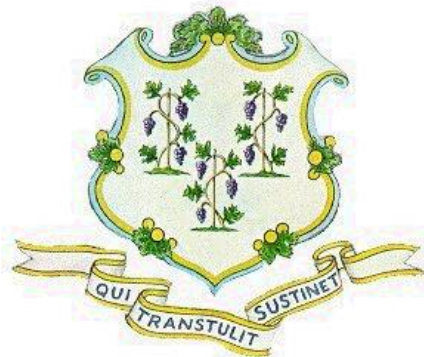




**DRAFT State of Connecticut
2019-2020 Action Plan
AMENDMENT
for
Housing and Community Development**



Submitted to the
U.S. Department of Housing and Urban Development
by the
State of Connecticut

April 23, 2020

State of Connecticut
2019-2020 Action Plan AMENDMENT
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I. EXECUTIVE SUMMARY

A. OVERVIEW

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

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

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

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

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

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

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

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

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II. CITIZEN PARTICIPATION

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

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

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

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

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

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

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

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

Outline of Activity for Public Hearings/Public Comment:

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

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III. FEDERAL REQUIREMENTS

A. Resources

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

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

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

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

B. Activities

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

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

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

C. Geographic Distribution

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

D. Homelessness and Other Special Needs Populations

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

IV. PROGRAM ACTIVITIES

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

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

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

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

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

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

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

2. Reprogramming of Funds

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

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

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

3. Eligible Use of Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5. Waivers

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

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

Citizen Participation Public Comment Period for Consolidated Plan Amendment

Requirement: 30-day Public Comment Period.

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

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

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

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

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

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

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

Citizen Participation Reasonable Notice and Opportunity to Comment

Requirement: Reasonable Notice and Opportunity to Comment.

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

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

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

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

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

6. Matching Requirement

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

7. Federal Requirements

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

8. Application and Planning Requirement

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

9. Administration of These Funds

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

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

10. SC CDBG - CARES Application Process

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

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

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

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

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

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

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

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

11. Evaluation Criteria for SC CDBG - CARES Funding

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

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

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

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

It is anticipated that up to two additional distributions of these ESG-CV funds may be distributed by HUD, either by an alternative formula or based on demand/need. In addition,

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

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

1. First Distribution of Funds from HUD:

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

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media;
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
- That recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to

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

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

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

2. Eligible Activities for First Distribution of ESG-CV

Consistent with the flexibilities and conditions of the ESG-CV funding, the table below identifies the activities that the Department intends to fund, all of which are necessary to prevent, prepare for, and respond to the coronavirus pandemic (“COVID-19”) among individuals and families who are homeless or receiving homeless assistance; and to support additional homelessness prevention activities to mitigate the impacts of COVID-19.

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

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

Expansion of Rapid Rehousing (“RRH”)

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

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

Eligible services include:

- Housing search and placement for eligible participants
- Allowable direct financial assistance, as detailed below:
 - security deposit
 - up to 12 months of rental assistance
 - moving expenses
 - up to 6 months of utility arrearages (the last 6 months of arrears)

- Housing inspections
- Stabilization case management services, including, but not limited to:
- Accessible, flexible support services such as budgeting, and vocational/educational counseling. Frequency of case management will be dependent on the needs assessment and housing stabilization plan developed for each eligible participant.

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

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

Expansion of Shelter Funding

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

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

Emergency shelter services are designed to increase the quantity and quality of temporary shelters provided to homeless people, through the renovation of existing shelters or conversion of buildings to shelters, paying for the operating cost of shelters, and providing essential services.

Eligible services include:

- a) Essential Services such as case management, childcare, education services,

employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.

b) Shelter Operations eligible costs include maintenance, rent, repair, security, fuel, equipment, insurance, utilities, food, supplies necessary for shelter operation, hotel/motel vouchers relocation, and furnishings.

c) Administration Activities. Up to 10 percent of a recipient's allocation can be used for general management, oversight, coordination, training on ESG requirements, consolidated plan, and environmental review.

Eviction Prevention Program (New)

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

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

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

Telehealth Technology (New)

The Department will seek to procure standardized technology to assist in the establishment of a Telehealth procedure to be made available within the assisted shelter community in order to better address current and future health issues associated with COVID-19.

Telehealth is the distribution of health-related services and information via electronic information and telecommunication technologies. It allows long-distance patient and clinician contact, care, advice, reminders, education, intervention, monitoring, and remote admissions. Telemedicine is sometimes used as a synonym, or is used in a more limited sense to describe

remote clinical services, such as diagnosis and monitoring. When rural settings, lack of transport, a lack of mobility, decreased funding, or a lack of staff restrict access to care, telehealth may bridge the gap.

Entry/Admission Staff – 2-1-1

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

DOH Administrative Costs

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

Homeless/Street Outreach

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

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

4. Grant Provisions

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

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

Citizen Participation Public Comment Period for Consolidated Plan Amendment

Requirement: 30-day Public Comment Period.

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

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

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

Applicability: This 30-day minimum for the required public comment period is waived for

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Connecticut Department of Housing*

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

Citizen Participation Reasonable Notice and Opportunity to Comment

Requirement: Reasonable Notice and Opportunity to Comment.

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

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

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

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

HMIS Lead Activities

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

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Citation: 24 CFR 576.107(a)(2)

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

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

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

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

Citation: 24 CFR 576.401(b)

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

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

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

Housing Stability Case Management

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

Citation: 24 CFR 576.401(e)

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

Justification: Recipients are reporting limited staff capacity as staff members are home for a variety of reasons related to COVID-19 (e.g., quarantining, children home from school, working elsewhere in the community to manage the COVID-19 response). In addition, not all program participants have capacity to meet via phone or internet. Waiving the monthly case management requirement as specified below will allow recipients to provide case management on an as needed basis and reduce the possible spread and harm of COVID-19.

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

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

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

Citation: 24 CFR 576.106(d)(1)

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

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

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

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

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

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

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

VI. ATTACHMENTS TO THE 2019-20 ACTION PLAN

Attachment A – Citizen Participation

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

Attachment B – Citizen Participation Documents

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

Attachment C – Approved Small Cities CDBG – CARES Allocation Plan