



<https://portal.ct.gov/DOH/DOH/Housing/Funding-Opportunities>

REQUIREMENTS and INSTRUCTIONS
for the Spring 2023 Development Engagement Process
and Completing the Profile Using the New Preliminary Application
Opportunities for Affordable Housing Funding

BACKGROUND:

On April 17, 2023, the Department of Housing (DOH), in collaboration with the Connecticut Housing Finance Authority (CHFA), issued a [Notice for the Development Engagement Process Spring 2023](#) (DEP Spring 2023), which is intended to update and help manage a pipeline of potential projects for future funding opportunities. Projects for new construction, substantial rehabilitation, or preservation of affordable housing are invited under the Notice. The DEP is intended for interested parties to submit the details of a project based on the best available information at the time of submittal.

Please note that the DEP Spring 2023 assumes the potential of State bond, Federal resources, or a combination of both to fund projects whose applications are selected. Projects should therefore consider all applicable Federal requirements.

Projects interested in CHFA funding are encouraged to also contact Terry Nash Giovannucci, CHFA's Community Engagement Manager, at terry.nash@chfa.org for additional information and eligibility criteria.

Participation in the DEP does not constitute a commitment of any DOH or CHFA financing or other assistance and matters outside the control of DOH or CHFA could affect expectations and representations made during the Development Engagement Process.

Interested parties should monitor <https://portal.ct.gov/DOH/DOH/Housing/Funding-Opportunities> for updates and additional notices.

ELIGIBILITY AND REQUIREMENTS:

Projects that have submitted to a DEP round previously and have not yet submitted a full Consolidated Application may be required to participate in this or a future round before continuing DOH discussions. Such Applicants should contact the DEP team at DOH-DevelEngage@ct.gov for a determination.



There are no requirements to engage a consultant, prepare formal documentation, obtain local approvals, or expend funds in order to complete and submit the Development Engagement Process Preliminary Application, but please refer to the exhibits later described as all are useful in supporting your project to DOH.

Sponsors or an organization backing them should be an existing enterprise able to, upon request, submit audited financial statements.

All respondents to the DEP Spring 2023 should review the [Qualified Allocation Plan](#) (QAP) as a guide to agency priorities, whether the project will be seeking Low-Income Housing Tax Credits (LIHTC) or not. The QAP will be updated later this year and supersedes the previous version.

A prior commitment of DOH financial assistance is not a requirement of making application to CHFA, but readiness to proceed is a critical component of CHFA application evaluation.

Responding parties must be eligible under Section 8-37pp of the Connecticut General Statutes to apply for DOH financial assistance and the subject activity must be an eligible project as defined in that statute. Please see statutory requirements on page 7.

Limitation:

Organizations and their affiliates are limited to **three (3) DEP submissions** for distinct projects in the DEP Spring 2023. Consultants and their organizations are also limited to **three (3) DEP submissions** for unique projects. Those acting in the role of owner or developer on one or more projects and consultant on a different project are limited to a total of **three (3) DEP submissions**.

Any future award of DOH state bond funding is targeted at \$100,000 per unit and \$4,000,000 per project. Projects that propose suitable prioritization of deep affordability or other Agency priorities may also be eligible for additional Federal funding, on a per project basis.

Eligibility Concerns:

If you have a project concept you want to discuss with the Department of Housing prior to completing the DEP, please send an email describing your project and requesting a conversation to DOH-DevelEngage@ct.gov.

Exclusions:

This process is not intended for the following activities:

- ❖ Proposals for the funding of programs for administration.
- ❖ Projects anticipating applying to CHFA for 9% LIHTC in any application round later than January 2024.



- ❖ Properties included in the State Sponsored Housing Portfolio (SSHP); representatives of such projects should contact their CHFA Asset Manager to discuss opportunities for assistance.
- ❖ Projects that have received, been approved for, or are in active discussion with DOH for predevelopment loan assistance should determine applicability before participating in DEP Spring 2023 and contact your current DOH project manager.

POLICIES:

DOH has published [Interim Policies for Housing Development](#) in April 2022. Please review and consider the comprehensive information in this document *before your preparation or submittal to this Development Engagement Process round*. DOH expects projects to adhere to these Policies, which may be refined or revised while they are still in Interim form. Be sure to check back for the most recent version on our website.

ENVIRONMENTAL REVIEW:

Connecticut Environmental Policy Act (CEPA) / National Environmental Policy Act (NEPA):

DOH must complete CEPA or NEPA process prior to awarding financial assistance to a project. CEPA and NEPA are broad reviews that include assessments such as: flood zone impacts, historic implications and requirements, and environmental reviews.

Therefore, prior to submission of an application for financial assistance (a step after the DEP), submission of a CEPA Intake Form and supporting documentation including 40% drawings is required. The DOH standard is for new construction and conversion projects to provide this information ninety (90) days prior to application and for rehabilitation of existing housing to provide it sixty (60) days prior to application for financial assistance. At your own expense, you are welcome to pursue these reviews before responding to the DEP or while your DEP submission is under consideration.

In your DEP submission, please describe efforts to date regarding each of these reviews and the expected timing of these approvals.

CEPA Intake Form - <https://portal.ct.gov/DOH/DOH/Applications/Consolidated-Application>

CEPA questions should be directed to: DOH.CEPA@ct.gov

CONSOLIDATED APPLICATION:

If invited to apply, all applicants are required to use the most recent published version, which is available at <https://portal.ct.gov/DOH/DOH/Applications/Consolidated-Application> and has its own submission process, which will be communicated as a necessary.



The submission of 40% drawings and specifications is a minimum threshold requirement for the Consolidated Application, DOH encourages more advanced drawings.

All Spring 2023 DEP respondents should have sufficient capacity and preparation to anticipate delivering a completed CHFA / DOH Consolidated Application. Applicants not seeking 9% LIHTC should be capable of delivering the full ConApp by 9/30/2023. For Applicants seeking 9% LIHTC, an invitation to apply is not required and the ConApp due date is January 2024 will be published.

FILE UPLOADS:

Supporting Exhibits and Financials:

The DEP submission form supports the upload of specific exhibits which, if the information is available, should be included for best consideration of the project's readiness to proceed.

The exhibits are optional, but please supply as much as possible:

- PROJECT NARRATIVE (PJNAR) according to the requirements of the Consolidated Application
- CEPA INTAKE (CEPA) form if you have the **signed** DOH response
- SITE CONTROL (STCTR) document showing evidence of status
- SITE PLAN (STPLN) approved or proposed to your town
- UNIT MATRIX (UNMTX) if preliminary information is known
- SOURCES AND USES (SRCUS) for the project as available at this time
- PROCUREMENT PLAN (PRPLN) for all major project team participants if available
- ZONING APPROVAL (ZONE) with any conditions

Please be aware that evaluation of project financial and other exhibits is a cursory review only and a full underwriting review and approval will still be required upon application.

Project Narrative for Upload:

If you are preparing your own narrative as an exhibit in addition to the response in the Preliminary Application itself, please include: the type of housing; population to be served; number of buildings/units; and other significant site characteristics or amenities. Or you may choose to follow the form from the Consolidated Application, linked here: <https://portal.ct.gov/-/media/DOH/43a--Project-Narrative.pdf>

Planning and Zoning Approval:

Please provide information regarding the status of the Planning and Zoning site plan or full approval and if not approved, a timeframe. If your project has approval, address meeting any conditions.



Procurement:

While the DEP does not require you to have your team in place, DOH requires proper procurement of General Contractor or Construction Manager, Development Consultant, Project Architect and other major professional service providers on the team. This may include professionals involved in your predevelopment activities. Requirements can be found under Procurement on this web page: <https://portal.ct.gov/DOH/DOH/Applications/Consolidated-Application>.

Site Control:

Prospective property owners must, at a minimum, have an active option on the proposed development property. Prospective developers should be in partnership with an owner or prospective owner and prospective consultants should be representing an owner or developer. A speculative interest only in a project is **not** a sufficient relationship to participate.

Relocation:

If the property is the dwelling for individuals or households, Sponsors should at the time they are contemplating DOH funding also prepare to comply with the Connecticut Uniform Relocation Assistance Act and regulations, CGS 8-266, and be able to provide an outline of the plan at DEP submission.

Projects selected for financial assistance must comply with the act and regulations and the approved costs of such compliance are eligible project expenses.

Rental Assistance:

If the proposed development anticipates the need for RAP or Section 8 rental assistance subsidy or if an occupied property seeking rehabilitation funding currently has rental subsidies, please include this in the project description.

Supportive Services:

If the proposed development anticipates offering supportive services to tenants, please include a full description of the services to be offered, an estimated budget (with source), and the proposed service plan provider.

Qualified Allocation Plan (QAP):

All respondents to the DEP should review the CHFA Qualified Allocation Plan (QAP) for applicable policies and priorities of affordable housing and for its Glossary of Terms. The QAP is available on the CHFA LIHTC page on CHFA's website and is linked below.

These sections of the QAP are relevant to all DEP respondents:

- State Housing Plans
- Basic Threshold Requirements



- Financial Feasibility
- Opportunity Characteristics
- Rental affordability – (for DEP Spring 2023, ‘affordable housing’ is at or below 80% AMI only)
- Hard Costs, Experience of the sponsor/applicant and development team

THE PRELIMINARY APPLICATION AND DEVELOPMENT ENGAGEMENT PROCESS SPRING 2023

The following link will be available **Monday May 1st – Friday May 19th**

2023 Spring Development Engagement Profile - Preliminary Application – window closed

The online form is estimated to take 30 to 45 minutes to complete. Upon completion respondents should receive an email confirmation that includes a .pdf copy of the submission.

While completing the DEP form, partial work can be saved and a link will be provided to complete the submission.

Deadline:

Submissions will be accepted according to this Notice and the Requirements and Instructions until **5 PM EDT, Friday May 19th**, with no exceptions. If you have any technical difficulties, please contact DOH.

Inquiries:

Please direct any inquiries regarding the Profile to the DOH-DevelEngage@ct.gov.

.....

End of **Instructions and Requirements**
Continue for **Resources**



RESOURCES

The Connecticut Affordable Housing Statute:

Connecticut General Statutes, Affordable Housing, Section 8-37pp (2019)

a(4) "Eligible applicant" means: (A) A nonprofit entity; (B) a municipality; (C) a housing authority; (D) a business corporation incorporated pursuant to chapter 601 or any predecessor statutes thereto or authorized to do business pursuant to said chapter 601 having as one of its purposes the construction, financing, acquisition, rehabilitation or operation of affordable housing, and having a certificate or articles of incorporation approved by the commissioner; (E) any partnership, limited partnership, limited liability company, joint venture, sole proprietorship, trust or association having as one of its purposes the construction, financing, acquisition, rehabilitation or operation of affordable housing, and having basic documents of organization approved by the commissioner; or (F) any combination thereof;

a(6) "Eligible project" means a project designed for the purpose of providing affordable housing, and shall include, but not be limited to, (A) acquisition, construction, rehabilitation, repair and maintenance of residential or mixed use structures, (B) acquisition, construction, rehabilitation, repair and maintenance of related infrastructure, facilities and amenities incidental and pertinent to the provision of affordable housing and intended primarily to serve the residents of the affordable housing project, that may include, but not be limited to, a community room, laundry, day care space, computer center, management office or playground, or (C) demolition, renovation or redevelopment of vacant buildings or related infrastructure.

(c) An application for financial assistance shall be in the form and manner prescribed by the commissioner. In determining whether and to what extent to fund an application received from eligible applicants, the commissioner may consider relevant factors including, but not limited to, the following: (A) The ability of the project to affirmatively further racial and economic integration, including expanding multifamily rental housing opportunities in suburban and rural communities; (B) the ability of the project to meet the housing needs of the lowest income populations; (C) the ability of the project to revitalize urban neighborhoods, including expanding homeownership and increasing multifamily rehabilitation in the central cities; (D) the ability of the project to provide a full range of supportive housing options for people with special needs or who are at risk of becoming homeless; (E) impact of the project on the local neighborhood, region and the state; (F) short-term and long-term benefits of the project; (G) impact on affordable housing needs of the neighborhood, community, municipality and region; (H) project feasibility; (I) potential for leveraging other public and private investments; (J) applicant's ability to implement the project in a timely manner; (K) the relative need for the project; (L) the applicant's financial commitment to the project, except in the case of a nonprofit entity or a housing authority created pursuant to section 8-40; and (M) the extent to which the project will advance the public purposes set forth in this subdivision.



Links:

[CT Department of Housing](#)

[DOH HOME \(and National Housing Trust Fund\) Compliance Manual](#)

[2022-2023 DOH DRAFT Action Plan for Housing and Community Development](#)

[State of CT HOME Investment Partnerships Program – American Rescue Plan HOME – ARP Allocation Plan](#)

[Connecticut Housing Finance Authority](#)

[CHFA Qualified Allocation Plan 2022-23](#)

[CHFA Multifamily Standards and Guidelines of Design, Construction and Sustainability](#)

[Connecticut Plan of Conservation and Development](#)

[HUD Environmental Review Information](#)

[CEPA](#)

[CT DECD Historic Properties Requirements Approvals and Incentives](#)