KA3fJ6aU
Dial in by phone
+1 860-840-2075,,971882462# United States, Hartford
Find a local number
Phone conference ID: 971 882 462#

The Connecticut Department of Housing (DOH) ***invites*** you to the **State Agencies Round Table Discussion for input into the preparation of the State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development.** This Action Plan is the second annual implementation plan under the 2025-2029 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the Recovery Housing Program (RHP), the National Housing Trust Fund (NHTF), the HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Shelter/Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2025-2029 ConPlan represents approximately $150 million in federal funding over the five-year period.

The purpose of this Round Table Discussion is to solicit input into the development of the 2026-2027 Annual Action Plan relative to implementation and allocation. For copies of the 2025-2029 ConPlan and related documents, please refer to the Department of Housing's website, www.ct.gov/doh under Policy/Research. Please click accept to this meeting invite if you are able to attend. We look forward to seeing you!

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 the ADA (504) Coordinator at 860-270-8022. The location for this meeting is handicapped accessible.

NOTICE OF VIRTUAL PUBLIC MEETING AND COMMUNITY INPUT PERIOD

The State of Connecticut Department of Housing
Is seeking public input into the draft State of Connecticut 2026-2027
Annual Action Plan for Housing and Community Development

A thirty (30) day community input period will begin on Tuesday, April 7, 2026 and end on Thursday, May 7, 2026. The Department of Housing is seeking community input on the Draft 2026-2027 Annual Action Plan for Housing and Community Development. This plan is the second annual implementation plan under the 2025-2029 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the new Recovery Housing Program (RHP), the National Housing Trust Fund (NHTF), the HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2025-2029 ConPlan represents approximately $150 million in federal funding over the five-year period.

The Department of Housing will conduct a VIRTUAL PUBLIC MEETING on Tuesday, April 7 2026 beginning at 1:00 PM and ending when all attendees have had an opportunity to provide input and comment. Housing authorities, municipalities, non-profits, advocates and the general public are invited to attend this public meeting and provide input/comment on the Draft State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development. If you or your organization is interested in participating in the VIRTUAL PUBLIC MEETING, please send an e-mail to CT.HOUSING.PLANS@ct.gov with *"Virtual Public Meeting – 2026-2027 Annual Action Plan"* in the "Subject" line. An E-mail link will be sent to all registered participants using the Microsoft TEAMS application.

DOH will also accept written input/comment on the administration of these funds through 5:00 pm on Thursday, May 7, 2026 at CT.HOUSING.PLANS@ct.gov, or by sending correspondence to: Department of Housing, 505 Hudson Street, 2nd Floor, Hartford, CT 06106-7107. All input and comments received will be taken into consideration and included in the final plan. For copies of the 2025-2029 ConPlan and prior year Action Plans, please refer to the Department of Housing's website, http://www.ct.gov/doh under POLICY & RESEARCH, or you may request a copy via email or at the above address.

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 the Department of Administrative Services - Small Agency Resource Team 860-270-8022.

ROUND TABLE DISCUSSION
FOR
COMMUNITY PARTNERS

Draft State of Connecticut 2026-2027 Annual Action Plan
for Housing and Community Development

April 16, 2026
1:00 PM
Teams Meeting

Microsoft Teams meeting
Join: https://teams.microsoft.com/meet/24022595412957?p=Ks9mggvFrQPYFiZala
Meeting ID: 240 225 954 129 57
Passcode: jK7ks3mq
Dial in by phone
+1 860-840-2075,,887109699# United States, Hartford
Find a local number
Phone conference ID: 887 109 699#

The Connecticut Department of Housing (DOH) ***invites*** you to the **COMMUNITY PARTNERS Round Table Discussion to discuss the Draft State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development.** This Action Plan is the second annual implementation plan under the 2025-2029 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the Recovery Housing Program (RHP), National Housing Trust Fund (NHTF), the HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Shelter/Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2025-2029 ConPlan represents approximately $150 million in federal funding over the five-year period.

The purpose of this Round Table Discussion is to review the Draft 2026-2027 Annual Action Plan and seek appropriate input and comment for potential edits. Please click on above teams meeting invitation to join.

For copies of the 2025-2029 ConPlan and related documents, please refer to the Department of Housing's website, 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 the ADA (504) Coordinator at 860-270-8022.

ROUND TABLE DISCUSSION
FOR
STATE AGENCY PARTNERS

Draft State of Connecticut 2026-2027 Annual Action Plan
for Housing and Community Development

April 15, 2026
1:00 PM
Teams Meeting

Microsoft Teams meeting

Join:

https://teams.microsoft.com/meet/23613804435418?p=VshrG6ErKt4DYNON1k

Meeting ID: 236 138 044 354 18
Passcode: as9d6vq3

Dial in by phone

+1 860-840-2075,,557940718# United States, Hartford
Find a local number
Phone conference ID: 557 940 718#

The Connecticut Department of Housing (DOH) ***invites*** you to the **STATE AGENCY PARTNERS Round Table Discussion to discuss the Draft State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development.** This Action Plan is the second annual implementation plan under the 2025-2029 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the Recovery Housing Program (RHP), National Housing Trust Fund (NHTF), the HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Shelter/Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2025-2029 ConPlan represents approximately $150 million in federal funding over the five-year period.

The purpose of this Round Table Discussion is to review the Draft 2026-2027 Annual Action Plan and seek appropriate input and comment for potential edits. Please click on above teams meeting invitation to join.

For copies of the 2025-2029 ConPlan and related documents, please refer to the Department of Housing's website, 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 the ADA (504) Coordinator at 860-270-8022.

B-2 Links to Virtual Public Hearing/State Round Table /Community Round Table Recordings for Pre 26-27 Action Plan and Draft 26-27 Action Plan

Public Meeting/ State Round Table/ Community Round Table Pre 26-27 Action Plan and Draft 26-27 Action Plan

B-3 Written Comments

Please see attached.

May 22, 2026

CT Department of Housing
505 Hudson Street
Hartford, CT 06106-7106

RE: CT Aging and Disability Services Response to the CT Department of Housing 2026-2027 Draft Action Plan for Housing and Community Development

Connecticut Aging and Disability Services (ADS) would like to thank the CT Department of Housing (DOH) for the opportunity to provide feedback on the agency's *2026-2027 Draft Action Plan for Housing and Community Development*. When discussing older adults and people with disabilities, this year's action plan highlights the incredibly important concept of independent living, one of our agency's five core areas of service. We appreciate the plan's focus on expanding housing choice for our consumers by promoting efficiency in service delivery through increased caseloads, strengthening linkages between government entities and consumers, and reaffirming DOH's commitment to funding accessible home modifications. Additionally, ADS is grateful for the use of the term "older adults," rather than "elderly," which had been used in previous plans.

The 2026-2027 plan also illustrates how committed DOH and our state is to the creation and maintenance of stable housing for people of all ages and abilities throughout Connecticut. There is a growing intersection of older adults, people with disabilities, and people who are unhoused across the country and Connecticut is not exempt from this trend. We would like to underscore the need for accessibility in all housing resources, especially resources designed to alleviate or prevent housing loss. This can include translating and interpreting materials into American Sign Language (ASL), ensuring materials are written in plain language, and considering the logistical details of communication methods when contacting consumers, especially those who are Deaf, DeafBlind, or Hard of Hearing (DDBHH) who may use phone relay systems.

ADS remains committed to sharing data, insights, and resources with DOH, including those from our partners, such as the Connecticut Healthy Aging Report and the State Plan for Independent Living (SPIL), the development of which is overseen by ADS in collaboration with the State Independent Living Council (SILC) and Connecticut's five Centers for Independent Living (CILs).

We thank you again for this opportunity. We value our ongoing collaboration with DOH and look forward to continued partnership in ensuring that Connecticut's housing and community development efforts are inclusive, accessible, and responsive to the evolving needs of older adults and individuals with disabilities.

Sincerely,

Amy Porter

Amy Porter, ADS Commissioner

Small Cities Community Development Block Grant Program

Allocation Plan - Federal Fiscal Year 2026

DEPARTMENT OF HOUSING

July 2026

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I. OVERVIEW OF SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

A. Purpose

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

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

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

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

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

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

B. Major Use of Funds

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

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

Activities that can be funded with Small Cities CDBG include: acquisition of real property; acquisition and construction of public works and facilities; code enforcement; relocation assistance; reconstruction and rehabilitation of residential and nonresidential properties; American Disability Act (ADA) improvements; provision of public services including, but not limited to, those services concerned with employment, crime prevention, child care, health, drug abuse, education and fair housing counseling, shelter diversion activities, environmental hazard testing; provision of special economic development assistance; and assistance to Community-Based Development Organizations (CBDO's) for neighborhood revitalization, community economic development, energy conservation projects, homeownership assistance, fair housing, planning, and administrative costs, including actions to meet the grantee's certification to affirmatively further fair housing. Broad program categories for Small Cities CDBG eligible activities include: Housing, Public Services, Public Facilities, Economic Development, and Planning.

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

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

C. Federal Allotment Process

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

Formula A - The average of the ratios between:

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

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

Formula B - The average of the ratios between:

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

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

D. Federal Funding

HUD funding for Connecticut's Small Cities CDBG Program for Federal Fiscal Year (FFY) 2026, which should first be available for expenditure by the State on or after July 1, 2026 (i.e. State Fiscal Year (SFY) 2027) is anticipated to be $13,902,275. Any changes in Connecticut's Small Cities CDBG Program funding allocations are a direct result of funding modifications to the CDBG program nationally.

E. Committed Funds and Proposed Allocations

FFY 24 (SFY 25) Refer to Table A, Column 1

- The federal Small Cities CDBG allocation for FFY 24 (SFY 26) was $13,880,022
- Administrative costs totaled $596,762;
- $7,373,059 was carried forward from FFY 23 (SFY 24) to FFY 24 (SFY 25);
- Reprogrammed Admin and TA prior years totaled $0;
  Reprogrammed Funds/Program Income totaled $1,258,644
- The total amount of Small Cites CDBG funds available to fund projects in FFY 24 (SFY 25) was $21,914,963. FFY 24 (SFY 25) allocation of $13,880,022 minus administrative costs of $596,762 plus reprogrammed funds from the previous year(s) of $8,631,703.

FFY 25 (SFY 26) Refer to Table A, Column 2

- The federal Small Cities CDBG allocation for FFY 25 (SFY 26) was $13,960,891;
- Administrative costs are anticipated to total $454,530;
- $17,914,963 was carried forward from FFY 24 (SFY 25) to FFY 25 (SFY 26);
- The total amount of Small Cites CDBG funds available to fund projects in FFY 25 (SFY 26) was $31,421,325. FFY 25 (SFY 26) allocation of $13,960,891 minus administrative costs of $454,530 plus reprogrammed funds from the previous year(s) of $17,914,963.

FFY 26 (SFY 27) Refer to Table A, Column 3

- HUD's annual Small Cites CDBG allocation to Connecticut for FFY 26 (SFY 27 is $13,902,275;
- Administrative costs are $542,764;
- We anticipate $25,503,172 to be carried forward from the current year;
- We anticipate Reprogrammed Program Income, Admin and TA from prior years to be $0 for FFY 26 (SFY 27). "**Reprogrammed Funds**" are funds that are returned to DOH from grantees during this fiscal year, including, for example: Small Cities CDBG funds returned to DOH by a non-performing grantee or a grantee that

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

- The total funds available to fund projects in FFY 26 (SFY 27), is anticipated to be $38,862,683. FFY 26 (SFY 27) allocation of $13,902,275 minus administrative costs of $542,764 plus the estimated amount of reprogrammed funds from previous year(s) of $25,503,172.

F. Proposed Allocation Changes From Last Year

FFY 25 applications can be found in Table A-1. These activities will shortly be under contract and underway.

DOH will focus FFY 26 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("**SSHP**") but will not exclude housing authorities outside of SSHP or Public Infrastructure projects that support affordable housing.

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

G. Contingency Plan

This Allocation Plan has been prepared to reflect the anticipated Small Cities CDBG allocation for Connecticut FFY 26 (SFY 27) of $13,902,275. It is DOH's intention that any increase or decrease in funding will result in proportionate increases or decreases in administrative costs and funding available for program activity awards.

H. State Allocation Planning Process

DOH solicited input before producing an initial draft (pre-plan) of the 2026-2027 Action Plan. After completion of the initial draft, DOH sought comment and feedback for revisions into the final version (draft-plan). DOH adheres to its Citizen Participation for all issues related to public participation and comment. You can find the most recent copy on the Department's website, under Notices and Publications.

Pre-Plan

The DOH conducted one virtual public meeting, one round table discussion with state officials, and a second round table with housing organizations and other DOH community partners to seek input into the development of the State's 2026-2027 Annual Action Plan, which includes this Small Cities CDBG Allocation Plan. In accordance with HUD's May 6, 2020 CPD-20-04 Notice, this outreach included:

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

In accordance with DOH's Citizen Participation Plan, a fifteen (15) day community input period began on March 17, 2026 and ended on April 1, 2026. The Department conducted a virtual public meeting on March 17, 2026 which began at 1:00 PM and ended when all attendees had the opportunity to provide input and comment. A legal notice for the public meeting was posted on DOH's website and published in four newspapers across the state including one in Spanish. The Department also held one State Agency Partners Round Table Discussion on March 18, 2026 at 1:00 PM and one Community Partners Round Table Discussion on March 19, 2026 at 1:00 PM. The State Agency Partners Round Table included those responsible for management of flood prone areas, public land and water resources, as well as emergency management. The Community Partners Round Table included municipalities, community partners, public housing authorities, broadband internet service providers/organizations engaged in narrowing the digital divide and the councils of government.

Draft-Plan

DOH solicited input on the draft Action Plan through a thirty (30) day public comment period from April 7, 2026 to May 7, 2026. DOH held a virtual public hearing on the Draft State of Connecticut 2026-2027 Annual Action Plan for Housing and Community Development, which includes this Small Cities CDBG Allocation Plan - Federal Fiscal Year 2026, on April 7, 2026 at 1:00 PM. A follow-up round table meeting was held with state agency partners, including those responsible for management of flood prone areas, public land and water resources, as well as emergency management, on April 15, 2026 at 1:00 PM. A follow-up round table meeting was held with community partners, broadband providers, municipalities, regional councils of government and housing authorities on April 16, 2026 at 1:00 PM. A legal notice was published in four newspapers across the state including one in Spanish announcing the public hearing and comment period. The legal notice and related documents were available on DOH's website. All comments received are summarized and responded to in Attachment A of the 2026-2027 Annual Action Plan for Housing and Community Development.

DOH notified the chief elected officials of all 169 municipalities in the state and its community partners about the dates, times, and locations of the public hearings/round table discussions and of the timing of the commentary periods. DOH submitted the draft Action Plan and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly held a public hearing on July 9th, 2026, at which time the CDBG Allocation Plan was approved.

I. Grant Provisions

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

- It is following a detailed citizen participation plan and that each funded unit of general local government is following a detailed citizen participation plan;
- It has consulted with affected units of general local government in the non-entitled areas in determining the method of distribution of funding, it engages or will engage in planning for community development activities, it will provide assistance to units

of general local government, it will not refuse to distribute funds to any unit of general local government based on the particular eligible activity chosen by the unit of general local government, except that a state is not prevented from establishing priorities based on the activities selected;

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

J. Matching Requirement

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

See Table B for details on the anticipated breakdown of this requirement, but the total administrative costs for FFY 26 (SFY 27) from all sources will not exceed $1,304,951.

K. Program Fund Limitations or Caps

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

DOH will focus FFY 2026 Small Cities CDBG funding on the preservation of the State-Sponsored Housing Portfolio ("**SSHP**") but will not exclude housing authorities outside of SSHP or Public Infrastructure in support of affordable housing.

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

L. Federal Requirements

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

M. Application and Planning Requirement

The state's application process to HUD for Small Cities CDBG funding includes the submission of an annual Action Plan. The Action Plan updates the Consolidated Plan, a five-year planning document for Housing and Community Development that governs the state's administration of six formula-distribution federal grant programs (Small Cities CDBG, RHP, HOME, ESG, HOPWA and NHTF). Each Action Plan must contain an allocation plan by which the state will distribute its Small Cities CDBG funds. Following any legislative comments or hearing, DOH will finalize the 2026-27 Action Plan. Once this process has been completed, and any necessary revisions made, the final 2026-27 Action Plan will be submitted to HUD as part of DOH's application package. HUD's approval of the Action Plan is provided when the state receives its Funding Approval/Agreements (HUD Forms 7082) for the programs, which is anticipated within 45 days of submission to HUD.

N. Administration of Program

FY 2026-27 funding for the Small Cities CDBG Program will be made available for SSHP projects, housing authorities, and Public Infrastructure in support of affordable housing through a competitive application funding round. All potential applicants are encouraged to attend the Application Workshop which will be held on June 2, 2026. CDBG 101 will be held on September 15th, 16th, and 17th, with the exam on September 18, 2026. ERR will be held September 29th and 30th, with the exam on October 1, 2026. DOH intends to focus FFY 2026 SC CDBG funding on SSHP preservation activities, housing authorities outside of SSHP, and Public Infrastructure in support of affordable housing.

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

O. Small Cities Application Process

For Federal Fiscal Year 2026, the Small Cities Program established a Competitive Round Application Process. As noted above, these applications will be rated and ranked in accordance with the priorities identified in this Allocation Plan. The application steps are outlined on the next page:

1. Application Workshop
    a. Potential applicants virtually attend and receive Application forms
2. Hold Virtual Public Hearing

    a. Notice to be published at least twice (on different days) in a daily newspaper of general circulation in the municipality.
    b. The first notice must be published at least 14 days prior to the date of the virtual public hearing.
    c. Submit copies of notices along with newspaper Affidavit of Publication with application.
    d. Submit copies of minutes of meeting with application.
3. Conduct an Environmental Review
    a. Establish Environmental Review Record
    b. Determine type of activity and environmental impact
    c. Publish Request for Release of Funds
    d. Request Release of Funds from DOH
4. Write Application
    a. Select eligible activity
    b. Determine National Objective
    c. Prepare application
    d. Submit to DOH
5. Rate and Rank (DOH)
    a. DOH receives and reviews applications
    b. Rate applications
    c. Rank applications
6. Award (DOH)
    a. Submit rating to Commissioner for award announcements by Governor
7. Contract Documents (DOH)
    a. DOH prepares contract documents
    b. Submits to awarded towns
    c. Towns sign and return to DOH
    d. Commissioner signs contract documents
    e. AG office reviews signed contract documents
8. Construction Period
    a. Grantees begin construction phase
9. Closeout
    a. DOH conducts monitoring and closeout

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

- Eligible Applicants - As defined by HUD program regulations;
- Eligible Activity - Only "activities", as defined by HUD program regulations;
- National Objective - Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Citizen Participation - Applicant must provide certification of compliance with citizen participation criteria;
- Consistency with the Consolidated Plan - Applicant must identify how the project is consistent with the goals and strategies of the Consolidated Plan;
- Fair Housing and Equal Opportunity Compliance - Applicant must submit a Fair Housing Action Plan that complies with DOH's guidelines/policies;
- Statement of Compliance - Applicant must be in compliance with all existing DOH agreements and cannot be in default under any CHFA or HUD-administered program; and
- Expenditure Rates – 2025 grants are a Program Waiver; 2024 grants must be 50% expended by April 29, 2026; 2023 grants must be 100% expended and have a Pre-Closeout Certificate by April 29, 2026; 2022 grants and older must have been closed out with a Certificate of Completion and Semi-Annual Progress Reports by April 29, 2026.
- No more than 2 open grants are allowed per applicant.
- Open, unresolved monitoring findings will be considered.
- Applicants "terminated for cause" in the last 5 years are ineligible.

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

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

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

Final application recommendations will be made to the Commissioner's Office, based on the overall quality of the application and compliance with threshold requirements and rating and ranking criteria. Applicants receive written notification after final decisions are made.

P. Notification and Resubmittal of Plan After Approval

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

- Notification of all transfers to or from any specific approved allocation of a sum or sums in the Plan shall be sent to the joint standing committees of the General Assembly having cognizance of matters relating to housing, commerce and appropriations and the budgets of state agencies, through the Office of Fiscal Analysis, in accordance with the provisions of section 4-28b of the general statutes; and
- Any proposed transfer to or from any specific approved allocation of a sum or sums in the Plan of over fifty thousand dollars or ten per cent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker of the House of Representatives and the president pro tempore of the Senate and approved, modified or rejected by said committees in accordance with the procedures set forth in subdivision (1) of section 4-28b of the general statutes.

Sec. 4-28b. Federal block grant funds. Hearing. Approval or modification of Governor's recommended allocations. Transfer of allocations. Reduction of federal reimbursements. *Notwithstanding any provision of the general statutes: (1) If, during any fiscal year, the state receives federal block grant funds, the Governor shall submit recommended allocations of such funds to the speaker of the House of Representatives and the president pro tempore of the Senate. Within five days of receipt of the recommendations, the speaker and the president pro tempore shall submit the recommended allocations to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the joint standing committee or committees of the General Assembly having cognizance of the subject matter relating to such recommended allocations, as determined by the speaker and the president pro tempore. Within thirty days of their receipt of the Governor's recommended allocations, the committee having cognizance of matters relating to appropriations and the budgets of state agencies, in concurrence with the committee or committees of cognizance, shall advise the Governor of their approval or modifications, if any, of such recommended allocations. If the joint standing committees do not concur, the committee chairpersons shall appoint a committee on conference which shall be comprised of three members from each joint standing committee. At least one member appointed from each committee shall be a member of the minority party. The report of the committee on conference shall be made to each committee, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the Governor's recommended allocations shall be deemed approved. If the joint standing committees accept the report, the committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the Governor of their approval or modifications, if any, of such recommended allocations, provided if the committees do not act within thirty days, the recommended allocations shall be deemed approved. Disbursement of such funds shall be in accordance with the Governor's recommended allocations as approved or modified by the committees. After such recommended allocations have been so approved or modified, any proposed transfer to or from any specific allocation of a sum or sums of over fifty thousand dollars or ten per cent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker and the president pro tempore and approved, modified or rejected by the committees in accordance with the procedures set forth in this subdivision. Notification of all transfers made shall be sent to the joint standing committee of the General Assembly* *having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee or committees of cognizance, through the Office of Fiscal Analysis; (2) if, during any fiscal year, federal funding for programs financed by state appropriations with federal reimbursements is reduced below the amounts estimated under the provisions of section 2-35, the Governor shall submit recommendations to the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee of cognizance, for legislation necessary to modify funding for such programs consistent with such reductions in federal funding.*

II. TABLES

Table A: Summary of CDBG-SC Funding

Small Cities CDBG Program	FFY 24 (SFY25) Actual	FFY 25 (SFY 26) Estimated	FFY 26 (SFY 27) Available
Uncommitted Balance Carried Forward from the previous year	$7,373,059	$17,914,963	$25,503,172
-	-	-	-
Plus Reprogrammed Funds/Program Income	$1,258,644	$0	$0
Plus Reprogramed Admin prior years	$0	$0	$0
Plus Reprogrammed TA prior years	$0	$0	$0
Reallocation Total	$8,631,703	$17,914,963	$25,503,172
PLUS	-	-	-
Annual Allocation	$13,880,022	$13,960,891	$13,902,275
Minus Administrative Authorization	($596,762)	($454,530)	($542,764)
Net Allocation	$13,283,260	$13,506,361	$13,359,511
EQUALS	-	-	-
Total CDBG funding available for projects	$21,914,963	$31,421,325	$38,862,683
MINUS	-	-	-
-	-	-	-
Committed Funds	$4,000,000	$5,918,153	$0
EQUALS	-	-	-
Uncommitted Balance to be Carried Forward to the following year	$17,914,963	$25,503,172	$38,862,683

Table A illustrates the following formulas:

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

Descriptions for the information in Table A includes:

- Uncommitted Balance Carried Forward from the previous year = funding that was available in the previous fiscal year but not committed.
- Reprogrammed/Program Income = funding that was returned to DOH from grantees and available for reprogramming;
- Reallocation Total = total funding that is available for reallocation from uncommitted balance carried forward and recaptured funds;
- Net Allocation = annual allocation funding available after administrative cost subtracted;
- Total CDBG funding available for projects = amount of funding that can be made available for projects;
- Committed Funds = funds that are committed to projects and are out of the funding pool permanently; and
- Uncommitted Balance to be Carried Forward to the following year = funding that remains after funding committed to projects is subtracted.

Table A-1 is a list of FFY 25 (SFY 26) project applications that were received for Small Cities/CDBG funds and CV-CDBG funds.

Table A-1: SC/CDBG and CV-CDBG FFY 25 (SFY 26) Applications Received		
Municipality	**Project Description**	**Investment**
Coventry	Public Housing Modernization ISO SSHIP	$ 2,500,000.00
Guilford	Infra-Structure ISO Affordable Housing	$ 1,000,000.00
Ledyard	Infra-Structure ISO Affordable Housing	$ 1,000,000.00
Mansfield	Public Housing Modernization	$ 2,267,503.90
Thomaston	Public Housing Modernization ISO SSHIP	$ 2,500,000.00
Total		**$ 9,267,503.90**

Source DOH

Table A-2 is a list of projects from FFY 20 - FFY 25 that received CDBG-Small Cities funds or CV-CDBG funds and are currently underway.

Table A-2: SC/CDBG and CV-CDBG Projects Underway			
Town/Grantee	**FFY**	**Project Type**	**Grant Amount**
Cheshire	2020	Public Housing Modernization	1,700,000.00
Ansonia	2020	Housing Rehabilitation Program	400,000.00
Barkhamsted	2020	Acquisition and Predevelopment	598,750.00
Pacific House Inc.	2020	Acquisition	5,000,000.00
Coventry	2020	Public Housing Modernization	1,500,000.00
East Hampton	2020	Public Housing Modernization	1,500,000.00
Enfield	2020	Public Service	218,748.00
Jewett City	2020	Public Facility Improvement	1,600,000.00
Groton	2020	Public Service	150,000.00
Guilford	2020	Public Service	806,395.24
Kent	2020	Public Housing Modernization	800,000.00
Ledyard	2020	Public Housing Modernization	1,608,827.00
Mansfield	2020	Public Facility Improvement	900,000.00
Mansfield	2020	Public Service	500,000.00
Naugatuck	2020	Public Facility Improvement	1,000,000.00
Norfolk	2020	Acquis/Public Facilities & Improvements	4,218,354.00
Plymouth	2020	Public Housing Modernization	2,300,000.00
Portland	2020	Public Service	751,225.00
Portland	2020	Public Facilities	725,000.00
Putnam	2020	Housing Rehabilitation Program	400,000.00
Stonington	2020	Public Service	1,050,000.00
Torrington	2020	Public Service	170,000.00
Trumbull	2020	Public Service	200,000.00
Westport	2020	Public Service	1,199,000.00
Westport	2020	Public Facility	1,730,000.00
Windham	2020	Public Housing Modernization	1,500,000.00
Ansonia	2021	Public Housing Modernization	1,957,000.00
Community Health Resources, Inc.	2021	Public Service	301,083.00
Essex	2021	Public Housing Modernization	1,763,000.00
North Haven	2021	Public Housing Modernization	3,200,000.00
Diaper Bank of Connecticut	2021	Public Service	500,000.00
Shelton	2021	Public Housing Modernization	1,500,000.00
Wallingford	2021	Public Housing Modernization	2,700,000.00
Westbrook	2021	Public Housing Modernization	1,530,000.00
St. Vincent De Paul Mission of Bristol	2022	Public Service	558,780.00
Griswold	2022	Public Housing Modernization	2,000,000.00
Litchfield	2022	Public Housing Modernization	1,000,000.00

Table A-2 Continued**: SC/CDBG and CV-CDBG Projects Underway**			
Town/Grantee	**FFY**	**Project Type**	**Grant Amount**
Naugatuck	2022	Public Housing Modernization	2,000,000.00
New Haven	2022	Public Facility	2,800,000.00
N. London Homeless Hospitality Center	2022	Public Facilities	1,317,000.00
The Estuary Council of Seniors, Inc.	2022	Public Facility	500,000.00
Seymour	2022	Public Housing Modernization	2,518,153.00
Suffield	2022	Public Housing Modernization	2,000,000.00
Vernon	2022	Public Facilities & Improvements	150,000.00
Vernon	2022	Public Housing Modernization	3,300,000.00
Windham	2022	Public Housing Modernization	2,250,000.00
PROJECT HOPE, INC.	2022	Acquisition/Public Facility Rehabilitation	6,700,000.00
Morris	2023	Infrastructure Support Affordable Housing	1,000,000.00
Rocky Hill	2023	Public Housing Modernization	2,000,000.00
Scotland	2023	Community Facility	1,500,000.00
Wethersfield	2023	Public Housing Modernization	2,000,000.00
Windham	2023	Public Housing Modernization	2,000,000.00
Windsor	2023	Public Housing Modernization	2,000,000.00
Ashford	2024	Public Housing Modernization	2,000,000.00
Canton	2024	Public Housing Modernization	2,000,000.00
Danbury	2024	Public Service	424,000.00
East Windsor	2024	Public Housing Modernization	2,000,000.00
Southington	2024	Public Housing Modernization	2,000,000.00
Stonington	2024	Housing Rehabilitation	400,000.00
Tolland	2024	Public Housing Modernization	2,000,000.00
Watertown	2024	Public Housing Modernization	2,000,000.00
Windsor	2024	Housing Rehabilitation	400,000.00
Brooklyn	2025	Public Facility	2,000,000.00
Total			**$98,795,315.24**

Source DOH

Table B: Small Cities Admin (INCLUDING TA FUNDS)					
	FFY24 (SFY 25) Actuals	**FFY25 (SFY 26) Estimated**		**FFY26 (SFY 27) Proposed**	
SC Admin Carry Fwd	253,609	361,042		462,601	
Technical Asst-Carry Fwd	371,935	184,141		147,279	
Total Admin Bal Carried Forward from Previous Year	625,544	545,183		609,880	
Annual Allocation funding allowed for Admin	377,600	379,618		378,045	Note 2
Gen Fund match	0	0	Note 4	0	
Annual Technical Assistance	138,800	139,609		139,023	Note 2
Total Avail for Admin Costs	1,141,944	1,064,410		1,304,951	
EXPENDITURES					
Administrative Costs:					
Personnel	389,369	294,071	Note 1	323,478	Note 3
Personnel - TA	96,744	67,472		85,627	
Fringe Benefits	211,215	245,431	Note 1	269,974	Note 3
Fringe Benefits - TA	74,326	54,418		65,756	
Other Expenses	43,295	17,775	est	18,664	5% incr
Other Expenses - TA	64,281	54,581	est	57,310	5% incr
Transfer to program	91,243	0	Note 5		
Transfer to GF (Match)	-373,711	-279,218	Note 4	-278,045	
Equipment	0	0		0	
Contracts	0	0		0	
Contracts TA	0	0		0	
Total Admin Cost	596,762	454,530		542,764	
Admin balance carried forward	545,182,.38	609,880.29		762,187	

Note 1:

FFY 25 Personnel Costs based on staff

Note 2:
FFY 26 allocation estimate based on annual allocation $13,902,275

Note 3:
FFY 26 Personnel Costs based on staff add 10%

Note 4:
This year's match was determined by reducing charges to CDBG admin and charge GF account via Journal ID DOH25TK016 and OSCPCFB49. In the past, DOH would transfer cash from GF account to CDBG admin.

Note 5: Return of funds to program

Table B illustrates the following formulas:

- Administrative Balance carried forward + Annual Allocation Funding allowed for State Admin. + General Fund Subsidy + Technical Assistance = Total Available for Administration Costs; and

- Total Available for Administration Cost - Total Administrative Cost/Committed Funds = Administrative Balance to be Carried Forward.

Descriptions for the information in Table B includes:

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

III. ALLOCATIONS BY PROGRAM CATEGORY

CDBG National Objectives:

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

Program	Small Cities / CDBG		CDBG Cares Act		CDBG RHP	
	SFY 25 Expenditures (PR28)	**SFY26 Proposed Expenditures**	**SFY 25 Expenditures (PR26)**	**SFY26 Proposed Expenditures**	**SFY 25 Expenditures**	**SFY 26 Proposed Expenditures**
Benefit low/moderate -income families	**$12,603,000**	**$13,359,511**	**$601,634**	**$300,000 (contracted in 24-25 Danbury Shelter)**	**$0**	**$2,000,000**
Prevent or eliminate slums/ blight						
Meet urgent community development needs						
TOTAL	**$12,603,000**	**$13,359,511**	**$601,634**	**$300,000**	**$0**	**$2,000,000**

IV. EXHIBIT 1 – RATING AND RANKING CRITERIA

The proposed rating and ranking criteria can be found at the DOH website 2026 CDBG Rating and Ranking.

FY 2026-27 funding for the Small Cities CDBG Program will be made available for SSHP projects, housing authorities, and Public Infrastructure in support of affordable housing through a competitive application funding round. All potential applicants are encouraged to attend the Application Workshop which will be held on June 2, 2026. CDBG 101 will be held on September 15th, 16th, and 17th, with the exam on September 18, 2026. ERR will be held September 29th and 30th, with the exam on October 1, 2026.