

Name of the Exhibit: **ExhibitBThresholdRequirements**

Applicant: **The State of Connecticut**

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General Section. The State of Connecticut is in compliance with the requirements of the General Section. **Eligible applicant.** The Applicant is the State of Connecticut. **Eligible county.**

The eligible counties in the State of Connecticut are Fairfield (County/in PMSA 1160,1930,5760,8040) and New Haven (County/in PMSA 1160,5480,8880). New Haven and Fairfield counties were both impacted by Disaster Number 4087, incident type: Hurricane, incident title: Hurricane Sandy, incident begin date: 2012-10-27, and end date: 2012-11-08.

Most impacted and distressed target area. The target areas identified as most impacted and distressed (MID) as a result of Hurricane Sandy (DR-4087) are Fairfield and New Haven counties. These counties were previously determined by HUD to be most impacted.

Unmet recovery needs threshold. The State of Connecticut has Unmet Recovery Needs (URN) (needs that have not been addressed by federal, state, or other sources) in excess of \$158 million in housing and infrastructure in the MID areas of Fairfield and New Haven counties.

Owner occupied housing. DOH is administering an Owner-Occupied Rehabilitation and Rebuilding program targeted to assist 1-4 unit owner-occupied properties, addressing rehabilitation and mitigation/elevation needs. Tranche 1 (T1) CDBG-DR funding addressed unmet rehabilitation needs, alone or in conjunction with mitigation/elevation needs. Tranche 2 (T2) CDBG-DR funds addressed mitigation/elevation needs of 1-4 unit owner-occupied properties damaged by Hurricane Sandy whose rehabilitation was addressed through insurance proceeds, FEMA assistance and/or SBA assistance. We anticipate awarding and expending all of the available Tranche 1 and Tranche 2 funds allocated for these activities (\$44.2M). The Tranche 3 (T3) plan proposes distributing \$6,886,050 to owner-occupied housing and the remaining \$4,572,950 to multi-family housing, infrastructure, administration and planning, and \$10M to *Resilient Bridgeport* RBD. DOH does not anticipate the number of houses damaged by the disaster to go below 20 even after T3 funds are allocated.

Owner Occupied housing Data Source Analysis: In the Dropbox folder **Spreadsheet 1** is a detailed breakdown by county of the homeowners currently being assisted or intended to be assisted with an estimated cost of activity, including CDBG-DR, insurance, FEMA and SBA. **Spreadsheet 2** is a detailed breakdown of homeowners who have applied for assistance, but for whom funds are not currently available. In order to accomplish this analysis, we made the following assumptions: (1) There is remaining Unmet Need existing among homeowners in both New Haven and Fairfield Counties consisting of those on our current application list; (2) Mitigation/elevation needs exist in both counties consisting of those on our current application list; (3) Cost estimates for Unmet Need in **Spreadsheet 2** were determined using the average cost of assisted or to-be-assisted homeowners in the respective counties from **Spreadsheet 1**. The Summary Table of Unmet Need – Owner Occupied below shows the number of current applicants seeking assistance with remaining unmet rehabilitation or with unmet mitigation/elevation needs, which cannot be addressed with other sources through CDBG-DR, insurance, FEMA, SBA. Table Legend: Avg. Asst = Average Assistance from other sources (Insurance, FEMA, SBA); Total Asst. = Total Assistance from other sources; and URN = Unmet Recovery Need (URN calculated as Total Need minus Total Asst.).

The Summary Table of Unmet Need – Owner Occupied Housing						
County	# Houses	Avg. Cost	Total Need	Avg. Asst.	Total Asst.	URN
Fairfield	99	\$181,579	\$17,976,315	\$67,186	\$6,651,414	\$11,324,923
New Haven	74	\$175,325	\$12,974,098	\$52,139	\$3,858,286	\$9,115,794
Total URN –Owner Occupied Housing after Tranche 3 CDBG-DR allocation = \$13,554,621						

Multi-family housing. DOH is administering a Multi-family Rehabilitation/Rebuilding and Mitigation program (T1 p. 53), targeted at low and moderate-income (LMI) multifamily properties with unmet need, and emphasizes state or federal public housing. DOH anticipated using leverage (state taxable and tax exempt bond financing, federal Low Income Housing Tax Credits (LIHTC) (both 4% and 9% credits), as well as conventional financing for housing) and thus allocated \$26,000,000 in CDBG-DR funding to address these needs. To date, DOH has targeted the majority of the \$26,000,000 available on three separate public housing replacement activities (T3, p.9).

The Summary Table of Unmet Need – multifamily shows remaining unmet need for rehabilitation or replacement of these units (T3, p.9). T3 proposes to distribute \$3,000,000 to multi-family (T3, p.19). Not all of the funds identified in the “Estimated Assistance Other Sources” column have received commitments, therefore unmet need may be greater than estimated. Table Legend: (T.D.C. = Total Development Cost; CDBG-DR = CDBG-DR Assistance; E.A.O. = Estimated Assistance Other Sources (DOH/LIHTC/Other); URN = Unmet Recovery Need, URN calculated from T.D.C minus CDBG-DR minus E.A.O.)

Summary Table of Unmet Need – Multi-family Housing					
County	# Units	T.D.C.	CDBG-DR	E.A.O.	URN
Fairfield	911	\$315,463,287	\$23,230,000	\$191,998,787	\$100,234,500
New Haven	140	\$43,000,000	\$0	\$18,000,000	\$25,000,000
Total URN –Multifamily after Tranche 3 CDBG-DR allocation = \$122,234,500					

Summary of unmet housing need. There is unmet housing need in the MID counties, Fairfield and New Haven, in excess of **\$135,789,167** after proposed T3 (Figures 1-3).

Infrastructure. In the most impacted target areas there is damage to permanent public infrastructure from the qualifying disaster, Hurricane Sandy, which has not been repaired. The following is the remaining infrastructure repair needs in the target area sent to DOH. The location of damage by county and municipality and a damage summary for each project is as follows: (Dropbox file names: *Town Name_Descriptor*) Fairfield County: *Fairfield_Pump Station* – over two feet of Sandy flood waters stayed behind after storm, flooding one square mile of land and homes; *Greenwich_Point Park* – wave and wind damage to park structures and erosion of natural features, living shoreline for damage prevention proposed; *Westport_Bridge* – Sandy waves dislodged bridge to island, which was repaired, but not resilient to future storms. *Bridgeport_Marina Village* – storm surge flooding damaged housing, proposal to repair incorporates resilience. New Haven County: *Beacon Falls_WWTP* – stormwater flooding at wastewater treatment plant along river; *Meriden_Harbor Brook* – stormwater flooding along river; *Milford_Point Beach* – coastal storm surge flooding damage of low-lying areas; *Milford_Wepawaug* – flooding along Wepawaug river, dredging mitigation proposed; *Oxford_Firehouse* – firehouse flooded during Sandy; *West Haven_Tide Gate & Footbridge* – tide gates and footbridge damaged from Sandy storm surge flooding; *West Haven_Culvert* – culvert vulnerable to extensive flood damage from Sandy and future storms; *Ansonia-Derby_Water Tank* – project to prevent loss of water pressure. The Data Sources has the sources and uses for each project listed. The table below shows the total cost of repairs, other sources of funding (ACE/FEMA/municipal) and the funding required to complete repairs.

Summary Table of Unmet Need – Infrastructure			
County	Cost of Repairs	Other Funding Sources	Funding Needed
Fairfield	\$15,301,536	\$4,761,250	\$10,540,286

New Haven	\$17,322,742	\$4,352,520	\$12,970,222
Total Unmet Infrastructure Need after Tranche 3 CDBG-DR Allocation = \$22,510,508			

There are inadequate funds to complete the repairs because CDBG-DR funds have been exhausted. Following Sandy there were 40 infrastructure projects requiring \$157.4 million in funding. Of the CDBG-DR funds awarded only \$6.2 (T-1) and \$30 (T-2) million have been dedicated to addressing these needs. While T-3 proposes dedicating an additional \$1 million to infrastructure, there will remain an unmet need in excess of \$22 million.

Summary of unmet infrastructure need. Based on the projects listed in the data source and summarized above, there is an unmet infrastructure need of **\$22,510,508** after proposed T3.

Statement on eligible activity, resilience incorporated, national objective, overall benefit and establish tie-back. Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in the aftermath of an event occurring in 2011, 2012, or 2013, pursuant to the Stafford Act. The expectation is to improve the resilience of the most impacted and distressed target area(s) to current and future threat(s) and hazard(s), including effects of climate change. Connecticut has demonstrated taking at least one permanent action to increase resilience in the target area, region or state. With respect to activities expected to be assisted with CDBG–NDR funds, the Application has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income (LMI) families. The aggregate use of CDBG–NDR funds shall principally benefit LMI families in a manner that ensures that at least 50 percent of the grant amount is expended for activities that benefit such persons.

Benefit-cost analysis. There is no benefit-cost analysis associated with the Phase 1 application.