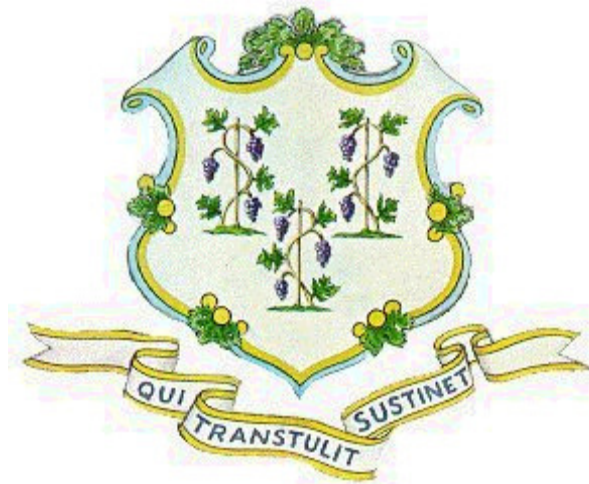




**State of Connecticut
2014-2015 Action Plan
for
Housing and Community Development**



Submitted to the
U.S. Department of Housing and Urban Development
by the
State of Connecticut
June 2014

**State of Connecticut
2014-2015
Action Plan for Housing and Community Development**

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I. EXECUTIVE SUMMARY

A. Overview

This annual Action Plan is the fourth Action Plan under the State of Connecticut's 2010-15 Consolidated Plan for Housing and Community Development (ConPlan), a 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 apply for funding under 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) Programs. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. The 2014-2015 Action Plan is for the state fiscal year July 1, 2014 to June 30, 2015.

Pursuant to Public Act. No. 11-124, "An Act concerning the State's Consolidated Plan for Housing and Community Development", which became effective on October 1, 2011, the requirement for a Long Range State Housing Plan and annual Action Plan was amended and its requirements were incorporated into the State's Consolidated Plan for Housing and Community Development to be developed in accordance with 24 CFR Part 91 as prepared by the Commissioner of Housing, in consultation with the Connecticut Housing Finance Authority.

This document 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: 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 Department of Housing (DOH) and responses;
- Applications for Assistance: HUD Form SF-424 for the HOME, SC/CDBG, ESG, and HOPWA programs; and
- Certifications: General and program specific certifications as required by HUD.

This Action Plan provides a plan for expending FY 2014-15¹ funds for the following programs:

Table 1: Anticipated State and Federal Funding For Development and Housing Support			
Housing (DOH)	State FY 2014-15	HUD FY 2014-15	Total
HOME	\$ 0	\$ 6,988,822	\$ 6,988,822
SC/CDBG	\$ 0	\$ 11,958,150	\$ 11,958,150
Affordable Housing (Flex)	\$ 70,000,000	\$ 0	\$ 70,000,000
Energy Conservation Loan Program	\$ 5,000,000	\$ 0	\$ 5,000,000
Subsidized Assist Living Demonstration	\$ 2,345,000	\$ 0	\$ 2,345,000
Elderly Rental Registry & Counselor	\$ 1,058,144	\$ 0	\$ 1,058,144
Fair Housing	\$ 293,313	\$ 0	\$ 293,313
Housing Assistance and Counseling	\$ 438,500	\$ 0	\$ 438,500
Elderly/Congregate Rental Assistance	\$ 2,162,504	\$ 0	\$ 2,162,504
Congregate Operating Subsidy	\$ 7,784,420	\$ 0	\$ 7,784,420
Payment in Lieu of Taxes (PILOT)	\$ 0	\$ 0	\$ 0
Tax Abatement	\$ 0	\$ 0	\$ 0
Housing Trust Fund	\$ 30,000,000	\$ 0	\$ 30,000,000
TOTAL	\$ 119,081,881	\$ 18,946,972	\$ 138,028,853

Source: DOH/OPM

Table 2: Anticipated State and Federal Funding for Individual and Family Services				
	STATE FY 2014-15	HUD FY 2014-15	HHS FY 2014-15	TOTAL FY 2014-15
Emergency Solutions Grants	\$ 2,724,829	\$ 1,856,840	\$ 8,340,214	\$ 12,921,883
Housing Opportunities for Persons With AIDS	\$ 3,950,437	\$ 219,764	\$ 908,373	\$ 5,078,574
Section 8 Rental Assistance	\$ 0	\$ 67,000,000	\$ 0	\$ 67,000,000
Special Needs Housing benefits (incl. in TFA, AABD expenses)	\$ 334,610	\$ 0	\$ 25,000	\$ 359,610
Rental Assistance Program/Supportive Hsg.	\$ 50,073,500	\$ 0	\$ 0	\$ 50,073,500
Security Deposit Program	\$ 647,674	\$ 0	\$ 129,646	\$ 777,320
Eviction Prevention Program	\$ 271,055	\$ 0	\$ 919,860	\$ 1,190,915
Transitional Living Program	\$ 3,573,773	\$ 0	\$ 347,254	\$ 3,921,027
TOTAL	\$ 61,575,878	\$ 69,076,604	\$10,670,347	\$141,322,829

Source: DOH/OPM

Table 3: CHFA Anticipated State and Federal Funding			
Connecticut Housing Finance Authority (CHFA)	State FY 2014-15	Federal FY 2014-15	Total
Low Income Housing Tax Credit	\$ 0	\$ 7,860,000*	\$ 7,860,000
Housing Tax Credit Contribution	\$ 10,000,000	\$ 0	\$ 10,000,000
TOTAL FOR CHFA:	\$ 10,000,000	\$ 7,860,000	\$ 17,860,000

Source: CHFA * Amount is the estimated credit amount for calendar year 2013 Under Federal Statute state credit amounts are established annually by formula on a calendar year basis

¹ 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.

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. As previously indicated, pursuant to Public Act. No. 11-124, "An Act concerning the State's Consolidated Plan for Housing and Community Development", which became effective on October 1, 2011, the requirement for a Long Range State Housing Plan and annual Action Plan was amended and its requirements were incorporated into the State's Consolidated Plan for Housing and Community Development to be developed in accordance with 24 CFR Part 91 as prepared by the Commissioner of Housing, in consultation with the Connecticut Housing Finance Authority.

This Action Plan is the annual implementation plan for the goals, objectives and strategies outlined in both the state's Long Range Housing Plan and the ConPlan. 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 the four federal 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 four 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 due within 90 days after the end of the state's program year.

The most recent CAPER was submitted to HUD on 1/28/14. It contained performance data for the annual Action Plan program year ending June 30, 2013 and can be accessed on

DOH's website, www.DOH.org under publications/housing plans. It is expected that the CAPER containing performance data for the annual Action Plan for the program year ending June 30, 2013 will be submitted to HUD in September 2014.

Summary of federal funding for FY 2014-15:

Small Cities Community Development Block Grant (SC/CDBG)	\$	11,958,150
HOME Investment Partnerships (HOME)	\$	6,988,822
Emergency Solutions Grant (ESG)	\$	1,856,840
Housing Opportunities for Persons with AIDS (HOPWA)	\$	219,764

C. Objectives and Outcomes

In this Action Plan, we have outlined the state's proposed accomplishments for program year 2014-2015 based on the performance measurement system presented in the 2010-15 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 2014-2015 annual Action Plan program year with regard to the four federal CPD formula grant programs will be submitted to HUD in September 2014.

D. Citizen Participation

In accordance with Connecticut's Citizen Participation Plan, DOH solicited public input in developing the 2014-15 Action Plan. One public hearing to gather public input and concerns on housing and community development needs throughout the state was held by DOH in Hartford on February 14, 2014. A legal notice was published announcing the public hearing and requesting written comments. The legal notice and related documents were available on DOH's website. All comments received will be summarized and responded to in Attachment A of this document.

DOH also solicited input on the draft Action Plan through a 30-day public comment period from April 3, 2014 to May 4, 2014. DOH will hold a public hearing on the draft Action Plan in Hartford on April 23, 2014. A legal notice was published announcing the public hearing and comment period. The legal notice and related documents were available on DOH's

website. All comments received will be summarized and responded to in Attachment A of this document.

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 and of the timing of the commentary periods. The state's Regional Planning Organizations were forwarded a copy of the legal notices and asked to post them on their websites. DOH also 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, Housing and state finances. In accordance with Connecticut General Statutes Section 4-28b, the Joint Standing Committees of Connecticut's General Assembly, are required to meet to review the Small Cities Community Development Block Grant Allocation Plan. That meeting will be held in May, 2014 prior to the completion and submission of this Action Plan.

In addition, consultation was sought during the February 27, 2013 CT Balance of State (BOS) CoC Steering Committee bi-monthly meeting. 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). Based upon existing resources and ESG requirements, member agencies supported the proposed concept, as it would directly assist homeless households. Members were notified of the public hearings to be held for the development of the substantial amendment, and encouraged to attend. Additional input from the CT BOS/CoC Steering Committee was sought on the draft 2014-2015 Action Plan and a letter of support is anticipated.

E. Other Outreach

There are other ways in which DOH gathered information and input on what needs to consider 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) attends. 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's SC/CDBG Program staff provided outreach during FY 2013-14 by conducting the following workshops for program applicants, including the Competitive Funding Application Workshop and the Fair Housing Workshop. In addition, significant technical assistance was made available to grantees regarding DOH's SC/CDBG Program competitive application funding process. DOH's HOME Program staff provided outreach during FY 2013-14 through the following technical assistance activities: State Housing Policy Direction Conference, Affirmative Fair Housing Workshops, and Consolidated Application Training Workshop.

F. Narrative Statements

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

- DOH will continue to prevent homelessness through its various efforts associated with Eviction Foreclosure Prevention Program; homeless outreach, security deposit guarantee program, 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.

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

- DOH intends to continue to fund emergency shelters and 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, Housing First for Families Program, CT Beyond Shelter Program, Housing First for Families; New London County Homelessness Fund Pilot Project; CT Rapid Rehousing housing stabilization supports; 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.

- Also, DOH has and will continue to contractually require all emergency shelter and transitional living 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 be aligning its emergency shelter services with Emergency Solution Grants expectations, once the final rules are published. ESG funds may be used for the following components: street outreach, emergency shelter, homelessness prevention, rapid re-housing, HMIS and administrative costs. DOH maintained ESG level funding for shelters previously identified in prior allotments, with special care not to exceed the ESG limits. The remaining balance of the ESG was identified for two purposes: HMIS local system administration for the Balance of State Continuum of Care agencies to assist with 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 is leveraging state resources (BSCT and HFF) for housing relocation and stabilization services. Also DOH has two existing opportunities through state resources (Eviction Foreclosure Prevention Program and Guarantee Security Deposit Program) that will continue to provide financial assistance for homeless prevention.

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

- Elderly and Frail Elderly and Persons with HIV/AIDS and their Families account for the significant homeless subpopulations assisted during the program year. Through DOH and the newly form Department on Aging, services are targeted to elderly and frail elderly populations.

- DOH will utilize funding (HOPWA and state) to provide services to persons with HIV/AIDS and their Families. DOH contractually requires HOPWA subgrantees and state funded AIDS/HIV residential programs to enter information into HMIS. DOH contractually requires HOPWA subgrantees to take the on-line course entitled: HOPWA financial management on-line training. DOH annually verifies that each subgrantee has two staff members that took and passed the training. DOH, in conjunction with the City of New Haven and City of Bridgeport require HOPWA subgrantees to participate in HOPWA training and annual HOPWA meetings in an effort to communicate a uniform message about HOPWA expectations. DOH's one year contracts with HOPWA subgrantees also include an option to review based on performance.

The following actions will be taken in the program year to address obstacles to meeting underserved needs:

- DOH will include a priority for state and federal capital funding in its rating and ranking criteria for projects/activities that address meeting underserved needs.

The following actions will be taken in the program year to foster and maintain affordable housing:

- DOH will include a priority for state and federal capital funding in its rating and ranking criteria for projects/activities that contribute to the preservation of affordable housing.
- DOH will commit up to \$30M in state bond funding for the preservation or revitalization of existing state-financed affordable housing. It will do so through a variety of methods, both competitive and non-competitive, as well as through targeted investment based on need and vulnerability.

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

- DOH will continue its association with selected contractors to administer programs that address housing code violations, energy conservation improvements and fair housing education.

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

- 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; Supportive Housing Preservation Committee; Multifamily Advisory Committee; Interagency Council on Supportive Housing and Homelessness; Connecticut Housing Coalition Steering Committee; the Journey Home Steering Committee; and the Reaching Home 2.0 Steering Committee. The Reaching Home 2.0 Steering Committee comprises members from HUD-Hartford; state government, local government; housing authorities, non-profits, education and philanthropic entities. Connecticut's framework for ending homelessness was released, entitled "Opening Doors-CT".
- In association with the activities of the Money Follows the Person Steering Committee, DOH will expend the balance of \$20M in state capital bonding for "right-sizing" nursing homes originally appropriated in SFY 2013 and additional funds appropriated for this purpose in SFY 2014.

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

- 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. In order to accomplish this, up to \$30M in state bond financing will be made available through a variety of mechanisms to assist PHA's in meeting the needs of their residents. This includes projects that add bedrooms to small elderly units, provide services to residents, and maintain properties by updating heating systems and completing structural improvements such as roof repairs, energy efficient windows and security improvements such as installation of lighting and electronic systems.
- As of the publication of this document, there are no non-entitlement PHA's that are on HUD's "troubled" PHA list.

The following actions will be taken in the program year to reduce the number of persons living below the poverty level:

- The four programs covered by the ConPlan – SC/CDBG, HOME, ESG and HOPWA – 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.

Anti-Poverty Strategy:

In addition to the four programs covered by the ConPlan, the State, through several agencies and organizations, employs numerous policies and programs to reduce the number of families in the state living at or below the poverty level. These programs and the organizations that administer them are described within the Institutional Structure section of state’s ConPlan.

The State of Connecticut has established the Child Poverty and Prevention Council, in accordance with C.G.S. Section 4-67x, to develop and promote the implementation of a ten-year plan to reduce the number of children living in poverty by fifty percent. In addition, it established prevention goals and recommendations, and measures prevention service outcomes in order to promote the health and well-being of children and families.

Additionally, the State has several statutory and federally mandated interrelated plans that further articulate and constitute the State’s Anti- Poverty Strategy. These plans include, but are not limited to, those enumerated below each of which is more fully described on the website for which links are provided in their brief description:

- [Child Poverty and Prevention Council Progress Report – Dec. 2013](#)
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.
- [Economic Strategic Plan for Connecticut](#)
This plan is mandated per CGS Section 32-10. It is a comprehensive five-year 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 more than 60 specific

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strategies and initiatives for the future, grouped in three general areas: Talent and Technology, Cultivating Competitiveness and Responsible Growth.

- **[State Long-Range Housing Plan](#)**

This plan was mandated per CGS Section 8-37t. It is a comprehensive five-year strategic plan that articulates and outlines the state's strategies, goals and objectives with regard to the preservation and creation of quality affordable housing and opportunities. Pursuant to Public Act No. 11-124, "An Act concerning the State's Consolidated Plan for Housing and Community Development", which became effective on October 1, 2011, the requirement for a Long Range State Housing Plan and annual Action Plan was amended and its requirements were incorporated into the State's Consolidated Plan for Housing and Community Development to be developed in accordance with 24 CFR Part 91 as prepared by the Commissioner of Housing, in consultation with the Connecticut Housing Finance Authority.

- **[Conservation and Development Policies: A Plan for Connecticut](#)**

This plan is mandated per CGS Section 16a-24. It is a comprehensive plan that serves as a statement of the development, resource management and public investment policies for the state. This document is currently being updated, which is in its final stages of revision.

- **[State Of Connecticut Department Of Housing Administrative Plan For federal Section 8 Housing Choice Voucher Program-Draft](#)**

This plan outlines how the State administers, through DOH, the federal Section 8 Housing Choice Voucher Program (Section 8 HCV). The program requirements are described in and implemented through this administrative plan.

- **[State of Connecticut Department of Developmental Services Five-year Plan](#)**

This plan is mandated per CGS Section 17a-211. It 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.

- **[Opening Doors - Federal Strategic Plan to Prevent and End Homelessness](#)**

This Plan creates the framework for accomplishing the ambitious goals of preventing and ending homelessness. The objectives identify high level actions or system change needed to facilitate increased access to housing, economic security, health, and stability for specific

populations. The strategies articulate steps that could be taken collaboratively by federal, state, and local leaders to address the differentiated needs of the populations identified.

- **Report by Interagency Counsel on Affordable Housing**

Created by Public Act 12-1, June Special Session Sec. 113, to advise and assist the Commissioner of the Department of Housing in the planning and implementation of the department.

II. INTRODUCTION

The Annual Action Plan updates the State of Connecticut's 2010-15 Consolidated Plan for Housing and Community Development (ConPlan), a 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 apply for federal funds under 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) programs. This annual Action Plan covers FY 2014-15, from July 1, 2014 to June 30, 2015.

Pursuant to Public Act. No. 11-124, "An Act concerning the State's Consolidated Plan for Housing and Community Development", which became effective on October 1, 2011, the requirement for a Long Range State Housing Plan and annual Action Plan was amended and its requirements were incorporated into the State's Consolidated Plan for Housing and Community Development to be developed in accordance with 24 CFR Part 91 as prepared by the Commissioner of Housing, in consultation with the Connecticut Housing Finance Authority.

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 DOH's web site at www.DOH.org.

The activities, programs and resources discussed in this Action Plan will be administered by various agencies including the Departments of Housing (DOH), Mental Health and Addiction Services (DMHAS), 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, ESG, and HOPWA Programs; and
- Certifications: General and program specific certifications as required by HUD.

III. CITIZEN PARTICIPATION

DOH held one public hearing to elicit input into the development of the state's 2014-15 Action Plan for Housing and Community Development in Hartford on February 14, 2014. The public was also encouraged to submit written comments. A legal notice announcing the public hearing and request for comments was published in two newspapers including one in Spanish. The legal notice and copies of past Action Plans, ConPlans and CAPERs were also available on the DOH web site.

On April 3, 2014, DOH began the 30-day public comment period on the draft Action Plan. The public comment period will conclude on May 3, 2014. DOH will hold one additional public hearing in Hartford on April 23, 2014. A legal notice announcing the public comment period and the public hearing was published in two newspapers including one in Spanish. The legal notice and a copy of the draft Action Plan were posted on the DOH web site. Copies of past Action Plans, ConPlans and CAPERs were also available on the DOH web site.

The municipal chief elected officials of all 169 municipalities in the state received a Department Notice informing them of the public hearings and comment periods. A copy of the legal notices were forwarded to the Regional Planning Organizations and they were asked to post them to their web sites. DOH also forwarded a copy of the legal notices to its Community Partners. DOH submitted, via e-mail, a copy of the legal notice announcing the 30 day public comment period and public hearing as well as a copy of the draft Action Plan to members of the State Legislature's Appropriations Committee, Commerce Committee, Planning and Development Committee, and the Chairs of the Housing Sub-Committee. In accordance with Connecticut General Statutes Section 4-28b, the Joint Standing Committees of Connecticut's General Assembly, are required to meet to review the Small Cities Community Development Block Grant Allocation Plan. That meeting will be held in May, 2014.

In addition, consultation was sought during the February 27, 2014 CT BOS/CoC Steering Committee bi-monthly meeting. 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). Based upon existing resources and ESG requirements, member agencies supported the proposed concept,

as it would directly assist homeless households. Members were notified of the public hearings to be held for the development of the substantial amendment, and encouraged to attend. Additional input from the CT BOS/CoC Steering Committee was sought on the draft 2014-2015 Action Plan and a letter of support is anticipated to be received.

Outline of Activity for Public Hearings/Public Comment:

- February 14, 2014, Public Hearing: Four people attended this Public Hearing and provided oral comment.
- Written Comments received during the development of the 2014-15 Action Plan: Four letters were received from the attendees of the public hearing providing additional information related to their oral testimony.

A. Other Outreach

There are other ways in which DOH gathered information and input on what needs to consider 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) attends. 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's SC/CDBG Program staff provided outreach during FY 2013-14 by conducting the following workshops for program applicants, including the Competitive Funding Application Workshop and the Fair Housing Workshop. In addition, significant technical assistance was made available to grantees regarding DOH's SC/CDBG Program competitive application funding process. DOH's HOME Program staff provided outreach during FY 2013-14 through the following technical assistance activities: State Housing Policy Direction Conference, Affirmative Fair Housing Workshops, and Consolidated Application Training Workshop.

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 2010-15 ConPlan, are found in the program-specific sections of this report.

This Action Plan provides a detailed plan for expending FY 2014-15 funds for the following federal programs:

Small Cities Community Development Block Grant (SC/CDBG)	\$ 11,958,150
HOME Investment Partnerships (HOME)	\$ 6,988,822
Emergency Solutions Grants (ESG)	\$ 1,856,840
Housing Opportunities for Persons with AIDS (HOPWA)	\$ 219,764

Please refer to Table 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. The State is committed to making the most efficient and effective use of all available and appropriate resources. Connecticut's 2010-15 ConPlan outlines how the State plans to leverage HOME, SC/CDBG, ESG, and HOPWA 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. HOME funds are available on a year-round basis through an "open" enrollment application process. SC/CDBG funds will be administered through a competitive application funding process, with the exception of Urgent Need and Section 108 projects. Please refer to the program specific sections of this document for more detail on these activities.

C. Geographic Distribution

Funding under both the SC/CDBG and HOME programs will be available to all eligible communities in accordance with program requirements. Communities with demonstrated

greater needs may be given higher priority. With respect to ESG, DOH will begin to take into consideration geographic distribution, if a statewide service delivery model is not applicable. Funding decisions will take into consideration the availability of resources available to ESG-municipalities to ensure that there is not a duplication of services, while addressing needs of the balance of state.

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.

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 Connecticut Housing Finance Authority (CHFA) annually reviews the Federal Low Income Housing Tax Credit Qualified Allocation Plan to assure consistency with state policies described in this Action Plan.
2. CHFA also considers the preservation and redevelopment of state or federal public housing stock in the awarding of Federal Low Income Housing Tax Credits.
3. The State of Connecticut will continue to address the reduction of lead-based paint hazards in a manner consistent with current activities at the DOH. These include but are not limited to the following:
 - a. DOH will continue its efforts to reduce the hazards of lead-based paint through a coordinated outreach effort to provide lead-based paint hazard reduction information to rehabilitation and construction contractors.
 - b. DOH abides by HUD's requirements for notification, evaluation, and reduction of lead-based paint hazards in federally-owned residential properties and housing receiving federal assistance (Lead Safe Housing Regulation at 24 CFR Part 35). In addition, DOH will also follow the Renovation, Repair and Painting Program (RRP) which became effective April 22, 2010. The Environmental Protection Agency (EPA)

is requiring that lead-safe work practices are followed when work is performed on pre-1978 housing and child occupied facilities. Firms will be required to be certified, their employees must be trained and certified in use of lead-safe work practices and lead-safe work practices that minimize occupants' exposure to lead hazards must be followed. Pre-renovation requirements include the distribution of EPA pamphlets to the owner and occupants before renovation starts, including adult representatives for children in child-occupied facilities, and posting informational signs describing the nature, location and dates of the renovations.

- c. DOH will also support and work with DPH and its partners, as well as HUD grantees on the implementation of its statewide 'Healthy Homes Initiative' which seeks 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. The DPH Healthy Homes Initiative workgroup includes supervisors from the following housing-related activities: asbestos, asthma, environmental engineering (septic systems), injury prevention, infectious disease, private wells, and radon.
4. In accordance with CFR 91.325(a)(1) Affirmatively furthering fair housing: Each State is required to submit a certification that 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 (AI) 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 its CAPER.

- Increase the access of racial and ethnic minorities, people with disabilities and families with children to the existing supply of housing;
- Increase the supply of affordable housing;
- Establish mechanisms for better data collection on fair housing in Connecticut;
- Provide increased training of state employees in the area of fair housing;
- Expand fair housing outreach and education activities; and
- Increase monitoring and enforcement of fair housing laws and policies.

States are encouraged to update their AI on a regular basis. DOH is just completing the preparation of a new AI and that report will be published in the next 30 days.

V. PROGRAM ACTIVITIES

A. HOME Investment Partnerships (HOME) Program

The State of Connecticut will continue its effort to strengthen the abilities of state and local governments to expand and preserve the supply of decent, safe, sanitary, and affordable housing with the use of FY 2014-15 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. The State of Connecticut (PJ) estimates the amount of match required to be \$1,747,205 and will use state funds, either from banked accumulation of matching funds or from new activity, as the source of funding for the match.

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 with the exception of Tenant Based Rental Assistance (TBRA).

1. FY 2014-15 Resource Allocation Plan for the HOME Program

The FY 2014-15 HUD allocation to DOH for the HOME Program is anticipated to be \$6,988,822. 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 2014-15 Allocation	\$	6,988,822
State Administration (10%)	\$	698,882
CHDO Set-aside (15%)	\$	1,048,323
Subtotal	\$	1,747,205
Program Allocation	\$	5,241,617
Estimated Program Income	\$	658,200
Allocation available for eligible activities	\$	5,899,817

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; 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 (applies only to nonprofit developers):

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 all of the 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 (ie: 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:

$$\text{Yearly Reduction} = 1 / \#$$

(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 Program definition for annual income for its HOME program.
- Eligible Activities, § 92.205 - DOH will allow all HOME Program eligible activities with the exception of Tenant Based Rental Assistance (TBRA).
- Project Completion, § 92.205(e)(2) 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 definition of “project completion” in § 92.2, projects that are not completed within 4 years of the commitment date will be terminated and required repayment of 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 the HOME regulation at 24 CFR 92.250(a) which limits the amount of HOME funds that a PJ may invest in a HOME-assisted unit. The maximum HOME per-unit subsidy limit is the basic Section 221(d)(3) FHA mortgage limit for elevator-type projects, by bedroom size.
- Underwriting and Subsidy Layering § 92.250(b) - DOH will adhere to the December 16, 2011 Home Program proposed rule (as applicable to FFY 2012 allocation funds) 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 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 December 16, 2011 Home Program proposed rule revised definition for CHDO's @ 92.2 paragraph 9 (as applicable to FFY 2012 allocation funds) and CPD Notice 12-007.
- 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.

- Handicapped Accessibility – 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. Application Process for the HOME Program

DOH will continue to accept applications for the HOME Program under the "open" enrollment application process: applications may be accepted on a continuing basis year-round, for as long as funds continue to be available. DOH may also consider applications submitted pursuant to its competitive funding activities with respect to eligibility for HOME funds. 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 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.

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.

For information regarding evaluation criteria considered in the application approval process, please refer to Section V.C “Evaluation Criteria for HOME and SC/CDBG Programs” of this document.

B. 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 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. DOH estimates the amount of match required to be \$222,826 and will use DOH’s General Fund personal services appropriation as the source of funding for the match.

DOH does not collect program income from its grantees, and therefore would not have any program income funds available for additional SC/CDBG activities.

1. FY 2014-15 Resource Allocation Plan for SC/CDBG Program

The FY 2014-15 allocation to DOH for the SC/CDBG Program is anticipated to be \$11,958,150. 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 amount of Small Cities CDBG funds anticipated to be available to fund projects in FFY 14 (SFY 15) is \$11,899,406, (FFY 14 (SFY 15) allocation of \$11,958,150 minus administrative costs of \$458,744 plus the reprogrammed TA funds from the previous years of \$400,000).

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.

Summary of Appropriations and Committed Funds			
Small Cities CDBG Program	FFY 12 (SFY 13)	FFY 13 (SFY 14) Estimated	FFY 14 (SFY 15) Proposed
Uncommitted Balance Carried Forward	\$105,271	+\$-0-	+\$-0-
Plus Recaptured Funds	+\$539,930	+\$292,826	+\$-0-
Plus Reprogrammed 1% TA Funds	\$0	+\$-0-	+\$400,000
Reallocation Total	\$645,201	\$292,826	\$400,000
PLUS			
Annual Allocation	\$11,141,302	\$12,017,705	\$11,958,150
Minus Admin. (see Table B lines Annual Allocation for Admin and Technical	-\$434,239	-\$460,531	-\$458,744
Net Allocation	\$10,707,063	\$11,557,174	\$11,499,406
EQUALS			
Total CDBG funding available for projects	\$11,352,264	\$11,850,000	\$11,899,406
MINUS			
Committed Funds	\$11,352,264 ²	\$11,850,000	\$11,899,406
EQUALS			
Uncommitted Balance to be Carried Forward to the following	\$-0- ³	\$-0- ⁴	\$-0- ⁵

Source: DOH

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:

² \$11,352,264 refer to Table A-1

³ -0-: The FFY12 (SFY13) has been projected because DOH intends to commit all available funds

⁴ -0-: The FFY13 (SFY14) has been projected because DOH intends to commit all available funds.

⁵ -0-: The FFY14 (SFY15) has been projected because DOH intends to commit all available funds.

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

In addition, DOH intends to reprogram accumulated 1% Technical Assistance funds from FY 2009, 2010, 2011 and 2012 to fund programs is \$400,000.

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 sidewalks⁶), where at least 51% of the population in the defined area is of low- and moderate-income; or
- Limited clientele (e.g., seniors or handicapped persons⁷); or
- Direct benefit (e.g., housing rehabilitation and job creation⁸).
- 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:

⁶ 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.

⁷ 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.

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.

- **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 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.

Application Selection Process and Procedures

Pre- Application: All eligible communities are invited to submit a pre-application to DOH. DOH's current Small Cities Letter of Intent can be used and modified to include the following information:

- 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;
- project budget and requested loan amount;
- project activities proposed to be funded by the Section 108 loan;
- need and market assessment of the project;
- financial need (proof that other sources of finance were sought for before applying for Section 108 as per CFR § 570.704 (b) (4));
- local and regional economic development benefits, including identification as a project prioritized by Comprehensive Economic Development Strategy (CEDS) and District Organizations of Economic Development Districts (EDD) created under Federal Department of Commerce, Economic Development Administration guidelines;
- consistency with the SC/CDBG program's national objectives;
- consistency with other public benefit requirements of Section 108 (job creation and benefits to low- and moderate-income people);
- proof of local government's, or private entity's, in case loan will be transferred, capability for repayment;
- proposed repayment plan identifying all sources of repayment;
- citizen's approval of project and loan obligations;
- in case of joint applications from multi-jurisdictional consortia, the agreement and terms for collaboration and the community designated to serve as lead applicant;
- municipality's SC/CDBG program history with DOH;
- property owner's approval;
- consistency with the state's responsible growth policies and federal USDOT and HUD sustainable communities' livability principles;
- (as applicable) regional planning organization or economic development district approval; and
- any other information that may help with the project and loan approval.

Communities or projects will be evaluated by a review team on project merits including but not limited to:

- need of the project and the extent of economic development benefits;

- consistency with the SC/CDBG programs' national objectives and program impact (number of jobs created or retained, Section 108 cost per job, and availability of jobs to low- and moderate-income persons);
- municipality's capability for loan repayment;
- quality of the proposed loan repayment plan;
- strength of collateral;
- degree to which the state's responsible growth criteria and HUD's livability principles are satisfied;
- support of mixed-use developments and regional partnerships; and
- past positive history of municipality/developer with DOH.

All final decisions are left to the discretion of the DOH Commissioner. If DOH approves the pre-application, the non-entitlement community or communities will be informed of the decision and will be instructed to submit a final application.

Final Application: If selected by DOH in the pre-application stage, the applicant will be provided with the final application documents and application instructions.

7. Application Process for SC/CDBG Program

FY 2014-15 funding for the SC/CDBG Program will be available for all activities, except Section 108 projects, through a competitive application funding round. 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.

a. 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: 2012 grants need to have a signed contract in place. 2011 grants must be 50% expended. 2010 grants must be 100% expended. Grants older than 2010 must be closed out with a certificate by April 1, 2013. DOH has the right to waive the certificate for those grants older than 2010 should the certificate not be issued based on DOH's own close out schedule.
- Expenditure Rates: 2013 grants must be 10% expended by February 28, 2014. 2012 grants must be 50% expended. 2011 grants must be 100% expended. Grants older than 2010 must be closed out with a certificate of completion or pre-closeout certification issued by DOH. Any applicant not meeting this requirement will be rejected.

b. Application Evaluation Process:

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. An evaluation of the site's feasibility will be completed and considered as part of the final review. Staff review will include but not be limited to the following:

- Applicant capacity;
- Outstanding obligations (i.e. findings & concerns);
- Number of open contracts;
- Expenditure rates on open contracts;
- Program Income on hand;

- Other unique facts or circumstances;
- Need and marketability;
- Need for the activity;
- Local financial conditions;
- Project feasibility;
- Readiness to proceed;
- Site feasibility;
- Firm financial commitments, if applicable;
- Site control, etc.;
- Community impact;
- Extent to which the proposed activity supports the goals of neighborhood, local, regional, and state plans for housing and community development;
- Amount of leveraging included in the application;
- Level of consistency with DOH's responsible growth criteria including compliance with the current Conservation and Development Policies Plan for Connecticut; and
- Fair housing and equal opportunity.

For more information regarding evaluation criteria considered in the application approval process, please refer to Section V.C. "Evaluation Criteria for HOME and SC/CDBG Programs" of this document.

c. 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 will not exceed 2% of the state's annual allocation.

d. Economic Development:

Requests for funding are part of the competitive application process outlined above. 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.

e. Public and State-Assisted Housing Modernization:

Requests for funding are part of the competitive application process outlined above. 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.

f. Housing Rehabilitation Program:

Requests for funding are part of the competitive application process outlined above. 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.

g. Funding Priorities:

Housing and economic development projects are considered funding priorities by the “State of Connecticut”. Applications for housing and economic development activities will receive additional points when rated and ranked.

h. 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

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regardless of the amount. Funds received from other than a revolving loan program retained by a unit of local government must not exceed \$35,000.

- 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 draw downs 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).

i. Project award amounts:

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

Residential Rehab	\$ 400,000
2+ towns	\$ 500,000
3+ towns	\$ 600,000
Public Housing:	
25 or less units	\$ 700,000
26 or more units	\$ 800,000

Public Facilities	\$ 700,000
Infrastructure Streets & Sidewalks	\$ 500,000
Planning Only	\$ 25,000
Economic Development	\$ 500,000
Urgent Need	\$ 500,000

j. Admin and Program Costs for Housing Rehab projects

Under the Connecticut Small Cities CDBG Program, 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.

k. 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.

C. Evaluation Criteria for HOME and SC/CDBG Programs

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

1. 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.

2. 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 by HOME or SC/CDBG funds, the extent to which the HOME or SC/CDBG 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.

3. 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.

4. Responsible Growth, Livability Initiatives, and Community Impact

Responsible growth⁹ 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 development¹⁰;
- Provide or leverage educational opportunities at all grade levels;
- Promote the livable characteristics of the sustainable communities initiative¹¹;
- Promote mixed-use¹² 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 Community Revitalization Strategy, Plan of Development or similar planning effort. The applicant must provide evidence of the planning effort supporting the project. This

⁹ As per the Governor's Executive Order No. 15, DOH is actively adopting responsible growth principles in all its policies and programs.

¹⁰ "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.

¹¹ 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

¹² Mixed-use refers to a variety of land uses such as residential, retail, commercial, business, office, public, and recreational.

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.

D. Compliance and Monitoring for HOME and SC/CDBG Programs

DOH will monitor applicants' compliance to program requirements in accordance with 24 CFR 92 and 24 CFR 570 for the HOME and SC/CDBG Programs respectively, as well as CPD Notice 12-02, as detailed below.

1. 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. Staff, in consultation with technical service staff from the Department of Economic and Community Development, 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, but are not limited to:

- 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.

2. Small Cities CDBG Monitoring

Monitoring during the Development Stage: The Office of Small Cities-CDBG and Technical Services in the Department of Housing has the primary responsible for monitoring all projects financed by the Department with federal (Small Cities CDBG) funds. However, staff of the Department of Economic and Community Development (DECD) will assist DOH staff by providing specific technical services associated with the following: DECD staff will monitor the physical construction of any project, including plans/spec review, on-site construction monitoring, as well as physical inspection during construction. DOH 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 Office of Small Cities-CDBG and Technical Services 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.

E. State and Federal Resources for DOH FY 2014-15

These tables list the levels of state and federal funding anticipated to be available in FY 2014-15. Please note that Connecticut's 2010-15 ConPlan outlines how the state plans to leverage SC/CDBG and HOME 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 2010-15 ConPlan and the Connecticut 2010-15 State Long-Range Housing Plan. Both of these documents are available on the DOH web site.

Housing (DOH)	State FY 2014-15	HUD FY 2014-15	Total
HOME	\$ 0	\$ 6,988,822	\$ 6,988,822
SC/CDBG	\$ 0	\$ 11,958,150	\$ 11,958,150
Affordable Housing (Flex)	\$ 70,000,000	\$ 0	\$ 70,000,000
Energy Conservation Loan Program	\$ 5,000,000	\$ 0	\$ 5,000,000
Subsidized Assist Living Demonstration	\$ 2,345,000	\$ 0	\$ 2,345,000
Elderly Rental Registry & Counselor	\$ 1,058,144	\$ 0	\$ 1,058,144
Fair Housing	\$ 293,313	\$ 0	\$ 293,313
Housing Assistance and Counseling	\$ 438,500	\$ 0	\$ 438,500
Elderly/Congregate Rental Assistance	\$ 2,162,504	\$ 0	\$ 2,162,504
Congregate Operating Subsidy	\$ 7,784,420	\$ 0	\$ 7,784,420
Payment in Lieu of Taxes (PILOT)	\$ 0	\$ 0	\$ 0
Tax Abatement	\$ 0	\$ 0	\$ 0
Housing Trust Fund	\$ 30,000,000	\$ 0	\$ 30,000,000
TOTAL	\$ 119,081,881	\$ 18,946,972	\$ 138,028,853

Source: DOH/OPM

	STATE FY 2014-15	HUD FY 2014-15	HHS FY 2014-15	TOTAL FY 2014-15
Emergency Solutions Grants	\$ 2,724,829	\$ 1,856,840	\$ 8,340,214	\$ 12,921,883
Housing Opportunities for Persons With AIDS	\$ 3,950,437	\$ 219,764	\$ 908,373	\$ 5,078,574
Section 8 Rental Assistance	\$ 0	\$ 67,000,000	\$ 0	\$ 67,000,000
Special Needs Housing benefits (incl. in TFA, AABD expenses)	\$ 334,610	\$ 0	\$ 25,000	\$ 359,610
Rental Assistance Program/Supportive Hsg.	\$ 50,073,500	\$ 0	\$ 0	\$ 50,073,500
Security Deposit Program	\$ 647,674	\$ 0	\$ 129,646	\$ 777,320
Eviction Prevention Program	\$ 271,055	\$ 0	\$ 919,860	\$ 1,190,915
Transitional Living Program	\$ 3,573,773	\$ 0	\$ 347,254	\$ 3,921,027
TOTAL	\$ 61,575,878	\$ 69,076,604	\$10,670,347	\$141,322,829

Source: DOH/OPM

Connecticut Housing Finance Authority (CHFA)	State FY 2014-15	Federal FY 2014-15	Total
Low Income Housing Tax Credit	\$ 0	\$ 7,860,000*	\$ 7,860,000
Housing Tax Credit Contribution	\$ 10,000,000	\$ 0	\$ 10,000,000
TOTAL FOR CHFA:	\$ 10,000,000	\$ 7,860,000	\$ 17,860,000

Source: CHFA * Amount is the estimated credit amount for calendar year 2013 Under Federal Statute state credit amounts are established annually by formula on a calendar year basis

F. Performance Measurement

The 2013-14 Action Plan outlined DOH's proposed accomplishments for FY 2013-2014.

These were based on the performance measurement system presented in the 2010-15

ConPlan. The results for FY 2013-14 proposed accomplishments will be contained in the 2013-14 Consolidated Annual Performance Evaluation Report (CAPER).

Likewise the 2014-15 Action Plan outlines DOH's proposed accomplishments for FY 2014-15, based on the performance measurement system presented in the 2010-15 ConPlan. The results for FY 2014-15 proposed accomplishments will be contained in the 2014-15 Consolidated Annual Performance Evaluation Report (CAPER).

Connecticut's 2010-15 Consolidated Plan and subsequent Action Plans outline Over arching 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 HOME, SC/CDBG, ESG, and HOPWA funds to eligible recipients based on the priorities set forth in the state's 2010-15 ConPlan and this document.

Below is a summary of the Performance Measures as contained in the 2010-15 ConPlan, which serve as an outline of the annual proposed accomplishments for the 2014-15 Action Plan.

The state's long-term vision is that Connecticut's communities will be vibrant, safe, clean, and diverse places for people to live, work, and raise a family, that housing opportunities in Connecticut will be affordable, environmentally friendly and available to meet the needs of all its citizens. Housing is a key component of attaining and sustaining economic growth and in anchoring a community. Ensuring affordable housing options, to own and rent is an important contributing factor to future economic health. Additionally, many of Connecticut's most vulnerable citizens are in need of quality affordable housing.

In order to address all the citizens needs in an era of constrained resources it is important to add new housing as well as preserve affordable housing presently serving households in need. Additionally, it is important that all efforts, state and local, be undertaken consistent with responsible growth principles that will make the most efficient uses of energy, land, public infrastructure and other societal resources over the long-term. The state will marshal its resources to address Connecticut's housing development, housing support, and community development needs through the application of responsible development and

sustainable communities' livability principles to promote responsible development by giving funding priority to projects that address multiple needs and leverage existing infrastructure and resources.

Responsible development as an overarching principle 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. As per the responsible development policy, DOH will give priority to projects that reuse or capitalize on areas within built-up lands, existing commercial properties, and brownfields.

Sustainable communities as an overarching principle emphasizes Connecticut's commitment to building and sustaining safe, livable, healthy communities and will encourage investment and development that strengthens and revitalizes communities by providing more choices for affordable housing near employment opportunities; more transportation options that lower transportation costs and shorten travel times; and improve and protect the environment. This activity is consistent with the recommended current Conservation and Development Policies Plan for Connecticut.

The state will endeavor to "bring opportunities to opportunity-deprived areas, and to connect people to existing opportunities throughout metropolitan regions". To these ends, the state will affirmatively further fair housing in Connecticut through the identification of impediments to fair housing choice, within the state, and by taking appropriate actions to overcome the effects of any impediments identified. The DOH, CHFA and the Department of Social Services (DSS) will continue to carry out the state's fair housing strategy in order to promote equal housing opportunity for all of Connecticut's citizens and increase housing choice opportunities through the application of responsible development and livability principles and strategies.

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.

The state will emphasize programs targeted at homelessness prevention and rapid re-housing and supportive housing as the primary means to prevent and end homelessness in Connecticut. The state will work to expand permanent supportive housing in Connecticut to break the cycle of long-term, chronic homelessness.

The state will work to revitalize communities by providing communities in need with:

- Assistance to undertake housing, community and economic development initiatives.
- Assistance to help undertake community infrastructure, facility, and service projects affecting public health, safety and welfare.

The state will encourage the maximization of existing infrastructure and resources and the re-use of blighted and brownfield properties through the application of responsible growth principles and strategies and provide incentives for community revitalization efforts as per the state's responsible growth strategies and the growth management policies specified in the current Conservation and Development Policies Plan for Connecticut.

OVERARCHING PRINCIPLES

Responsible Development

Responsible Development 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. As per the responsible growth policy, DOH will give priority to projects that reuse or capitalize on areas within built-up lands, existing commercial properties, and brownfields.

DOH will give preference to community and housing development/redevelopment projects that satisfy the following responsible growth criteria:

- Conform with the current Conservation and Development Policies Plan for Connecticut
- 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.
- Integrate transit-oriented development.
- Integrate energy/water conservation, energy efficiency and "green" building design.
- Avoid adverse impacts to natural and cultural resources and open space.
- Promote mixed-use development and mixed income development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other).

The state's responsible growth strategies directly related to affordable housing include supporting state programs such as the Incentive Housing Zones for higher-density, mixed-income housing in downtowns and re-developed brownfields and former mills close to transit options and job centers. DOH also supports federal efforts by the U.S. Departments of Housing and Urban Development (HUD), Environmental Protection Agency (EPA), and Transportation (USDOT) to promote mixed income housing near transit, known as the Partnership for Sustainable Communities.

Sustainable Communities

“The average working American family spends nearly 60% of its budget on housing and transportation costs, making these two areas the largest expenses for American families.”

As referenced above, 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 the following “Livability Principles”:

- Provide more transportation choices. Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions, and promote public health.
- Promote equitable, affordable housing. Expand location- and energy-efficient housing choices for people of all ages, incomes, races, and ethnicities to increase mobility and lower the combined cost of housing and transportation.

- Enhance economic competitiveness. Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers, as well as expanded business access to markets.
- Support existing communities. Target federal funding toward existing communities - through strategies like transit oriented, mixed-use development, and land recycling - to increase community revitalization and the efficiency of public works investments and safeguard rural landscapes.
- Coordinate and leverage federal policies and investment. Align federal policies and funding to remove barriers to collaboration, leverage funding, and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
- Value communities and neighborhoods. Enhance the unique characteristics of all communities by investing in healthy, safe, and walkable neighborhoods - rural, urban, or suburban.

This initiative is consistent with the state’s responsible growth principles and policies. The state of Connecticut will work to align its funding and development policies and initiatives, as outlined in Executive Order 15 and Sections 4-124 (s) and (t) of the Connecticut General Statutes, with those of the Sustainable Communities Initiative. To these ends the Connecticut State Departments of Housing (DOH), Transportation (CTDOT) and Energy and Environmental Protection (DEEP) have begun executive level meetings on integrating responsible growth and sustainable communities’ livability principles and policies into their planning and funding processes and to align state programs, development initiatives and funding with those of the federal sustainable communities initiative. Therefore, the state is including the “livability principles” along with its responsible growth principles in its overarching policies for housing and community development.

OVERARCHING GOALS

The overall goal of the community planning and development programs covered by this section of the plan is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons and where applicable extremely low-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels

of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

Goals:

1. Work To Ensure Decent Housing Is Available To All.

Decent housing includes assisting homeless persons to obtain appropriate housing and assisting persons at risk of becoming homeless; retention of the affordable housing stock; and increasing the availability of permanent housing in standard condition and affordable cost to low-income and moderate-income families, particularly to members of disadvantaged minorities, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability. Decent housing also includes increasing the supply of supportive housing, which combines structural features and services needed to enable persons with special needs, including persons with HIV/AIDS and their families, to live with dignity and independence; and providing housing affordable to low-income persons accessible to job opportunities.

2. Work to Ensure That All of the State's Residents Live in a Suitable Living Environment.

A suitable living environment includes improving the safety and livability of neighborhoods; increasing access to quality public and private facilities and services; reducing the isolation of income groups within a community or geographical area through the spatial de-concentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conservation of energy resources.

3. Work to Ensure That All of the State's Residents Have Access to Economic Opportunities.

Expanded economic opportunities includes job creation and retention; establishment, stabilization and expansion of small businesses (including micro businesses); the provision of public services concerned with employment; the provision of jobs involved in carrying out activities under programs covered by this plan to low-income persons living in areas affected by those programs and activities; availability of mortgage financing for low-income persons at reasonable rates using nondiscriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-

sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted and public housing.

Note: Different programs have different income group targets. For the purposes of this document, when used with regard to funding activities and/or with goals and objectives, 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 the programs that specifically target such groups. Please see the Code of Federal Regulations for specific guidance with the applicability of such targets.

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

Each objective also 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 the Consolidated Plan.

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. Based on the state’s review of all relevant and available data, specific issues were selected and run through an internal screening at the Departments of Housing/Social Services. Issues chosen to be assigned high priority funding status within this plan were selected based on three overarching factors: (1) the issue’s relative demonstrated need (as identified in the needs assessment), (2) the availability of other funds to address the need and (3) the eligibility criteria of each of the four federal programs governed by this plan.

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 federal 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 allocated to the state under the SC/CDBG, ESG, HOME and HOPWA programs.*

Geographic Targeting

- The state will target its federal funds to certain geographic areas consistent with the priorities set in the current Conservation and Development Policies Plan for Connecticut, 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, and homelessness, resources will be focused, to the greatest extent possible, in targeted areas.

The existing Section 8 Voucher/Certificate, Section 8 Moderate Rehabilitation, Community Services Block Grant (CSBG), Federal Historic Tax Credits, and Federal Historic Preservation Grants are exempt from the state's geographic targeting.

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

- Emergency Solutions Grant (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 without restriction. Five jurisdictions (Bridgeport, Hartford, New Britain, New Haven and Waterbury) receive their own allocations of ESG funds directly from the federal government, thus are not eligible for the state allocation unless Balance of State priorities are addressed and need still exists in ESG jurisdictions. Because of the nature of homelessness, the ESG program is exempt from Priority Funding Area requirements.
- Rural Development (aka Farmers Home) Programs (All) - The U.S. Department of Agriculture's Rural Development Housing Programs were established to provide quality affordable housing to the nation's rural and farm communities. All Rural Development programs (502, 515, 523, etc.) are restricted for use in "rural areas" which include open country and places with populations of 50,000 or less.
- Home Investment Partnerships Program (HOME) - The HOME Program was established under the Cranston-Gonzalez National Affordable Housing Act of 1990. The state's allocation of HOME funds may be used anywhere within the State of Connecticut.
- Federal Low-Income Housing Tax Credits (FLIHTC) - 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 administering agency and has an approved competitive process that allows points to be given to rental housing projects. CHFA's allocation plan must be consistent with the current State Plan of Conservation and Development.
- Small Cities Community Development Block Grant (SC/CDBG) – Small Cities Community Development Block Grant funds are awarded through a formula established by the federal government. The state's allocation of CDBG funds may not be used in 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 receive their own allocations of CDBG funds directly from the federal government and are not eligible for use of the state allocation designated for small cities.

- The majority of HOPWA dollars allocated to Connecticut are apportioned through the Eligible Metropolitan Statistical Areas (EMSA) of Bridgeport, Hartford, New Haven and their surrounding areas. DOH receives a small amount of “Balance of State Dollars” and uses a competitive procurement process for HOPWA services to ensure statewide coverage for the balance of state catchment area: Windham County, New London County, Middlesex County and Litchfield County.

AFFORDABLE HOUSING

Goal

Enhance suitable living environment, create decent housing, and 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 preventing 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.

The state will endeavor to “bring opportunities to opportunity-deprived areas, and to connect people to existing opportunities throughout metropolitan regions”¹³. To these ends, the state will affirmatively further fair housing in Connecticut through the identification of impediments to fair housing choice, within the state, and by taking appropriate actions to overcome the effects of any impediments identified. The DOH and CHFA will continue to carry out the state’s fair housing strategy in order to promote equal housing opportunity for all of Connecticut's citizens and increase housing choice opportunities through the application of responsible development principles and strategies, using education and outreach, regional solutions and cooperation and neighborhood stabilization and revitalization.

¹³ *People, Place and Opportunity: Mapping Communities of Opportunity In Connecticut*, Kirwan Institute, Ohio State University & the Connecticut Fair Housing Center, November 2009.

The 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. Most urban areas are natural mixed-use developments whereas suburban areas need to move away from the traditional single-use developments.

Increasing the supply of quality affordable housing can be accomplished in multiple ways including new construction and rehabilitation of existing units. Adaptive re-use of historic structures provides multiple benefits to communities. Redevelopment lowers the ratio of poor quality or unused structures. Additionally, re-use lessens sprawl in rapidly developing areas by preserving open space/undeveloped land. Adaptive re-use is very likely to engender community support by preserving structures that have long been part of the community.

Summary of five year Affordable Housing Objectives

Fair Housing and Housing Choice

Over the five-year period covered by the 2010-15 ConPlan, the state will focus its resources to achieve the following:

- Within budget 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 Analysis of Impediments (AI) for state level action. Utilization of the Fair Housing Center has enabled the state to better address the objectives of the AI by increasing the access of people in the protected classes to the existing supply of affordable housing, expanding fair housing outreach and education activities, including an emphasis on foreclosure prevention, providing increased training of state employees, service providers, housing developers or other funding recipients in the area of fair housing/civil rights and increasing monitoring and enforcement of fair housing laws and policies within the State of Connecticut.
- DOH will continue to conduct regular monitoring of its funding recipients in the areas of civil rights and fair housing and enforcement.

- Update the Analysis of Impediments to Fair Housing Choice including the Action Steps for state and local governments.

Quality Affordable Housing

Over the five-year period covered by the 2010-15 ConPlan, the state will focus its resources to achieve the following:

- With Regard to New Affordable Rental Housing:
 - DOH will work to create 750 new quality affordable rental housing units.
- With Regard to New Homeownership Opportunities:
 - DOH will work to create 300 new affordable homeownership opportunities.
 - CHFA will work to assist 13,500 to 15,000¹⁴ first time homebuyers.
- With Regard to Preserving Existing Affordable Rental Units:
 - DOH will work to preserve 1,000 existing affordable rental housing units.
- With Regard to Maintaining Homeownership:
 - DOH will work to maintain homeownership for 400 households.
- With Regard to CHFA multifamily housing development mortgage programs and tax credit equity funding programs to fund the new construction, rehabilitation and preservation of affordable rental housing:
 - CHFA will work to fund the development and/or preservation of 3,200¹⁵ units.

The above referenced figures were based on historic program performance, current unit production costs and anticipated financial resources at the time the 2010-15 ConPlan and SLRP were developed. Significant decreases in federal resources, and significant increases in state resources mean that many of these goals have been met or exceeded. Please refer to the federal CAPER's and the Annual Report's for program activity during this period.

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.

¹⁴ Conditioned upon the availability of funds and market conditions.

¹⁵ Conditioned upon the availability of funds and market conditions.

To achieve the aforementioned five 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:

- DOH will complete the update of the Analysis of Impediments (AI).
- 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.
- 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 and economic opportunities.
- Continue to fund mobility counseling/tenant education programs to encourage/assist/educate approximately 8,500 DOH Section 8 and State Rental Assistance participants with moves to areas of de-concentrated poverty annually.
- Support the upgrading of existing infrastructure within areas where the majority of residents are of low-and-moderate-income to increase housing choice and economic opportunities.
- Support up to four infrastructure projects per year 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 nine 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 the physically handicapped population by supporting projects designed to make current facilities accessible or to provide new-handicapped accessible facilities annually.
- Support fair housing education/outreach activities/actions to address illegal discrimination, to include DOH continuing to fund mobility counseling/tenant education programs to

encourage/assist/educate DOH Section 8 and State RAP participants with up to 100 moves to areas of de-concentrated poverty annually.

Outcome:

- Improved availability/accessibility by supporting fair housing education, outreach activities, programs and actions to address illegal discrimination and expand housing opportunities.

Indicator(s):

- Complete update of the AI during the ConPlan period.
- Number of fair housing educational and outreach opportunities achieved.
- Increased housing choice for low-and-moderate-income residents.
- Number of regional projects funded that promote fair housing and further the state's fair housing efforts.
- Support at least one inter-municipal or regional housing project.
- Create incentives for municipalities to collaborate on projects.
- Number of infrastructure projects conducted per year.
- Number of DOH Section 8 and State RAP participants educated through this program that move to areas of de-concentrated poverty.
- Number of DOH Section 8 and State RAP participant moves that represent a census tract improvement of at least ten points; from a higher concentrated area to an area of lower concentrated poverty.

Objective 2:

Enhance suitable living environments and create decent affordable housing.

Output:

- Produce up to 750 newly constructed rental units that serve low- and moderate-income households using federal HOME and/or state housing programs.
- Rehabilitate up to 1,000 rental units that serve low- and moderate-income households using federal SC/CDBG/HOME and/or state housing programs.
- Produce up to two newly constructed homeowner units that serve low-and-moderate income households using federal HOME and/or state housing programs.
- Rehabilitate up to 400 homeowner units that serve low-and-moderate income households using federal SC/CDBG/HOME and/or state housing programs.

- Improve affordability by promoting and supporting mixed-income development projects in areas that currently under-serve low- and moderate-income households.
- Support the moderate rehabilitation of existing single-family homes (a single family home is defined as a one to four unit owner occupied residential structure).
 - SC/CDBG Program – Support up to four single-family moderate rehabilitation projects each year in SC/CDBG program eligible communities.
 - State Housing programs - Support up to four single-family moderate rehabilitation projects each year in suburban communities.
 - Creation of multifamily housing
 - HOME Program- Produce up to 75 to 125 units of new multifamily housing in areas of need each year.
 - State Housing programs - Produce up to 75 to 100 units of new multifamily housing in areas of need each year.
 - The CHFA multifamily housing development mortgage program will work to fund the development and/or preservation of units of multifamily housing.
 - Through the adaptive re-use of historic structures, create and/or preserve residential units using federal SC/CDBG/HOME and/or state housing programs.
 - Identify properties most at risk of being lost to the affordable market.
 - Support energy conservation/efficiency projects that would primarily serve low-and-moderate-income persons by funding housing projects each year that improve energy efficiency using federal and/or state housing and/or weatherization programs.

Outcome:

- Expansion of rental and homeowner housing and Sustainable Community activities completed that serves low-and-moderate income households.

Indicators:

- Number of newly constructed units.
- Number of rehabilitated units.
- Number of rental units.
- Number of homeowner units.
- Number of single-family moderate rehabilitation projects completed each year.
- Number of single-family units rehabbed each year.
- Number of new multifamily housing units created in areas of need.

- Number of residential units created by re-use of historic structures.
- State, Federal and private resources leveraged.
- Number of energy efficiency projects completed each year.
- Number of at risk properties identified.
- Number of mixed income developments.

Objective 3:

To enhance suitable living environments through financial intermediaries.

Output:

- Provide economic opportunities in the form of rent subsidies to enhance suitable living environments.
- Provide economic opportunities in the form of mortgage assistance to enhance suitable living environments.
- Improve affordability by continuing to use CHFA's multifamily housing development mortgage programs and tax credit equity funding programs to fund the new construction, rehabilitation and preservation of affordable rental housing units consistent with the needs and priorities established in the Consolidated Plan annually.
- Maintain mortgage lending and equity funding programs to fund up to approximately 800¹⁶ units annually based on recent program experience, with an estimated 400-500¹⁷ units funded through the Low Income Housing Tax Credit Program and the balance through the issuance of tax-exempt bonds or other bonds for development and expiring use preservation, based on the availability of these resources, financial market conditions, demand for financing and the availability of other necessary capital and operating subsidy required to attain feasibility. Use these debt and equity funding programs to leverage state, federal and private resources to the extent possible.
- Implement a Location Efficient Mortgage (LEM) Program to be administered by CHFA. The LEM Program provides state-backed relief in mortgage premiums based on proximity to urban areas. The LEM Program combines a low down payment, competitive interest rates and flexible criteria to encourage families to attain homeownership in proximity to transit annually.

¹⁶ Conditioned upon the availability of funds and market conditions.

¹⁷ Conditioned upon the availability of funds and market conditions.

- Continue CHFA's homeownership mortgage programs to expand homeownership generally, with an emphasis on targeted areas with lower rates of homeownership; and continue statewide special programs and initiatives to maintain homeownership.
 - Maintain CHFA efforts to expand homeownership through assisting approximately 2,700 to 3,000¹⁸ first time homebuyers each year during the five-year period based on recent program history and the availability of mortgage capital for this purpose.
 - Maintain lending in the state's federally targeted urban areas to a minimum of 30% of all mortgages purchased by CHFA each year.
 - Build program and investment partnerships with local stakeholders that maximize the use of CHFA's current program and leverage local, state and federal resources.
 - Continue efforts to help distressed homeowners maintain ownership.
- Create a homestead exemption whereby purchasers of homes within designated urban areas may receive state income tax reductions. The exemption will apply to first-time homebuyers and be considered for home purchases in targeted urban areas with the goal of increasing homeownership and neighborhood stability. To support this effort CHFA mortgage programs will be used, when possible, to encourage moderate and higher income households to move into urban neighborhoods in need of revitalization annually.
- Grant priority consideration to creating 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 reduce 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. This allows developers to seek 'subsidized' capital from a pool of funds and put all parts of the capital structure of a housing project together while mitigating uncertainty and delays.
- 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 as a means to enhance suitable living environments and expand access to rental and homeowner housing that serves low-and-moderate income households.

¹⁸ Conditioned upon the availability of funds and market conditions.

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.
- Strategies for mitigating the potential loss of units.
- Number of homeowners assisted.
- Number of mortgages purchased annually in federally targeted urban areas.
- Number of program and investment partnerships created.
- Number of new families that attained homeownership in proximity to transit by implementing the LEM Program.
- 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 thru flexible mechanisms and regulatory relief.

Geographic Distribution & Relative Priority			
Objective	Funding Source	Targeted Population	Geographic Target
Objective 1	HOME, State, Section 8	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 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 using financing from the Affordable Housing Program/Housing Trust Fund/Housing Sustainability Fund.
- Invest in the maintenance/rehabilitation/modernization of 200 existing publicly-assisted rental housing units annually to preserve them as a long-term resource using federal funding such as the SC/CDBG or HOME Program.
- Continue to offer loans, within available CHFA resources, to local housing authorities to fund capital needs. Continue to offer capital funding for the redevelopment of portfolio

properties annually through the CHFA mortgage and tax credit programs. Seek and develop opportunities to leverage additional funding from federal and private sources for these purposes.

- Preserve 2,850 state financed elderly rental units through the Weatherization Assistance Program (WAP) over three years (programs duration).
- 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 Vouchers by 50 new vouchers annually.

Outcome:

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

Indicators:

- Number of at risk properties identified each year.
- 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 existing state-assisted rental units preserved through weatherization. each year.
- Number of new Section 8 vouchers each year.

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

HOMELESSNESS PREVENTION & SUPPORTIVE HOUSING

Goal

Enhance suitable living environment, create decent housing, and 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 preventing homelessness.

Strategies

The state will emphasize programs targeted at homelessness prevention and rapid re-housing and supportive housing as the primary means to prevent and end homelessness in Connecticut. The state will work to expand permanent supportive housing in Connecticut to break the cycle of long-term, chronic 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:

Enhance suitable living environments to expand CT Rapid Rehousing services. The reoccurrence of homelessness is reduced and those experiencing homelessness are quickly transitioning into permanent housing. Additionally homelessness is averted for those individuals and families in danger of becoming homeless.

Output:

- Utilize the CT Beyond Shelter Program (BSCT) and Housing First for Families (HFF) Program, administered by the DSS using state resources, to reduce the reoccurrence of homelessness by assisting families who are leaving homeless shelters and transitional living programs to achieve housing stability by providing support services. It should be noted that BSCT and HFF are being initiated in November 2012 under the title of CT Rapid Rehousing Services.
- DOH shall participate in Reaching Home 2.0 Steering Committee and actively participate in workgroups.
- DOH shall continue to participate in HUD's quarterly HOPWA roundtable and ESG grantee meetings. DOH and ESG/HOPWA municipal representatives attend the meetings in efforts to develop uniform communication with HUD funded grantees.
- DOH shall participate in Connecticut Coalition to End Homelessness' Homelessness Prevention Taskforce and use the information gained to create a sustainable housing based system that will prevent/quickly end homelessness among families and individuals in crisis in the future.

- Through participation in the Balance of State Continuum of Care Steering Committee, as well as the CT Opening Doors committees, DOH will continue its efforts to look at housing along a continuum of services and review efforts toward eliminating duplication and redundancy.
- Increase number of clients served by DSS, DCF and DHMAS through homeless prevention, rapid re-housing and follow-up services (including but not limited to outreach and transitional services such as supported living, case management, and substance abuse treatment).

Outcome:

- New and improved availability and accessibility through CT Rapid Rehousing Program and ESG financial assistance.

Indicator(s):

- Number of homelessness reoccurrences among DSS assisted families leaving shelters and transitional living programs.
- Increases in efficiency or elimination of duplications identified.
- Alternative means to addressing homelessness achieved.
- Utilize CTHMIS to review return to shelter and length of stay data.
- Number of clients served by DSS, DCF and DHMAS through homeless prevention, rapid re-housing and follow-up services is increased and increase number of client cases closed, settled or resolved by 50 per year, over five years in order to expand services.

Objective 2:

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

Output:

- Maintain DOH's state-funded Eviction Foreclosure and Prevention Program that assists "at risk of becoming homeless" 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 150 new supportive housing units over the next five years.

Outcome:

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

Indicator(s):

- Funding level and dollars committed to DOH's Eviction Foreclosure and Prevention Program.
- Number of at risk families and individuals assisted and remain in permanent housing as a result of the program.
- Number of supportive housing units created.
- Number of rental subsidies.

Objective 3:

Support a regional approach to ending homelessness in Connecticut through the Ten Year Plans to End Homelessness that are presently in place.

Output:

- Coordinate funding opportunities to assist in achieving the strategies outlined in the Ten Year Plans to End Homelessness.

Outcome:

- New and improved availability and accessibility of housing to prevent and reduce homelessness through long range planning.
- Continue to work with CCEH to ensure that resources are targeted to communities for this activity.

Indicator(s):

- Number of funding opportunities that addressed specific strategies outlined in the Ten Year Plans to End Homelessness.

Objective 4:

Maintain the state's network of "Homeless Shelters."

Output:

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

Indicator(s):

- Funding leveraged (beyond ESG).
- Number of shelters DOH funds (ESG).
- Number of beds & type (men, women, children)-ESG.
- Number of clients (ESG).
- Number of services/type (ESG).
- Number of returns to shelter.
- Number of Data Quality and Data Completeness.
- Conversion activities from Service Point to CTHMIS

Geographic Distribution & Relative Priority			
Objective	Funding Source	Targeted Population	Geographic Target
Objective 1	ESG-RR-Financial Assistance, State, HOME	Low-Mod Income	State-Wide
Objective 2	ESG-RR-Financial Assistance, State, HOME	Low-Mod Income	State-Wide
Objective 3	ESG-RR-Financial Assistance, State, HOME	Low-Mod Income	State-Wide
Objective 4	ESG, State	Low-Mod Income	State-Wide

OTHER SPECIAL NEEDS

Goal

Create decent housing and a suitable living environment and economic opportunities for low- and moderate-income persons with special needs and address the shelter, housing and service needs of 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:

Coordinate the efforts of state agencies and quasi-public entities involved in housing and the provision of social services to increase the availability of supportive housing by using state and federal resources effectively.

Output:

- Interagency Council and/or Interagency Committee meets regularly to insure coordination of efforts and identifies resources and prioritizes production and preservation of permanent supportive housing.

Outcome:

- Coordination between state agencies 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):

- Identification of resources and plan for production and preservation.

Objective 2:

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

Output:

- Utilize the state's current Long Term Care Plan as a blueprint for coordination of services.

Outcome:

- Coordination between state agencies 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):

- Was the state's Long Term Care Plan used as a blueprint for coordination of services.

Objective 3:

Link permanent housing, employment, 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. These actions will ensure long-term housing stability and independence.

Output:

- The number of clients who are provided appropriate services increases over five years.

Outcome:

- Coordination between state agencies 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 clients that received appropriate services.
- Year over year change of the number of substance abuse clients that received appropriate services.

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

Elderly and Frail Elderly

Objective 1:

Create a continuum of affordable housing with support services and increase the supply of permanent supportive housing so that people with disabilities can live independently within their community of choice.

Output:

- The number of support services provided to client populations is increased and the accessibility of services by client populations is increased.
- The number of supportive housing units in the state is increased.

Outcome:

- New/Improved Affordability.
- Elderly and frail elderly persons are able to live within their community of choice in quality, accessible, affordable housing.

Indicator(s):

- Number of support services provided to client population.
- Number of clients being served by each program.
- Number of clients receiving multiple services.
- Year over year change in number of clients being served.

Objective 2:

Increase the number of elderly and frail elderly clients served byDOH.

Output:

- Increase client caseload by ten per year.

Outcome:

- More elderly and frail elderly state residents 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/HOME	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 the successful keeping of families and those individuals with

disabilities together, through placing them in stable living situations and providing them with appropriate counseling and other supportive services.

Output:

- Number of linkages among federal agencies, state agencies and consumers is maintain and/or increased.

Outcome:

- Families and those individuals with disabilities kept together and receive appropriate counseling and other supportive services which ultimately increases their quality of life.

Indicator(s):

- Number of families and those individuals with disabilities kept together through placing them in stable living situations and providing them with appropriate counseling and other supportive services.

Objective 2:

Increase the accessibility of DMHAS provided client support services connected to affordable housing for individual 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 with in 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; 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:

- \$250,000 in bond funds are provided to do accessibility modifications for persons leaving nursing facilities.
- Section 8 Housing Choice Voucher preference for up to 50 eligible persons in support of the Nursing Home Transition Initiative is established.

Outcome:

- Independent living is restored to all those capable of living independently with the aid of appropriate support services. This will ultimately lead to lower costs to the state and increase the quality of life for these individuals.

Indicator(s):

- Number of projects completed.
- Number of persons enabled to return to independent living as a result of accessibility modifications being made.

- Number of eligible persons transitioning from nursing homes provided Section 8 Housing Choice Vouchers.

Objective 5:

Create a continuum of affordable housing with support services and increase the supply of permanent supportive housing so that the elderly can live independently within their community of choice.

Output:

- The number of support services provided to client populations is increased and the accessibility of services by client populations is increased.
- The number of supportive housing units in the state is increased.

Outcome:

- New/Improved Affordability.
- Independent living will be maintained for all those capable of living independently with the aid of appropriate support services. This will ultimately lead to lower costs to the state and increase the quality of life for these individuals.

Indicator(s):

- Number of support services provided to client population.
- Number of clients being served by each program.
- Number of clients receiving multiple services.
- Year over year change in number of clients being served.
- Number of new supportive 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/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 4	State/Sec. 8	Low-Very Low Income	State-Wide
Objective 5	State/HOME	Low-Mod Income	State-Wide

Persons with HIV/AIDS and their families

Objective 1:

Fund Balance of state EMSA HIV/AIDS programs through competitive procurement process and seek additional federal funding for existing HIV/AIDS programs. Continue to fund (through non-HOPWA funds) existing HIV/AIDS programs within available funding levels.

Output:

- Existing HIV/AIDS programs are maintained and expanded.

Outcome:

- New/Improved Availability/Accessibility.
- Persons living with HIV/AIDS continue to receive appropriate care and services.
- Funding leveraged (beyond HOPWA).
- Number of service providers DOH funds (HOPWA).
- Number of clients receiving assistance (HOPWA).
- Type of assistance (HOPWA).
- Issuance of CARC's Needs Assessment (projected completion date 12/2012)

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 is increased over five years by 50.

Outcome:

- New/Improved Availability/Accessibility.
- Supportive housing services become available to more persons living with HIV/AIDS.

- Continue communication with state agencies that provide services to the same population in efforts to eliminate duplication and align funding opportunities.

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

Objective 1:

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. These actions will influence long term stability.

Output:

- The number of clients who are provided appropriate services increases over five years.

Outcome:

- More persons with substance abuse issues receive appropriate care leading to a better quality of life for assistance recipients and a lower incidence of the negative consequences and costs associated with substance abuse.

Indicator(s):

- 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.

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, to assist individuals leaving the correction system to 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.

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:

Provide economic opportunities including job creation and retention through the establishment, stabilization and expansion of small businesses (including micro-enterprises) and the provision of public services concerned with employment.

Output:

- Support at least one Economic Development Project per year under the CDBG Program with the creation of up to 15 jobs per year (8 of which will be for low-and-moderate-income persons).

Short-Term Outcome:

- New/Improved availability/accessibility.
- Support and funding of economic development projects and micro-enterprise, activities/projects will create and/or retain permanent, private sector job opportunities principally for low- and moderate-income persons, through the expansion and retention of business and industry in the state.
- Economic opportunities through employment for low-and-moderate-income persons will be increased.

Long-Term Outcome:

- The economy of the state's communities will be improved as will the quality of life of all of the state's residents.
- 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 economic development projects funded under the SC/CDBG Program annually.
- Number of jobs created by economic development projects funded annually.
- Percent of jobs created by economic development projects funded annually benefiting low-and-moderate-income persons.

Objective 2:

Enhance suitable living environments, create decent housing and provide economic opportunities by promoting and funding at least one inter-municipal or regional partnership for economic and/or community development project.

Output:

- Support at least one inter-municipal or regional project per year under the SC/CDBG Program including Comprehensive Economic Development Strategy (CEDS) project.
- Create incentives for municipalities to collaborate on projects.

Short-Term 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.
- Economies of scale will be reached leading to lower governmental cost.

Long-Term Outcome:

- 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 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 inter-municipal/regional projects funded under the SC/CDBG Program annually.
- Number of jobs created in the region benefiting low-and-moderate-income persons annually.
- Cost savings for local municipalities and the state due to regional partnerships.
- Number of low-and-moderate-income persons served annually.
- Number of housing units annually.

Objective 3:

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.

Short-Term 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.

Long-Term Outcome:

- 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 4:

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 the physically handicapped population by supporting projects designed to make current facilities accessible or to provide new handicapped accessible facilities.

Output:

- Support up to nine public facilities projects per year under the CDBG Program.

Short-Term 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.

Long-Term Outcome:

- 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 5:

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.

Short-Term 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.

Long-Term Outcome:

- 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 6:

Allow municipalities that have state-approved responsible growth/Transit Oriented Development (TOD) projects to develop Special Services Districts and levy additional taxes and/or fees to fund development and support the use of tax incremental financing. Taxes/fees could include local sales tax, additional conveyance tax, hotel tax, and parking fees.

Output:

- Five Special Services Districts established over five years.

Short-Term Outcome:

- Local governments will have greater resources available to undertake responsible growth/Transit Oriented Development (TOD) projects.

Long-Term Outcome:

- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.

Indicator(s):

- Number of municipalities with state-approved responsible growth/Transit Oriented Development (TOD) projects allowed to develop Special Services Districts and levy additional taxes and/or fees to fund development over five years.
- Number of TOD projects with new Special Services Districts over five years.

Objective 7:

Allocate \$100 million of Urban Reinvestment Tax Credits for TOD/Responsible Growth projects and implement the Recovery Zone Economic Development Bonding Program as a financing vehicle for approximately two Responsible Growth projects over a five-year period.

Output:

- Allocated \$100 million of Urban Reinvestment Tax Credits as an incentive for private investment and to stimulate the development and implementation of two Responsible Growth/TOD projects over a five-year period.

Short-Term Outcome:

- Private investment will be leveraged to increase the resources available to undertake responsible growth/Transit Oriented Development (TOD) projects.

Long-Term Outcome:

- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.

Indicator(s):

- Number of TOD/Responsible Growth projects developed and/or implemented as a result of the allocation of \$100 million of Urban Reinvestment Tax Credits over a five-year period.
- Amount of private funding for TOD/Responsible Growth projects leveraged by the allocated tax credits.
- Number of TOD/Responsible Growth projects developed and/or implemented as a result of the implementation of the federal Recovery Economic Development Zone Bond Program over a five-year period.

Objective 8:

Provide \$100 million¹⁹ of federal/state/local community development resources for ten brownfield redevelopment projects as recommended by the Brownfields Task Force over a five-year period.

¹⁹ Note: This amount would be utilized for all types of brownfield and mill redevelopment, not just housing projects.

Output:

- Up to ten brownfield sites/projects are remediated returning unproductive properties to productive use and improving the health and safety of Connecticut’s citizens over a five- year period.

Short-Term 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.

Long-Term Outcome:

- 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.
- Will indirectly reduce sprawl due to reuse of land and avoiding development of raw land.

Indicator(s):

- Dollar amount provided for brownfield redevelopment projects as recommended by the Brownfields Task Force over five years.
- Number of brownfield projects undertaken as a result of the \$100 million provided for brownfield redevelopment over five years.
- Number of brownfields/acres and/or buildings brought back to productive use over five years.

Geographic Distribution & Relative Priority			
Objective	Funding Source	Targeted Population	Geographic Target
Objective 1	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 2	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 3	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities

Objective 4	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 5	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 6	State	Low-Mod Income	State -Wide
Objective 7	State	Low-Mod Income	State -Wide
Objective 8	State	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:

- Allow municipalities that have state approved responsible development/transit-oriented development (TOD) projects to develop Special Services Districts and levy additional taxes

and/or fees to fund development. Taxes/fees could include local sales tax, additional conveyance tax, hotel tax, and parking fees.

- Allocate up to \$100 million of Urban Reinvestment Tax Credits for state approved responsible development/TOD projects, particularly for brownfield and former mill redevelopment as recommended by the Brownfields Task Force.
- Implement the federal Recovery Zone Economic Development Bond Program as a financing vehicle for responsible development projects.
- Consolidate state bond allocations for shovel ready projects.
- Coordinated state agency activities to encourage and promote support of approximately three Community Revitalization Strategies or Neighborhood Revitalization Zones under the SC/CDBG Program over a five-year period.

Outcomes:

- New and improved sustainable communities.

Indicator(s):

- Number of responsible development/TOD projects developed and/or implemented as a result of the allocation of \$100 million of Urban Reinvestment Tax Credits.
- Amount of private funding for responsible development/TOD projects leveraged by the allocated tax credits.
- Number of brownfield projects undertaken as a result of the new state funding authorized for brownfield redevelopment.
- Number of acres and/or buildings brought back to productive use.
- Statewide database of brownfield sites is updated.
- 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.
- Decreased project development time.
- 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 over a five-year period.
- Number of low-and-moderate-income persons served.

Objective 2:

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

Output:

- Support at least two municipalities 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 each year 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 each year 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. Fund at least two mixed-use and/or transit-oriented development projects with availability of 20 low-and-moderate-income residential units in an urban or suburban area over a five-year period.
- Support at least two municipalities with rezoning efforts to enable mixed-use developments, and/or transit-oriented developments over a five-year period.
- Foreclosed properties are kept from deteriorating, rehabilitated and sold to low-and-moderate-income households. Utilize Neighborhood Stabilization Program (NSP) and Community Development Block Grant - Recovery (CDBG-R) Program funds to stabilize neighborhoods in areas impacted by foreclosures to serve 325 to 400 households annually.
- Implement a “Learn Here, Live Here” Program to be administered by CHFA. The program would allow Connecticut resident students attending any post-secondary institution to contribute the larger of their state income tax liability or \$3,000 into a First-Time Homebuyer Trust Fund each year for ten years. The money could be withdrawn anytime over those ten years to purchase homes in Connecticut. Any interest income would be deposited annually into the state’s general fund to partially offset the cost of the program.
- Ensure there is a mechanism to fund both incentive housing payments and the Housing Trust Fund to increase workforce housing in the state.

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.
- Number of foreclosed units acquired.
- Number of acquired units rehabbed and sold.
- Number of participants in “Learn Here, Live Here” Program.
- Number of homes purchased utilizing the “Learn Here, Live Here” Program.
- Number of incentive housing payments and the Housing Trust Fund funded.
- Number of workforce 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

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.

Strategies

Connecticut has Statutes, Regulations, Technical Standards, Guidance Documents and Policies that relate to health and housing. Through increased coordination of agencies and partners it is possible to implement a healthy homes assessment and intervention program through the Department of Public Health (DPH), that includes DOH. The DOH would continue to comprehensively address lead-based paint issues as required under HUD's Lead-Safe Housing Regulation as well as implementing Lead-Safe Work Practices under the new EPA rule: EPA Renovation, Repair and Painting Program (RRP) which became effective April 22, 2010. The Healthy Homes Initiative encompasses several known home-based health hazards and programs, and seeks to coordinate the delivery of services through collaboration with the DPH, DOH and other state and community stakeholders. Initial strategies for statewide implementation include training and technical capacity building of housing and health partners, development and implementation of healthy homes materials, assessments (inspectional forms) and evidence-based interventions in DPH-selected pilot communities.

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, and to pilot the developed "healthy homes approach" in at least three communities.
- 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). A healthy home assessment and intervention will address and seek to control environmental and other health and safety hazards such as, but not limited to, lead-based paint and lead-based paint hazards, damaged asbestos, elevated indoor radon levels; pests, sources of mold and mildew, smoke and carbon monoxide detectors, fire and electrical safety, and other structural components. This will be supported and accomplished in collaboration with state public health and housing programs such as the HOME, and SC/CDBG the DPH Healthy Homes Initiative, or through other state or federal funding sources.
- Build the technical capacity of DOH and local housing agencies by sponsoring ten (10) National Center for Healthy Homes (NCHH) training courses (2 courses held annually, or as needed). The NCHH two-day course is considered a pre-requisite to the National Environmental Health Association’s ‘Healthy Homes Specialist’ credential.
- Support the training and certification of at least 25 designated DOH and/or local housing staff who are interested in seeking national certification as “healthy homes specialists”.

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.
- Number of DOH and local housing agency staff trained in the National Center for Healthy Homes Course.

- Number of DOH and local housing agency staff certified as “Healthy Homes Specialists” by the National Environmental Health Association.

Geographic Distribution & Relative Priority			
Objective	Funding Source	Targeted Population	Geographic Target
Objective 1	HOME CDBG Other/ State	Low-Mod Income	State-Wide CDBG Small Cities

G. Emergency Solutions Grants (ESG) Program:

Connecticut anticipates receiving \$1,856,840 in federal Emergency Solutions Grants funds for the Action Plan program year beginning July 1, 2014. 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. ESG funds will be pooled with \$2,724,829 in annual funding from Connecticut's general operating budget²⁰ and \$8,340,214 from the U.S. Department of Health and Human Services TANF and Social Services Block Grants²¹.

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 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.

DOH administers these funds by funding 23 organizations that include faith - based organizations and a variety of non-profit agencies. In addition, DOH provides state and other funding to these providers who are experienced, well established in their communities and provide quality services. The funding received from ESG enables the organizations to provide additional beds and case management services to homeless persons. DOH will be working on

²⁰ DSS' budget projections are based upon the approved budget for FY 2012-13.

²¹ Allocations identified above for U.S. Department of Health and Human Services TANF and Social Services Block Grants are departmental expectations based upon funding levels for FFY 2012.

developing a more formal process for the allocation of all sources of funds to homeless shelters in the future.

The pool of federal and state dollars, allocated to local community and 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 tenant based rental assistance. It is projected that under the Emergency Solutions Grants Program (ESG) requirements, federal ESG funds will be primarily targeted as follows: Operations (Emergency Shelter) – 54.02%; Essential Services (Emergency Shelter) – 8.58%; HMIS (3.79%); Rapid Re-Housing – Tenant Based Rental Assistance – (29.51%) and administration (4.10%).

Connecticut currently has 23 ESG funded shelters: 6 shelters for single individuals, 4 shelters that support families and 13 shelters for both families and individuals. These shelters were established over the years 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. More than 10,640 individuals, including families with children, will receive emergency shelter services during the program year that began July 1, 2011. In addition to ESG funded shelters, the Department also funds an additional 21 shelters utilizing state and federal monies, which brings the total funded shelters to 44.

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 following client-based outcomes and measures with directors of emergency shelters. Each shelter will select and negotiate individual numerical outcomes and measures with DOH staff and will submit a monthly statistical and quarterly 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 throughout the program year.

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Outcome:

- Consumer attains alternate housing and/or accesses 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, 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.

Measures:

- Singles Housing Programs: At least 30% of consumers will access another community housing setting such as transitional housing, residential treatment program or permanent housing.
- Family Housing Programs: At least 55% of consumers will access another community housing setting such as transitional housing, residential treatment program or permanent housing.
- Singles Housing Programs: At least 40% of consumers will access additional social services.
- Family Housing Programs: At least 65% of consumers will access additional social services.
- Singles Housing Programs: For consumers with agreed upon goal of accessing information in order to make informed decisions about their health, education, housing, etc., 95% of consumers will be provided with such information to enable them to make informed decisions.
- Family Housing Programs: For consumers with agreed upon goal of accessing information in order to make informed decisions about their health, children's education, housing, etc., 95% of consumers will be provided with such information to enable them to make informed decisions.

2. Homeless and other Special Needs:

DOH provides funding for the transitional living program to 29 contractors throughout the state for the provision of multi-family or single room residency living arrangements. Transitional living programs serve as a bridge for individuals and/or families after a period of homelessness. 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 individuals and/or families gain self-sufficiency and permanent housing.

DSS also provides funding for a program known as "Beyond Shelter". This prevention program provides coordinated services to newly housed families and their landlords in order to prevent another cycle of homelessness. Families eligible for services are those leaving

shelters and transitional living facilities to move into their own housing. Homeless families work with a housing coordinator to identify and resolve problems that could result in the re-occurrence of homelessness. Services provided may include education on landlord/tenant rights and responsibilities, assistance with food, transportation and parenting as well as support in securing mental health and substance abuse treatment services.

Beyond Shelter Programs assist the landlord in matching renters to units and provide tenants with education on landlord/tenant rights and responsibilities including timely payment of rent. Landlords can request other assistance as needed from housing coordinators to resolve problems that threaten housing stability. There are currently 12 Beyond Shelter Programs operating in Connecticut.

Housing First For Families (HFF) program is defined as a program to rapidly assist homeless families to exit homelessness whether that is through emergency shelter, doubled up situations or places not meant for human habitation. The program will assist families in obtaining permanent affordable housing or stable shared housing. Currently there are 5 regional providers and their applicable subcontractors to provide statewide coverage.

Supportive Housing is strongly supported in Connecticut. In January 2002, a Memorandum of Understanding (MOU) was entered into by several state agencies including the Office of Policy and Management (OPM), the Department of Housing (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 is in support of a statewide Interagency Committee on Supportive Housing and Homelessness initiative and the purpose is 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 HMIS Steering Committee Meetings. DOH is also a member of the Reaching Home 2.0 Steering Committee and Crisis Response Workgroup.

In April 2006, this initiative moved into its next planning phase. The “Next Steps Supportive

Housing” MOU includes: OPM, DOH, DMHAS, DSS and CHFA and expanded the program eligibility to include chronically homeless families and young adults, age 18 to 23, who are homeless or who are transitioning from the child welfare system and are at risk of homelessness.

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. State agency staff and community service providers identified this issue through the Consolidated Planning process for 2010-15. As a result, coordination on discharge has been a topic of discussion in a variety of commissions on which either the Commissioner or DOH staff sit, as well as through other state agency groups that include public and private service providers, advocates, etc.

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.
- DOC also has both formal and informal agreements with some of the emergency homeless shelters. The shelters agree to provide beds for persons being released from prisons as well as for the provision of case management services. The case managers work with the clients to help them find employment, permanent housing and any other services they may need in order to become self-sufficient.

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

Connecticut anticipates receiving \$219,764 in federal Housing Opportunities for Persons With

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AIDS (HOPWA) funds for the Action Plan program year beginning July 1, 2014. HOPWA 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. HOPWA funds will be pooled with \$3,950,437 in annual funding from Connecticut's general operating budget²² and \$908,373 from the US Department of Health and Human Services (HHS).

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 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.

The majority of HOPWA dollars allocated to Connecticut are funneled through the Eligible Metropolitan Statistical Area (EMSA) of Bridgeport, Hartford, New Haven and their surrounding areas. DOH receives a small amount of "Balance of State Dollars". During the month of March 2010, the Department, in conjunction with CARC, conducted a competitive procurement process for HOPWA services to ensure statewide coverage for the balance of state catchment area: Windham County, New London County, Middlesex County and Litchfield County. Successful proposers will provide services in Litchfield and Middlesex County during the period of July 2013- June 2015.

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 four Balance of State EMSAs and provide housing with supportive services to approximately 20 individuals at any one time. The supportive services include case

²² DSS' budget projections are based upon the Governor's recommend biennium budget for FY 2010-11

management, cooking and cleaning assistance, transportation, education and volunteer opportunities.

Each housing program serves an eligible person based on a verification of HIV/AIDS diagnosis that is a client with a positive diagnosis; income verification for a person who is a low- and moderate-income individual and person's family and/or eligible to receive housing information services regardless of income. It is also based on a review of living situation that is related to those who are homeless and near homeless individuals.

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, Connecticut AIDS Resource Coalition (CARC) and its members, through its quality assurance program, continue to work closely with DOH to establish appropriate and measurable performance measures for the Coalition's activities. In addition, CARC mails a semi-annual newsletter to approximately 1,200 social service and housing contacts. The Department of Social Services consults with CARC for technical assistance in the development of service models and program evaluation. CARC is a membership organization for AIDS housing providers in the state.

DOH, starting with its October 1, 2010, AIDS residential services program contracts; funded with state and other federal monies; has contractually required Homeless Management Information System (HMIS) utilization. During the month of April 2012, Nutmeg Consulting in association with CT AIDS Resources Coalition conducted webinars to assist providers with generating program occupancy rates from HMIS. 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 HOPWA 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.

Outcome:

- Program will strive to maintain maximum capacity.
- Clients with HIV/AIDS will receive services and support to improve their quality of life.

Measures:

- Programs will maintain an occupancy rate of 80%.
- 80% of clients will maintain housing stability; avoid homelessness and access care each year
- 100% of clients will have income below 80% of area median income upon intake.
- 100% of clients will have a housing plan for maintaining or establishing stable ongoing housing within 60 days of intake.
- 100% of clients will have contact with case manager/benefits counselor consistent with the schedule specified in client's individual service plan.
- 100% of clients had contact with a primary health care provider consistent with the schedule specified in client's individual service plan.
- 75% of clients have accessed and can maintain medical insurance/assistance.
- 50% of clients have successfully accessed or maintained qualification for sources of income.
- 10% of total numbers of households have obtained an income-producing job.

I. State and Federal Resources for DOH Fiscal Year (FY) 2014-15

This table lists the anticipated/estimated level of state and federal funding available in FY 2014-15. Please note that Connecticut's 2010-15 Consolidated Plan outlines how the state plans to leverage ESG and HOPWA funds against other sources of funding. For more detail concerning how Connecticut leverages federal and state funds against each other and against non-government funding sources, please refer to the Connecticut 2010-15 Consolidated Plan and the Connecticut 2010-15 State Long-Range Housing Plan. Both of these documents are available on the DOH website.

Table 2: Anticipated State and Federal Funding for Individual and Family Services				
	STATE FY 2014-15	HUD FY 2014-15	HHS FY 2014-15	TOTAL FY 2014-15
Emergency Solutions Grants	\$ 2,724,829	\$ 1,856,840	\$ 8,340,214	\$ 12,921,883
Housing Opportunities for Persons With AIDS	\$ 3,950,437	\$ 219,764	\$ 908,373	\$ 5,078,574
Section 8 Rental Assistance	\$ 0	\$ 67,000,000	\$ 0	\$ 67,000,000
Special Needs Housing benefits (incl. in TFA, AABD expenses)	\$ 334,610	\$ 0	\$ 25,000	\$ 359,610
Rental Assistance Program/Supportive Hsg.	\$ 50,073,500	\$ 0	\$ 0	\$ 50,073,500
Security Deposit Program	\$ 647,674	\$ 0	\$ 129,646	\$ 777,320
Eviction Prevention Program	\$ 271,055	\$ 0	\$ 919,860	\$ 1,190,915
Transitional Living Program	\$ 3,573,773	\$ 0	\$ 347,254	\$ 3,921,027
TOTAL	\$ 61,575,878	\$ 69,076,604	\$10,670,347	\$141,322,829

Source: DOH/OPM

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J. 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 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 Monitoring:** HOPWA contracts are handled a little differently than ESG. In addition to the above review, a coordinated effort between DOH staff representatives and the staff of Connecticut AIDS Resource Coalition (CARC) perform a Standards of Care Review. HOPWA contracts are also monitored to federal regulations with programmatic and fiscal presentation from DOH.

The Standards of Care is a comprehensive tool first produced in 1992 and carefully reviewed and updated twice since then. The philosophy behind this 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. The Standards of Care was developed by the Standards Committee of CARC to describe the best practices of operating supportive residential programs for people living with HIV/AIDS. The Standards of Care describes four levels of supportive housing from Level I, a completely independent housing program, to Level IV for those who need skilled nursing care. The Standards of Care are reviewed annually by the Continuous Quality Improvement Committee (CQI) to ensure that the tool remains relevant to member agencies and DOH. Standards of Care, 2012 version can be found at <http://www.ctaidscoalition.org/otherpubs.htm>.

The Standards of Care addresses resident eligibility, screening potential residents, staffing, and policies and procedures. These guidelines offer detailed description of programs in establishing and running a residence.

The Standards of Care review assures the quality of programs by setting down guidelines for services, health and safety, and general management, A dual-committee of DOH staff representative along with CARC staff use this tool to identify programs' strengths and weaknesses, highlight their best practices, and develop a framework, time line and process for technical assistance to correct deficiencies.

Standards of Care review includes:

Program Policies and Procedures, Program and Services, Admissions and Intake, Services, and Supervision -

1. Life, Health, Safety: Facility and Sanitation, Safety, Health Care, and Food Service
2. General Admission: Administration, Fiscal Management, Human Resources, Staff Development, Record Keeping, and Information Systems
3. Citizen and Community Participation
4. Grievance
5. Structural and Design Considerations
6. Confidentiality
7. Tuberculosis Screening and Management

VI. ATTACHMENTS TO THE 2014-2015 ACTION PLAN

A. Attachment A – Citizen Participation Process

- A-1. Process for Public Hearings and Public Comments
- A-2. Outline of Activity for Public Hearings/Public Comments
- A-3. Summary of Public Comments received and DOH response

A-1. Process for Public Hearings and Public Comments

DOH held one public hearing to elicit input into the development of the state's 2014-2015 Action Plan for Housing and Community Development in Hartford on February 14, 2014. The public was also encouraged to submit written comments. A legal notice announcing the public hearing and request for public comments was published in two newspapers including one in Spanish. The legal notice and copies of past Action Plans, ConPlans and CAPERs were also available on the DOH website. The public hearing was held in a central location so that persons from any area of the state could attend to provide their views on the development of this plan.

On April 3, 2014, DOH began the 30-day public comment period on the draft Action Plan. The public comment period will conclude on May 4, 2014. DOH will hold one additional public hearing in Hartford on April 23, 2014. A legal notice announcing the public comment period and the public hearing was published in two newspapers including one in Spanish. The legal notice and a copy of the draft Action Plan were posted on the DOH web site. Copies of past Action Plans, ConPlans and CAPERs were also available on the DOH web site.

The municipal chief elected officials of all 169 municipalities in the state received a Department Notice informing them of the public hearings and comment periods. A copy of the legal notices were forwarded to the Regional Planning Organizations and they were asked to post them to their web sites. DOH also forwarded a copy of the legal notices to its Community Partners. DOH submitted, via e-mail, a copy of the legal notice announcing the 30 day comment period and the public hearing as well as a copy of the draft Action Plan to the members of the State Legislature's Appropriations Committee, Commerce Committee, Planning and Development Committee, and the Chairs of the Housing Subcommittee. In accordance with Connecticut General Statutes Section 4-28b, the Joint Standing Committees of Connecticut's General Assembly, are required to meet to review

the Small Cities Community Development Block Grant Allocation Plan. That meeting will be held in May 2014.

In addition, consultation was sought during the February 27, 2014 CT Balance of State CoC Steering Committee bi-monthly meeting, 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). Based upon existing resources and ESG requirements, member agencies supported the proposed concept, as it would directly assist homeless households. Members were notified of the public hearings to be held for the development of the substantial amendment, and encouraged to attend. Additional input from the BOS Steering Committee was sought on the draft 2014-2016 Action Plan and a letter of support is anticipated.

A-2. Outline of Activity for Public Hearings/Public Comment

February 14, 2014, Public Hearing: Four people attended this hearing and provided oral comment. A summary of the comments and DOH response will be included as section A.3 below. A copy of the transcript from the public hearing will be included in Attachment B of this document.

Written Comments received during the development of the 2014-2015 Action Plan consisted of support for the attendees of the public hearing. Copies of these letters will be included in Attachment B of this document.

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

A-3.(a) Comments received during development of the 2014-2015 Action Plan.

Summarized Comments and Responses for FY 14-15 Action Plan

1. Investments, including capital funds, project-based rental subsidies and social service subsidies, should be prioritized in higher opportunity areas through a variety of methods, including but not limited to: incentives to developers/consortia; land banking; scattered site redevelopment; preservation/revitalization/replacement of the state-financed portfolio; mobility counseling and opportunity mapping.

Response: Detailed rating and ranking criteria for DOH programs are published for public input and comment on a periodic basis. Individual criteria prioritizing development in higher opportunity areas are included as part of these rating and ranking criteria. Examples include: TOD/Connectivity to Public and Mass Transit; Community/Neighborhood Impact; Reuse/Rehabilitation Characteristics and Infrastructure Capacity; Unique Characteristics. Specific revisions to these criteria should be proposed as part of that public input process.

2. Data collection efforts relative to need, housing stock, race and ethnicity of residents should be increased, and used to promote “opportunity mapping”. This information should also be made available to the public upon production.

Response: DOH recognizes the value of improved data collection, data management and opportunity mapping. However, current staffing levels do not allow increased collection and analysis at this time.

3. DOH should consider inserting a section into the Action Plan to specifically identify its’ fair housing strategy and develop a “fair share housing plan”. Specific components are suggested.

Response: A detailed description of DOH’s Fair Housing and Housing Choice strategies can be found on pages 156 and 157 of the [2010-2015 ConPlan](#). In addition, DOH’s goals relative to fair housing and housing choice can be found on pages 159 and 160 of that same document. Although we recognize the value of a “fair share housing plan” which would cross local governmental borders, it is not in the purview or authority of DOH to develop such a plan. However, DOH is committed to working with any/all of our local governments and local councils of government should they express an interest in the development of such a plan.

4. DOH should require all CDBG-funded jurisdictions to meet baseline affirmative fair housing requirements.

Response: As detailed on page 42 of this Action Plan, fair housing and equal opportunity compliance is a threshold requirement relative to CDBG program eligibility.

5. DOH should consider applying a fair housing impact assessment to each state-financed development to determine if a development would assist DOH in increasing affordable housing units in high opportunity areas.

Response: Detailed rating and ranking criteria for DOH programs are published for public input and comment on a periodic basis. Individual criteria prioritizing development in higher opportunity areas

are included as part of these rating and ranking criteria. The Department will review the potential value of completing a fair housing impact assessment on these criteria and determine if such a requirement is warranted.

6. DOH, in consultation with OPM, should monitor local zoning to ensure that it permits affordable, subsidized and multifamily housing. Suggests that such “permission” is required by statute.

Response: Monitoring of local zoning does not fall under the statutory authority of the Department. In addition, the “suggestion” noted would require a legislative change, which also falls outside of the purview of the Department.

7. DOH should foster greater discussion around the linkage between housing and education, and prioritize proposals that expand access to high-performing schools.

Response: Preparation for the completion of the next 5 Year Consolidated Plan for Housing and Community Development is underway. DOH will look for ways throughout this process to foster greater discussion around linkage between housing and education.

8. Comment: Suggestion that plan foster more discussion around the link between housing and education.

Response: Preparation for the completion of the next 5 Year Consolidated Plan for Housing and Community Development is underway. DOH will look for ways throughout this process to foster greater discussion around linkage between housing and education.

9. DOH should assess the extent to which shelters are not located near areas of increasing employment opportunities.

Response: DOH recognizes the value of improved data collection, data management and opportunity mapping. However, current staffing levels do not allow increased collection and analysis at this time.

10. DOH should consider the location of supportive housing development as part of decision making.

Response: Detailed rating and ranking criteria for DOH programs are published for public input and comment on a periodic basis. Geographic location/placement of affordable housing, including any supportive housing, is considered as part of the decision-making process. Specific revisions to these criteria should be proposed as part of that public input process.

11. Mobility Counseling should be used to assist tenants to have full access to alternative housing options, and should include education and educational opportunities as part of this counseling.

Response: DOH has contracts with three separate organizations providing mobility counseling relative to both the State Rental Assistance Program and the federal Section 8 Housing Choice Voucher program. We currently do not have sufficient resources to fund mobility counseling targeted at occupants of other types of affordable housing.

12. Priority for funding should be targeted at applications that eliminate housing discrimination, increase housing choice in high opportunity areas, and increase economic opportunity.

Response: Detailed rating and ranking criteria for DOH programs are published for public input and comment on a periodic basis. Individual criteria prioritizing development in higher opportunity areas are included as part of these rating and ranking criteria. Examples include: TOD/Connectivity to Public and Mass Transit; Community/Neighborhood Impact; Reuse/Rehabilitation Characteristics and Infrastructure Capacity; Unique Characteristics. Specific revisions to these criteria should be proposed as part of that public input process.

13. Condition receipt of CDBG for non-housing activities that support affirmative fair housing activities.

Response: Although DOH recognizes the importance of activities that support affirmative fair housing activities, limiting receipt of CDBG assistance to only those non-housing activities that support affirmative fair housing would significantly limit any community's ability to pursue non-housing activities. DOH cannot support this suggestion at this time.

14. Condition receipt of CDBG in lower opportunity areas on the deconcentration of poverty (economic development, job creation, public safety or access to education).

Response: Although DOH recognizes the importance of activities that promote the deconcentration of poverty in lower opportunity areas, excluding receipt of funds in these areas for housing could be viewed as discriminatory, and would promote slum and blight in those lower opportunity areas due to decreased availability of assistance. DOH cannot support this suggestion at this time.

15. Suggests that proposals that expand access to high-performing schools receive priority consideration.

Response: Detailed rating and ranking criteria for DOH programs are published for public input and comment on a periodic basis. Individual criteria prioritizing development in higher opportunity areas are included as part of these rating and ranking criteria. Examples include: TOD/Connectivity to Public and Mass Transit; Community/Neighborhood Impact; Reuse/Rehabilitation Characteristics and Infrastructure Capacity; Unique Characteristics. Specific revisions to these criteria should be proposed as part of that public input process.

B. Attachment B – Citizen Participation Documents

- B.1. Legal Notices for Public Input Hearing and Public Comment Period
- B.2. Department Notices to Municipal Chief Elected Officials
- B.3. Public Hearing Transcripts
- B.4. Written Comments

B-1(a) Legal Notice: Public Comment Period/Public Hearing for the development of 2014-2015 Action Plan

NOTICE OF PUBLIC HEARING

The State of Connecticut Department of Housing is seeking public input into the development of the State of Connecticut 2014-2015 Annual Action Plan for Housing and Community Development

The 2014-2015 Annual Action Plan for Housing and Community Development is the fifth annual implementation plan under the 2010-2015 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 following programs; 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 2010-2015 ConPlan represents approximately \$145 million in federal funding over the five-year period. A Public Hearing on housing and community development needs in Connecticut communities will be held, as listed below, to solicit input into the development of the 2014-2015 Annual Action Plan. Additionally input on performance under the aforementioned programs is also welcomed. All input received will be used in the development of the 2014-2015 Action Plan.

Hartford

3:00 p.m.

February 14, 2014

Department of Housing

4th Floor Conference Room

Room 466

505 Hudson Street

Hartford, CT 06106

State residents are invited to attend the public hearing and provide input/comment on housing and community development needs in Connecticut's communities. Written comments may be sent to Michael C. Santoro, Community Development Specialist, Office of Policy, Research and Housing Support, Department of Housing, 505 Hudson Street, Hartford, CT 06106-7106 or CT.Housing.Plans@ct.gov through the close of business on February 28th, 2014. For copies of the 2010-2015 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. Locations for the public hearings are handicapped accessible.

Publication Date: January 30, 2014

**B-1(b) Legal Notice: Public Comment Period/Public Hearing on the draft 2014-2015
Action Plan**

NOTICE OF PUBLIC COMMENT PERIOD AND PUBLIC HEARING

The State of Connecticut Department of
is seeking public comment on the
DRAFT State of Connecticut
2014-2015 Annual Action Plan
for Housing and Community Development

A thirty day public-examination and comment period will begin on April 3, 2014 and end on May 4, 2014. The 2014-2015 Action Plan for Housing and Community Development is the fifth annual implementation plan under the State of Connecticut 2010-2015 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 following programs; HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant(SC/CDBG), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2010-2015 ConPlan represents approximately \$145 million in federal funding, through the four federal programs, over the five-year period. A Public Hearing will be held, as listed below, to solicit comment on the DRAFT 2014-2015 annual Action Plan. Additionally, input on performance under the aforementioned programs is also welcomed.

Hartford

1:30 p.m.

April 23, 2014

Department of Housing

505 Hudson Street, 4th Floor

Hartford, CT 06106-7106

State residents are invited to attend the public hearing and provide oral or written comment on the DRAFT State of Connecticut 2014-2015 Action Plan for Housing and Community Development. Written comments may be sent to Michael C. Santoro, Community Development Specialist, Office of Policy, Research and Housing Support, Department of Housing, 505 Hudson Street, Hartford, CT 06106-7106 or CT.Housing.Plans@ct.gov through the close of business on May 48, 2014. All comments received will be responded to in the final version of the 2014-2015 Action Plan. For copies of the DRAFT 2014-2015 Action Plan 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. Locations for the public hearings are handicapped accessible.

Publication Date: April 3, 2014

B-2(a) Notice to Municipal Chief Elected Officials: Public Comment Period/Public Hearing for the development of 2014-2015 Action Plan

Distribution Date: January 30, 2014

To: Municipal Chief Elected Officials

From: Department of Housing

Subject: Public Hearing

The 2014-2015 Annual Action Plan for Housing and Community Development is the fifth annual implementation plan under the 2010-2015 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 following programs; 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 2010-2015 ConPlan represents approximately \$145 million in federal funding over the five-year period. A Public Hearing on housing and community development needs in Connecticut communities will be held, as listed below, to solicit input into the development of the 2014-2015 Annual Action Plan. Additionally input on performance under the aforementioned programs is also welcomed. All input received will be used in the development of the 2014-2015 Action Plan.

Hartford

3:00 p.m.

February 14, 2014

Department of Housing

4th Floor Conference Room

Room 466

505 Hudson Street

Hartford, CT 06106

State residents are invited to attend the public hearing and provide input/comment on housing and community development needs in Connecticut's communities. Written comments may be sent to Michael C. Santoro, Community Development Specialist, Office of Policy, Research and Housing Support, Department of Housing, 505 Hudson Street, Hartford, CT 06106-7106 or CT.Housing.Plans@ct.gov through the close of business on February 28th, 2014. For copies of the 2010-2015 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. Locations for the public hearings are handicapped accessible.

Publication Date: January 30, 2014

B-2(b) Notice to Municipal Chief Elected Officials: Public Comment Period/Public Hearing for the draft 2014-15 Action Plan

Distribution Date: April 3, 2014

To: Municipal Chief Elected Officials

From: Department of Housing

Subject: Public Hearing and comment period

A thirty day public-examination and comment period will begin on April 3, 2014 and end on May 4, 2014. The 2014-2015 Action Plan for Housing and Community Development is the fifth annual implementation plan under the State of Connecticut 2010-2015 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 following programs; HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant(SC/CDBG), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The 2010-2015 ConPlan represents approximately \$145 million in federal funding, through the four federal programs, over the five-year period. A Public Hearing will be held, as listed below, to solicit comment on the DRAFT 2014-2015 annual Action Plan. Additionally, input on performance under the aforementioned programs is also welcomed.

Hartford

1:30 p.m.

April 23, 2014

Department of Housing

505 Hudson Street, 4th Floor

Hartford, CT 06106-7106

State residents are invited to attend the public hearing and provide oral or written comment on the DRAFT State of Connecticut 2014-2015 Action Plan for Housing and Community Development. Written comments may be sent to Michael C. Santoro, Community Development Specialist, Office of Policy, Research and Housing Support, Department of Housing, 505 Hudson Street, Hartford, CT 06106-7106 or CT.Housing.Plans@ct.gov through the close of business on May 4, 2014. All comments received will be responded to in the final version of the 2014-2015 Action Plan. For copies of the DRAFT 2014-2015 Action Plan 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. Locations for the public hearings are handicapped accessible.

Publication Date: April 3, 2014

B-3(a) Public Hearing Transcript of February 14, 2014:

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1 . . .Verbatim Proceedings of a public
2 hearing before the State of Connecticut, Department of
3 Housing, held on February 14, 2014 at 3:10 p.m. at the
4 Department of Housing, 505 Hudson Street, Hartford,
5 Connecticut. . .

6
7

8 MR. MICHAEL C. SANTORO: Okay, good
9 afternoon. My name is Mike Santoro. This is a public
10 hearing prior to the drafting of our next Action Plan as
11 part of the Consolidated Plan for Housing and Community
12 Development. The Action Plan covers the four federal
13 block grant programs: The Home Investment Partnerships,
14 The Community Development Block Grant/Small Cities, HOPWA
15 -- Housing Opportunities for Persons with AIDS, and ESG -
16 - the Emergency Solutions Grants programs.

17 This is the public's opportunity to
18 provide input to the department prior to drafting of the
19 Action Plan. We provide a copy of the current Action Plan
20 as a starting point for any comments related to changes
21 you'd like to see in the plan, changes in policy,
22 direction, or allocation relative to the department.

23 It is 3:10 on Friday, February 14th, and
24 we are at 505 Hudson Street at the Department of Housing.

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1 First up, based on our sign-in list, is
2 Erin Boggs of Open Community Alliance. Erin, you're up,
3 if you would. Please state your name clearly, who you
4 represent, and if we have questions we may ask as you go
5 along.

6 MS. ERIN BOGGS: Okay. Yes, my name is Erin
7 Boggs, I'm the executive director of Open Communities
8 Alliance, a nonprofit coalition-based advocacy group that
9 promotes access to opportunity and housing integration.
10 Thank you for this opportunity to present comments on the
11 2014 Action Plan.

12 Now is an important time for fair housing
13 in Connecticut, an important time for affordable housing
14 in Connecticut. We have a new Department of Housing. We
15 have a new commissioner. We have a governor who is
16 supportive of housing initiatives and willing to make it
17 a priority. So, and it's in particular an important time
18 for fair housing because the analysis of impediments is
19 due to come out shortly. And, as one of the co-authors of
20 the draft of the analysis, I know that it reveals some
21 pretty stark information. I think one of the most, you
22 know, stunning statistics, to me, is the fact that based
23 on the best available list we know that 75 percent of
24 family-affordable or subsidized housing in Connecticut is

1 located in just six percent of the geographical area of
2 the state, and that six percent is the area that is
3 disproportionately minority. So, we're sort of living
4 with a historical legacy with a number of programs that
5 have some incentives in them to create housing in certain
6 areas, and now with the new department I think we're in a
7 position to try to address that in some comprehensive
8 ways.

9 One thing we know that is a fall out from
10 this kind of placement pattern is that there's isolation
11 from opportunity for Latinos and African Americans in
12 particular. So we now know that 81 percent of Blacks, and
13 79 percent of Latinos in Connecticut are living in lower-
14 opportunity areas compared with 25 percent of Whites and
15 44 percent of Asians.

16 We know that there's an impact to all of
17 this across health, unemployment, incarceration, and
18 unemployment, incarceration, health measures. And we know
19 that this is going to affect people for generations to
20 come.

21 There's a relatively new book called,
22 *Stuck in Place* by a guy named Patrick Sharkey, that
23 really talks about the intergenerational ramifications of
24 poverty, concentration, and racial isolation. And we know

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1 that it's very likely that if you live in a struggling
2 neighborhood your kids will probably do the same, and
3 maybe even your grandkids. So, what we do today is really
4 important for future generations.

5 So, with that, I want to offer some sort
6 of overarching recommendations. My colleagues, Martha
7 Ferson and Hilary Albrecht, will offer some program-
8 specific suggestions including, even though it's not
9 particularly within the purview of the Action Plan, a few
10 ideas on the Low-income Housing Tax Credit Program. And
11 then later I will submit some more detailed
12 recommendations.

13 So, big picture: we know from the work on
14 the AI that we need more data. We need data on housing
15 need. We need data on what we need right now and
16 projections into the future including particularly family
17 versus elderly versus disabled housing, and also
18 information on family size and the bedroom sizes needed,
19 and income levels. So, you know, I think some of that is
20 happening at the department. I also know that the
21 department needs more resources to do this kind of thing.
22 So, I think that's something that would be important to
23 integrate into the plan. We need more data on our housing
24 stock. We need a comprehensive list. We need to sort of

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1 cut across other state agencies and federal agencies to
2 pull together sort of a grand total list of our housing,
3 bedroom size, and all kinds of details about that.

4 We also need to know about resident race
5 and ethnicity. I know that, over the years, back when we
6 had the Department of Economic and Community Development,
7 there were some efforts made to collect that data as is
8 required by state law. But, there were also cuts in
9 resources to pay for that work. So we need to be doing
10 that more. We can't really tell if our efforts to
11 affirmatively further fair housing are effective if we
12 don't know who lives in the housing. And lastly, we need
13 to make data publicly available to the greatest extent
14 possible, taking privacy considerations into the -- into
15 the picture. But we need to have data from Department of
16 Housing along with all the other agencies that provide
17 housing and pull it into one place and make it available.

18 And that kind of data -- all of those
19 different points -- can feed into my second point which
20 is the need for a fair share housing plan. This is a plan
21 that looks at sort of the capacity of each town to host
22 housing. In some cases we have towns that are struggling.
23 Probably those towns should not be the target for
24 additional subsidized housing. We have towns that are

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7

1 really thriving; they can easily undertake hosting more
2 housing for lower-income people. And such a plan should
3 think about things like: poverty de-concentration goals,
4 the local jobs available, whether the schools are
5 thriving, and the median income for the municipality.

6 The other kind of planning we can do is
7 opportunity mapping which connects to all these other
8 data recommendations I have, and that's basically looking
9 at whether, through a constellation of data factors, you
10 have higher-opportunity or lower-opportunity
11 neighborhoods, and that can help guide where subsidies
12 go. We can also take the current programs we have and use
13 them as affirmatively-furthering tools. And my colleagues
14 will address some of that in particular with certain
15 programs, but one just general example is: we can use
16 some of the subsidies we have now to buy scattered-site
17 housing and at least put the down payment on those, turn
18 around and have Section 8 rents pay for the mortgages on
19 those properties, and in the end not have to worry about
20 zoning. Not have to -- we would actually end up creating
21 a housing stock, and we wouldn't end up generating
22 poverty concentrations.

23 So there's all kinds of financing details
24 that fit into that, but it is possible to do and I would

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1 strongly encourage that that kind of model be pursued by
2 the agency.

3 The other thing we need to do because
4 zoning is an issue, is we need to start as a state
5 monitoring zoning more closely. Now I know that that
6 isn't necessarily under the purview of the department,
7 but I would encourage the department to start talking
8 with other agencies about the most effective way to do
9 that. We're just -- we're talking about monitoring. We're
10 not talking about jumping into zoning at this point, but
11 we at least we need to know, are all towns complying with
12 the state law A-2 that says you have to allow affordable
13 and multifamily housing into your town?

14 Consistency with other state plans: right
15 now a lot of other state plans don't make fair housing
16 central to what they're trying to do. And I would
17 encourage the department to undertake a process of, as
18 those plans are updated over time, trying to move fair
19 housing affirmatively-furthering fair housing into a more
20 prominent place within those plans. Because oftentimes,
21 and I'll use the low-income tax credit as an example, I
22 have talked with the Connecticut Housing Finance
23 Authority about changing the priorities for the low-
24 income housing tax credit. They tell me they can't

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1 because they can't be inconsistent with the state plan
2 for conservation and development. So we need to change
3 the state plan in conservation and development in order
4 to have changes within the Low-income Housing Tax Credit
5 Program.

6 Fair impact -- fair housing impact
7 assessment: it would be wonderful if the Department of
8 Housing could adopt a fair housing impact assessment
9 which would basically mean with each application that
10 comes in, and you know to the extent that it isn't
11 happening already, look at what impact the development
12 would have on fair housing, and have a goal for the end
13 of the year which would basically mean a net gain in
14 housing that is in higher-opportunity areas. So create
15 some goals and then create an assessment to try to reach
16 the goals.

17 And the very last recommendation is
18 probably the most concrete for the plan, which is to
19 create a section, really near the beginning of the plan,
20 which lays out a fair housing strategy for the state. It
21 could adopt a lot of the things I just talked about,
22 along with recommendations of the analysis of
23 impediments, and really pull it all into one place so
24 that everyone can see that there's a comprehensive

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1 approach to dealing with what we're looking at.

2 So, thank you for the opportunity to
3 provide these recommendations. I will provide
4 supplemental recommendations in a few -- in the next few
5 weeks, and I do think it's a new day for the department,
6 and I look forward to working closely with you in the
7 future.

8 MR. SANTORO: Erin, thank you very much. I
9 appreciate the comments and look forward to your formal
10 written testimony as well.

11 Next on our list is Martha Ferson. Martha,
12 if you'd step over to the mic, introduce yourself, and
13 feel free.

14 MS. MARTHA FERSON: I'm Martha Ferson with
15 Yale's Legislative Advocacy Clinic, and Open Communities
16 Alliance. And today I want to address the Community
17 Development Block Grants. And Connecticut expects to
18 receive over 11 million in Community Development Block
19 Grants funds in the 2013-2014 fiscal year. CDBG funds are
20 a flexible resource providing the state with an
21 opportunity to innovatively further fair housing. We want
22 to ensure that CDBG funds are used to further residential
23 integration and the creation of housing choice and
24 economic opportunity.

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1 To qualify for CDBG funding, an activity
2 need only meet two criteria: first, it must be an
3 eligible activity. Eligible activities include: housing
4 development that's not new construction, a number of
5 housing-related undertakings like relocation assistance,
6 and non-housing activities like public services. In
7 addition, to qualify for CDBG funds, an activity must
8 serve at least one of the three national objectives of
9 the CDBG and must either benefit low- and moderate-income
10 families, prevent or eliminate slums or blight, or
11 alleviate an urgent need. And activities that
12 affirmatively further fair housing meet all these
13 objectives. So, the CDBG funds provide the state with
14 excellent resources with which it may address the
15 challenge of providing fair housing.

16 Today I'll discuss four primary ways that
17 we can use CDBG funds to affirmatively further fair
18 housing. First, the state should award the highest
19 application points to activities that eliminate housing
20 discrimination, increase housing choice in high-
21 opportunity areas, and increase economic opportunity.

22 Some activities that meet these goals
23 include mobility counseling. Mobility counseling consists
24 of counselors working with people using housing subsidies

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1 and informing them of housing opportunities, resources,
2 and economic opportunities in neighborhoods they may not
3 have considered. Mobility counseling efforts should be
4 taken in partnership with higher-opportunity towns. And
5 mobility counseling partners should explore ways to work
6 together including outreach to local landlords and local
7 social service providers.

8 Another use of funds could be to renovate
9 commercial or residential high-opportunity areas into
10 family mixed-income housing. Funds may be used for down
11 payments on suburban single family, multi family, and
12 condominium properties that will then be made available
13 to people with tenant-based housing choice vouchers and the
14 rental assistance program certificates.

15 Since the cost of land is one of the
16 greatest challenges to providing affordable housing in
17 suburbs, CDBG funds can be used for land banking in
18 suburban towns for use as family mixed-income housing.
19 CDBG funds can be paired with other funds in order to
20 leverage the total support needed for higher-opportunity
21 family mixed-income development. And these funds can also
22 be used to support fair housing education, outreach, and
23 advocacy efforts.

24 The second step is to condition receipt of

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1 CDBG funds for non-housing projects on a simultaneous
2 commitment to undertake a project that affirmatively
3 furthers fair housing as outlined above. Accordingly, the
4 state can assign the second highest points to
5 applications that support major AFFH initiatives and are
6 paired with other non-housing projects. So the idea is,
7 if you want to use CDBG money to renovate a park or
8 acquire land, then you must also pair that activity with
9 one that affirmatively furthers fair housing. We know
10 that it's been challenging to encourage high-opportunity
11 areas to use funds to affirmatively further fair housing,
12 and this proposal directly addresses that challenge. By
13 conditioning receipt of funds for non-housing projects,
14 we can provide incentives for high-opportunity areas to
15 use CDBG funds for fair housing.

16 Third, we want to ensure the use of CDBG
17 funds in lower-opportunity areas is consistent with our
18 goals of improving mobility and increasing opportunity.
19 With this challenge in mind, we should ensure that
20 projects focused on lower-opportunity areas meet the
21 following overarching requirements: they must contribute
22 to the de-concentration of poverty while allowing housing
23 choice and not fostering the net loss of affordable
24 units. An emphasis should be placed on projects that

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1 promote economic development, job creation, public
2 safety, or access to education.

3 And finally, all CDBG-funded projects
4 should be required to meet baseline AFFH requirements,
5 including having a fair housing officer who has received
6 comprehensive training in fair housing, contributing
7 financially to the local mobility counseling program, and
8 providing information on their websites about fair
9 housing.

10 And, so, those are all ways in which we
11 think that the CDBG funds can be used to proactively
12 advance the goals of fair housing, residential
13 integration, and equal opportunity.

14 MR. SANTORO: Thank you very much, Martha.
15 I appreciate your comments, and again, do you intend to
16 submit written comments at a future time?

17 MS. FERSON: Yes.

18 MR. SANTORO: Thank you very much. I look
19 forward to reading those as well. Next up, Hilary
20 Albrecht. And if you would, introduce yourself, who you
21 represent, and have at it.

22 MS. HILARY ALBRECHT: Hi. Good afternoon. I
23 am Hilary Albrecht, along with Martha Ferson, I represent
24 the Legislative Advocacy Clinic at Yale Law School, and

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1 the Open Communities Alliance. And today, just
2 continuing off of Erin and Martha's testimony, I want to
3 specifically address the development of affordable
4 housing through the low-income housing tax credit and the
5 HOME program.

6 So, we do strongly encourage the
7 investment in these -- in these programs for creating
8 more affordable housing in higher-opportunity
9 communities. Particularly for those groups that
10 experience the most discrimination and the highest degree
11 of segregation, particularly racial and ethnic.

12 Regarding low-income housing tax credits,
13 we agree with the preliminary recommendation of the
14 Department of Housing that it will allocate higher point
15 values to higher-opportunity development, and through our
16 written testimony to be provided in a few weeks, we hope
17 to offer some concrete ways to do that. And to improve
18 higher-opportunity access overall.

19 In particular, we suggest changing the
20 incentive structures for low-income housing tax credit.
21 For instance, assigning a higher point value for
22 developments that achieve fair housing goals. In
23 expanding the affordable housing opportunities in these
24 higher-opportunity areas and also I'm providing the

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1 opportunity to comment on point allocations. And at this
2 time we would suggest that the Department of Housing
3 maybe consider setting aside half of the credits for
4 higher-opportunity areas starting in 2015 or 2016, so
5 that developers would have the time to both know the
6 changes and be able to plan accordingly in the
7 developments. And also to refine the effectiveness of
8 the criteria being used in awarding these points.

9 Let's see, also in regards to the
10 structure we think changing the levels and giving points
11 for more DEEP mixing. For example, less than 30 percent
12 of affordable at 50 percent EMI or less would help
13 achieve these goals, and also the use of subsidies for
14 changing public housing. And we suggest that the total
15 units be retained within some place -- some placement in
16 higher-opportunity areas, and adding maybe more points
17 for creating more income mix at the original site.

18 Regarding the HOME program. We think it's
19 essential because it provides affordable housing for
20 these low- and moderate-income individuals and families,
21 and it's particularly unique because it provides
22 flexibility both in the implementation for state and
23 local jurisdictions and also in the makeup of the
24 partnerships. Since the program allows for partnerships

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1 between government nonprofit and for-profit developers.
2 And we believe these partnerships allow for a diversified
3 source of affordable housing funding. And in considering
4 this funding, we think the location of the affordable
5 housing is a very important feature of the program. As
6 such, we would recommend expanding the ability to form
7 consortiums through the program to allow for this
8 diversification. Since local consortiums would have a
9 greater opportunity to site new home rental units in
10 areas of higher opportunity because there would be a
11 larger area being overseen. And these units and areas of
12 opportunity would not be hyper-segregated and it would
13 help states and the local participating jurisdictions
14 meet their affirmative fair housing requirement in the
15 program.

16 And finally, we would also recommend that
17 the HOME funds be utilized for land banking and the
18 purchase of scattered-site housing. And with that, if
19 Erin has any additional comments, we would welcome that
20 as well. And as I said earlier, we'll be providing
21 written testimony.

22 MR. SANTORO: Thank you very much. I
23 appreciate your comments. Just so we're clear, and I'm
24 sure you know, this is not a public hearing associated

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1 with the Low-income Housing Tax Credit Program in and of
2 itself. There is an opportunity to comment and input into
3 the drafting of the QAP -- that's the Qualified
4 Allocation Plan. I believe they have already taken
5 comments for this year's upcoming QAP, but I encourage
6 you to go to the CHFA website, look for the current QAP
7 and I believe the draft that was being proposed is still
8 out there. And simply because the formal public
9 commenting period has closed, do not feel you can't
10 continue to voice your position relative to revisions to
11 the QAP. They're not obligated to take them up at this
12 time, but I encourage you, go on the record to make CHFA
13 and the commissioner of housing aware of where you
14 believe the QAP may fall short.

15 Okay? Thank you, again, for your
16 testimony. We appreciate your coming in. And I look
17 forward to receiving your written testimony as well.

18 Finally, J. L. Pottenger, Jr. Mr.
19 Pottenger, if you would, take a seat, introduce yourself.
20 And, as before, have at it.

21 MR. J. L. POTTENGER, JR.: Thanks, I will.
22 Okay. Thank you, Mike, for giving us this opportunity.
23 I'm J. Pottenger. I work with Erin on the Open
24 Communities Alliance, and I help supervise the students

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1 in the Legislative Advocacy Clinic. So, I learned from
2 the students, and did a little work with Erin in helping
3 them prepare to talk to you today. And I wasn't gonna
4 talk. But then when I saw it was you I said, "Oh, well, I
5 know Mike Santoro so I can share some of my ideas and
6 experience with him."

7 You have a tough job. Department of
8 Housing and CHFA have fundamental tension in your mission
9 between bringing affordable housing and trying to address
10 the serious need that exists in Connecticut in the cities
11 and around the state. And yet, at the same time, you've
12 got this fair housing responsibility or obligation to try
13 and help folks who are trapped in those cities get out
14 and get into higher-opportunity areas. Not just for their
15 own sake, but for the sake of the people who live in
16 towns like mine, in Branford, to make those places more
17 diverse and make them better places for everybody to live
18 and go to school. And the tension is particularly tough
19 cause there's not enough money, and you're trying to
20 solve serious housing need problems in the cities, but
21 you're also trying to spread housing opportunities around
22 the state. And so those are tough choices that you folks
23 have every day, and nobody -- nobody doesn't appreciate
24 that and Erin, I think more than anybody, understands the

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1 tensions that you're operating under.

2 What my hope, and what the hope of the
3 four of us today is, that the department will see that
4 there is that tension but tip the balance in a different
5 direction in the future. And to try and put more emphasis
6 and more importance and more salience on the fair housing
7 and the moving to opportunity dimension of the work and
8 the responsibilities that you folks have.

9 One of my other clinics is a community
10 economic development clinic, and we represent a lot of
11 groups in New Haven, trying to build opportunity in New
12 Haven. We do housing development in New Haven. We come to
13 you for money for some of our New Haven clients who want
14 to build housing in New Haven which is exactly what we're
15 saying you shouldn't necessarily be spending your money
16 on. So I've got a little bit of a conflict of interest
17 myself, just like you do. But I think it's telling that
18 over the last five or six years the Housing Authority of
19 New Haven has completely renovated several of their
20 oldest and most decrepit housing projects. But the --
21 that has come at a cost of close to \$300 million. Three-
22 hundred-million dollars. In low-income housing tax
23 credits, in DECD grants, in City of New Haven grants, in
24 Section 8s, in public housing money. Not all government

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1 money, but a lot of it's steered through government, even
2 the low-income housing tax credits that are private
3 equity are obviously allocated as we just discussed by
4 CHFA and from the treasury department.

5 And I think that it's essential that, with
6 the new opportunity that you've got to regain your
7 independence as the Department of Housing, to take a hard
8 look at this tension. And to say, "You know what, we're
9 not anymore part of the Department of Economic and
10 Community Development; we're the Department of Housing,
11 and we can re-orient our mission away from the inner
12 cities and toward the other 160 towns in the state that
13 need housing and that people would like to live in, and
14 would be good opportunities for them to live in."

15 The story I'm going to tell you is one
16 that you and I and Rick Robbins worked on together almost
17 20 years ago, actually a little more than 20 years ago,
18 in Branford. A group of people from the six or the seven
19 - six or the eight churches in Branford got together
20 under the leadership of a parishioner in the Methodist
21 Church who came from a different state. And he said, "In
22 my state the churches got together and we built housing
23 in our suburban town. And we did it with a state program
24 that was trying to encourage affordable housing in the

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1 suburbs and in the small towns. And guess what?
2 Connecticut has a program like that, too, and we can do
3 that in our town." And the people from those churches got
4 together. We formed a corporation that my other clinic
5 actually incorporated and represented, and with the
6 cooperation of the old Department of Housing put together
7 a program of 29 units -- not that many, but 29 is a lot
8 better than the zero that were there before -- units of
9 family housing. Almost all three-bedroom houses, almost
10 all for people in need. When we developed a point-scoring
11 system, we gave maximum points to homeless people who
12 were living in Branford because, as you know, at the time
13 a lot of the city folks had been put into welfare motels
14 in the suburbs, and Branford was the home of some of
15 those motels. So we gave maximum points in allocating the
16 apartments to homeless people who were in Branford, and
17 we persuaded the churches that living in a motel in
18 Branford counted. And so, even if you didn't grow up in
19 Branford and your ancestors weren't from there, you
20 should get the Branford points.

21 That program worked because the Department
22 of Housing was supportive and was generous. As you know,
23 originally it was a 75 percent grant program, and in the
24 end we persuaded you to make it 100 percent grant for us.

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1 And so that project was built with all state dollars, and
2 as a result the rents were incredibly affordable. The
3 only rents that the residents needed to pay were the
4 operating costs of the facility. There was no capital to
5 repay. There was no mortgage to pay off. There was no
6 Wall Street bankers that were collecting golden crumbs
7 out of the process. What I think -- part of why that
8 worked was because the department was so supportive and
9 so available, and because the department had a program
10 that the people from the churches could point to and
11 could go into the community and say, "Look, we can do
12 this. The Department of Housing is ready to help pay us
13 to do this." And I think that the availability of the
14 program, at least from a participant in the program, and
15 trying to cast back a quarter of a century to when we did
16 this, the availability of that program was an important
17 part of the local dynamics that made it possible to sell
18 that program among the churches and to the town
19 government.

20 And so, I would encourage you to deal with
21 the NIMBY problem and with the, "We don't want these
22 affordable units in our town," problem by making it
23 really attractive and really easy for the towns and the
24 people who want to diversify their communities to do so

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1 with that kind of funding and that kind of programming.
2 And it's not cheap. It's not leveraging money. It's not,
3 you know, doing all the things that are the parlance
4 these days, and there's no skin in the game from the
5 local people if it's 100 percent grant.

6 But the truth is, as you well know, it's
7 really hard to put housing in those suburban communities.
8 Really hard. And the more skin there is, the less housing
9 gets built. Just as a practical matter. And so, I think
10 biting the bullet and saying, "We'll pay for it because
11 we consider it's important, because we know it's
12 necessary," is the way to try and structure some of those
13 programs.

14 One other piece, to make it attractive to
15 the towns would be to couple those grants with some kind
16 of a payment-in-lieu-of-taxes program, so that the town
17 government doesn't suffer from having that land taken off
18 the tax rolls for a nonprofit, low-income housing
19 operation, affordable housing, whatever meme we want to
20 use. But instead, the town is incented from a tax
21 perspective from the state government to try and support
22 and welcome that kind of housing.

23 So that's my suggestion. Thank you very
24 much.

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1 MR. SANTORO: Thank you, Mr. Pottenger. I
2 appreciate your comments. I am sure that Commissioner
3 Klein will be happy to hear your comments, and I continue
4 to regale her with anecdotes of past generations at the
5 Department of Housing. So the fact that someone else is
6 going to tell her a story is greatly appreciated by me.

7 For informational purposes, we have such a
8 program, Incentive Housing Zones, if you're not familiar
9 with it.

10 MR. POTTENGER: Yes.

11 MR. SANTORO: In addition, all of our
12 programs have the potential to be fully grant-funded
13 programs. It currently a reigning ranking for our state-
14 funded programs do not give a benefit, if you will, to
15 fully-funded programs, as you indicated. The current
16 methodology prefers leveraging to make what limited
17 dollars we have go farther. But I appreciate the comment
18 and the sentiment.

19 MR. POTTENGER: Okay.

20 MR. SANTORO: Seeing no one else has
21 arrived, it is 3:41. Unless anyone in the room has any
22 additional comments you'd like to make, I will call this
23 public hearing closed.

24 Thank you for your time and thank you for

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26

1 your comments.

2 (Whereupon hearing was adjourned at 3:41 p.m.)

3

CERTIFICATE

I, Paul Landman, a Notary Public in and for the State of Connecticut, and President of Post Reporting Service, Inc., do hereby certify that, to the best of my knowledge, the foregoing record is a correct and verbatim transcription of the audio recording made of the proceeding hereinbefore set forth.

I further certify that neither the audio operator nor I are attorney or counsel for, nor directly related to or employed by any of the parties to the action and/or proceeding in which this action is taken; and further, that neither the audio operator nor I are a relative or employee of any attorney or counsel employed by the parties, thereto, or financially interested in any way in the outcome of this action or proceeding.

In witness whereof I have hereunto set my hand and do so attest to the above, this 21st day of February, 2014.

A handwritten signature in cursive script that reads "Paul Landman". The signature is written in black ink and is positioned above the printed name and title.

Paul Landman
President

Post Reporting Service
1-800-262-4102

B-3(b) Public Hearing Transcript of April 23, 2014:

Public Hearing was held on April 23, 2014. There were not any members of the public present. No transcript was produced.

B-4(a) Written comment/letter of support received during the development of the 2014-15 Action Plan

No comments or letters of support were received during the development of the 2014-15 Action Plan.

B-4(b) Written Comments received during the 30 day public comment period on the draft 2014-15 Action Plan

Open Communities Alliance

Embracing diversity to strengthen Connecticut



Comments on the Proposed Fair Housing Action Plan Testimony of the Yale Law School Legislative Advocacy Clinic To the Department of Housing February 28, 2014

My name is Hilary Albrecht and I am a member of the Legislative Advocacy Clinic of the Jerome Frank Legal Services Organization at Yale Law School.¹ I am testifying today on behalf of Open Communities Alliance, a new civil rights organization that promotes access to opportunity for all people through education, organizing, advocacy, research, and partnership. The Alliance's initial and primary focus is on promoting housing integration as a means of reversing opportunity disparities.

Summary: Connecticut is facing a fair housing crisis that is affecting the ability of Blacks and Latinos to access the opportunity resources necessary to reach their potential, cutting off White families from diverse living and schooling experiences, and hurting Connecticut's potential for economic growth and prosperity. There are a number of strategies that the Department of Housing (DOH) can implement to reorient programs to reverse these trends and affirmatively further fair housing. Here, we offer steps that can be taken to ensure that the HOME program promotes housing integration.

The Open Communities Alliance urges DOH to use the HOME program to encourage investment in and development of affordable housing in higher opportunity communities, particularly for those groups that experience highest degree of segregation (namely racial and ethnic segregation).² The Alliance promotes the use of HOME funds for land banking, scattered site purchasing, incentivizing consortiums to develop in higher opportunity neighborhoods, and, to the extent permitted by the program, for mobility counseling and opportunity mapping.³ The Alliance believes these recommendations

¹ Hilary Albrecht is a student at Yale Law School, and does not speak on behalf of herself. This testimony was prepared through the Yale Law School Legislative Advocacy Clinic under the supervision of J.L. Pottenger, Jr., Nathan Baker Clinical Professor of Law, Shelley Geballe, Distinguished Senior Fellow at Connecticut Voices for Children and Clinical Visiting Lecturer at Yale Law School, and Erin Boggs, Executive Director at Open Communities Alliance.

² For more information on defining opportunity through opportunity mapping, see, Reece et al., *People, Place and Opportunity: Mapping Communities of Opportunity in Connecticut*, Kirwan Institute, 2009/2010, <http://kirwaninstitute.osu.edu/connecticut-op-mapping-temporary/>.

³ While the HOME statute prohibits participating jurisdictions (PJs) from using HOME funds to administer a homebuyer counseling program, costs related to counseling a HOME-assisted homebuyer may be charged as eligible project-related soft costs in accordance with §92.206(d)(6), or administrative costs in accordance with §92.207(b). Housing counseling expenses may only be charged as project-related soft costs if the counseled homebuyer ultimately receives HOME assistance, and the cost of housing counseling when added to the amount of HOME assistance does not exceed the HOME maximum per-unit subsidy limit. When housing counseling is provided to a homebuyer that ultimately is not assisted with HOME funds, the cost of counseling must be charged as administrative costs, subject to the ten percent administrative cost cap. PJs may also choose to pay for required homebuyer counseling with other

would result in a greater affordable housing choice in a variety of towns, thus affirmatively furthering fair housing and becoming more compliant with federal laws regarding fair housing.

I. Introduction

Connecticut is one of the most racially and ethnically segregated states in the country. The state displays entrenched patterns of concentrated poverty.⁴ Such high levels of segregation isolate people of color from the opportunities that lead to success in life, like thriving schools, safe neighborhoods, health resources, and social networks that connect to employment. In fact, 81% of Blacks and 79% of Latinos are living in areas of “low opportunity” compared to 25% of Whites.⁵ Because Latinos and Blacks, on average, earn less half of what Whites and Asians earn, the availability and location of family affordable and subsidized housing is critical. Such housing is currently disproportionately available in areas that are struggling. 138 out of 169 Connecticut towns do not have a minimum of 10% affordable housing as defined by the Affordable Housing Appeals Act. According to the best available data, 75% of family subsidized housing is located in the 6% of the geographical area of the state that is disproportionately minority (30% minority or greater).⁶

As a HUD grant recipient, the State of Connecticut and the Department of Housing are obligated to comply with civil rights-related program requirements (CRRPRs) that affect nearly every aspect of each program. The non-discrimination requirements of HUD grants are compiled from several federal laws (including Title VI of the Civil Rights Act of 1964 and the Fair Housing Act) and include the obligation to affirmatively further fair housing.⁷

As the largest federal block grant program for state and local governments designed exclusively to create affordable housing for low-income households, the HOME Program is uniquely situated to affirmatively further fair housing.⁸ The HOME program also provides flexibility in its implementation to states and local participating jurisdictions, which allows for differing rules relating to how HOME funds are distributed.

federal, local, or private funding, if available, or charge reasonable fees to homebuyers in accordance with §92.214(b)(1)(ii). Any fee charged to a potential homebuyer for the cost of housing counseling must be reasonable and not create an undue burden or impediment to low-income families seeking assistance. <https://www.onecpd.info/onecpd/assets/File/HOME-FAQs.pdf>; It is unclear whether this would also apply to mobility counseling for renters.

⁴ The Hartford, New Haven and Bridgeport areas all rank in the top 10% of 362 areas around the country for Latino/White segregation as measured by the dissimilarity index. These same areas rank in the top 20% for Black/White segregation. Diversity Data and the Harvard School of Public Health, 2010, <http://diversitydata.sph.harvard.edu/>.

⁵ See Reece, *supra*.

⁶ Alliance submission to the Barriers to Fair Housing Task Force, *Solutions to Connecticut's Fair Housing and Opportunity Access Crisis* 2/4/2014.

⁷ <https://www.onecpd.info/home/home-overview/>

⁸ <https://www.onecpd.info/home/home-overview/>

II. HOME Program

While the HOME program can be used to affirmatively further fair housing, Connecticut's concentration of poverty and patterns of segregation present a major challenge that needs to be addressed within the HOME program if this goal is to be accomplished. Furthermore, the state has not effectively employed the HOME program in a manner that promotes integration. For example, according to the last five years of CAPER performance reports, very little state HOME money has gone to create higher opportunity rental housing. Looking at the development projects funded through HOME in the past five years, it is hard to say how these investments affirmatively furthered fair housing. Rather, based on the HOME projects contracted during the past few years, it appears that HOME has contributed to segregation. For example, only 3 out of 31 HOME grants awarded over the last five years were for projects creating new rental housing in areas that are disproportionately White (72% or greater). Meanwhile, 20 out of the 31 HOME grants awarded over the same period were for projects in disproportionately minority areas (30% or greater), and 10 those created new affordable units for families.

HOME Projects Contracted During the Past 5 Years ⁹			
Year	Where	Type	Racial Makeup of Town (% minority)
2012	Waterbury	Elderly	40.90%
2012	New Britain	Elderly	41.10%
2012	New Haven	Supportive	65.60%
2011	New Haven	New Construction/ Rehabilitation	65.60%
2011	Bristol	Rehabilitation	9.80%
2011	Somers	New Construction Elderly	2.40%
2010	Avon	Elderly	12.90%
2010	Franklin	New Construction	5.50%
2010	Hartford	New Construction Homebuyer/Affordable	87%
2010	Hartford	New Construction Family	87%
2010	Manchester	New Construction Affordable	34.20%
2010	Norwalk	Down Payment Assistance	44.30%
2010	West Hartford	Rehabilitation Elderly	25.30%

⁹ Compiled from the Performance Evaluations Reports, <http://www.ct.gov/doh/cwp/view.asp?a=4513&q=530462> and the 2010 Census.

HOME Projects Contracted During the Past 5 Years⁹			
Year	Where	Type	Racial Makeup of Town (% minority)
2010	Windham	New Construction Individual	44.80%
2010	New London	Rehabilitation Family	55.70%
2009	Manchester	New Construction	34.20%
2009	Stamford	New Construction	46.80%
2009	New Canaan	Demolition and New Construction	8.60%
2009	New Haven	Mixed Income Rental Development	65.60%
2009	Hamden	Renovations	37.60%
2009	Middletown	Development of Homeownership Units	28.30%
2009	Westport	Development of Family Rental Units	10%
2009	Bridgeport	Development of Family Rental Units	77.90%
2008	Hamden	Rehabilitation Family	37.60%
2008	Hamden	Construction of Artist Housing	37.60%
2008	Hartford	Construction of Rental Housing	87%
2008	Milford	Rehabilitation of Owner Occupied Housing	14.50%
2008	New Britain	Rehabilitation	41.10%
2008	Somers	New Construction Elderly	2.40%
2008	South Windsor	New Construction Elderly	17.90%
2008	New London	Down Payment Assistance	55.70%

To reverse this trend, the Alliance recommends that the HOME funds directly received by the state of Connecticut be focused on the following activities: land banking, scattered site purchases, and, to the extent permitted by the program, mobility counseling and opportunity mapping. We recommend that these activities be prioritized when they contribute to correcting the problem of concentrated poverty and segregation, and create more housing in higher opportunity areas. The Alliance also suggests the use of

incentives to developers to invest in higher opportunity neighborhoods and incentivize the use of consortiums.

a. Land Banking and Purchase of Scattered Site Housing

We recommend that HOME funds be utilized for land banking (buying land for future building) and the purchase of scattered site housing in higher opportunity areas. Both the building of developments on higher opportunity land-banked properties and the rental of scattered site units could be coordinated with the need to offer housing choice to the current residents of lower opportunity public housing when it is rehabilitated. This will create the necessary conditions to convert public housing sites into mixed-income housing while meeting the need for one-for-one replacement with some hard public housing units remaining on site and other units moving to higher opportunity areas.

b. Fostering Consortiums

The use of consortiums made up of various developer, non-profit groups, and for-profit groups focused on developing more of the HOME supported housing units in higher opportunity areas would also promote efforts to foster housing integration. To the extent that the formation of consortiums is challenging under the current standards and hindering higher opportunity projects, the Alliance recommends creating incentives for the formation of consortiums crossing town lines through the program. Forming consortiums allows for participating jurisdictions that would otherwise not qualify for funding to form a consortium whose member's aggregate allocations exceed the threshold.¹⁰

Local consortiums have a greater opportunity to site new HOME rental units in areas of opportunity due to the larger area within which a consortium operates. The ability to site units in areas of opportunity that are not deeply segregated helps states and local participating jurisdictions meet their AFFH requirement for the HOME program. Guidance should be issued so jurisdictions are made aware of this opportunity and the Department could consider offering extra points for consortiums.

A key feature of HOME is that the program fosters partnerships among government, non-profit community housing developers and for-profit groups. These partnerships allow for a diversified source of affordable housing funding. We encourage further support for these partnerships/consortiums.

c. Mobility Counseling and Opportunity Mapping

Both mobility counseling and opportunity mapping are effective tools for affirmatively furthering fair housing, but it is unclear whether such expenditures can be covered by HOME funds. To the extent that mobility counseling is encompassed by the funding rules for homebuyer counseling, it could be used as an effective way to affirmatively

¹⁰ See <http://www.hud.gov/offices/cpd/affordablehousing/library/homeguide.pdf>

further fair housing by increasing the availability and take-up of affordable housing in high opportunity areas. It would assist families to identify housing and community needs and desires, locate a unit, and transition into new communities (e.g. locating community resources, enrolling children in schools). Workshops on home maintenance, financial management and tenant rights, community tours and unit search assistance, and outreach to areas of higher opportunity are some of the ways in which mobility counseling could affirmatively further fair housing.

Opportunity mapping is a process of analyzing a geographic area, ideally by census tract, to determine the extent to which “opportunity” is available. Typical criteria used to evaluate opportunity include educational, economic and neighborhood quality data. To maximize the resources available to low-income families, it is critical that HOME funds used for the creation and rehabilitation of affordable housing be focused to the greatest extent possible in area of higher opportunity, for example where crime rates are low and schools perform at a high level.

The Alliance encourages DOH to explore with HUD the extent to which HOME funds can support opportunity mapping or, alternatively, use the administrative fees generated by the HOME program to support such mapping.

Thank you for this opportunity to comment on the 2014 Action Plan. We hope that these recommendations about enhancing the ability to affirmatively furthering capability of the HOME program can be integrated into the new plan.



Public Hearing Testimony on the 2014 Action Plan February 2014

My name is Erin Boggs and I am the Executive Director of Open Communities Alliance, a non-profit coalition-based advocacy group that promotes access to opportunity and housing integration. Thank you for this opportunity to offer recommendations for the 2014 Action Plan.

We are at an important time for fair housing and affordable housing in Connecticut with the establishment of a new Department of Housing, a new Commissioner of Housing, and the support of a governor who is making housing a priority.

It is also a crucial time for fair housing because Connecticut's Analysis of Impediments (AI) will be released very shortly. As one of the authors of the original draft of the AI, I have a solid understanding of both the range of housing subsidy programs used in Connecticut and the historical placement of housing funded by these programs. Based on the best available data, we found that around 75% of family housing funded with government subsidies was located in the 6% of the geographical area of the state that is disproportionately minority (see Figure 1). Due to the deep income disparity between Whites and people of color in Connecticut – Blacks and Latinos earn less than half of what Whites earn – this placement pattern has at once limited affordable housing options for people of color in areas that are thriving and contributed to poverty-concentration in neighborhoods of color. In fact, we know that 81% of Blacks and 79% of Latinos are living in areas of “lower opportunity” compared to 25% of Whites and 44% of Asians (see Figure 2).¹

Population Living in Lower Opportunity Areas in Connecticut (2010)

Whites:	25%
Asians:	44%
Blacks:	81%
Latinos:	79%

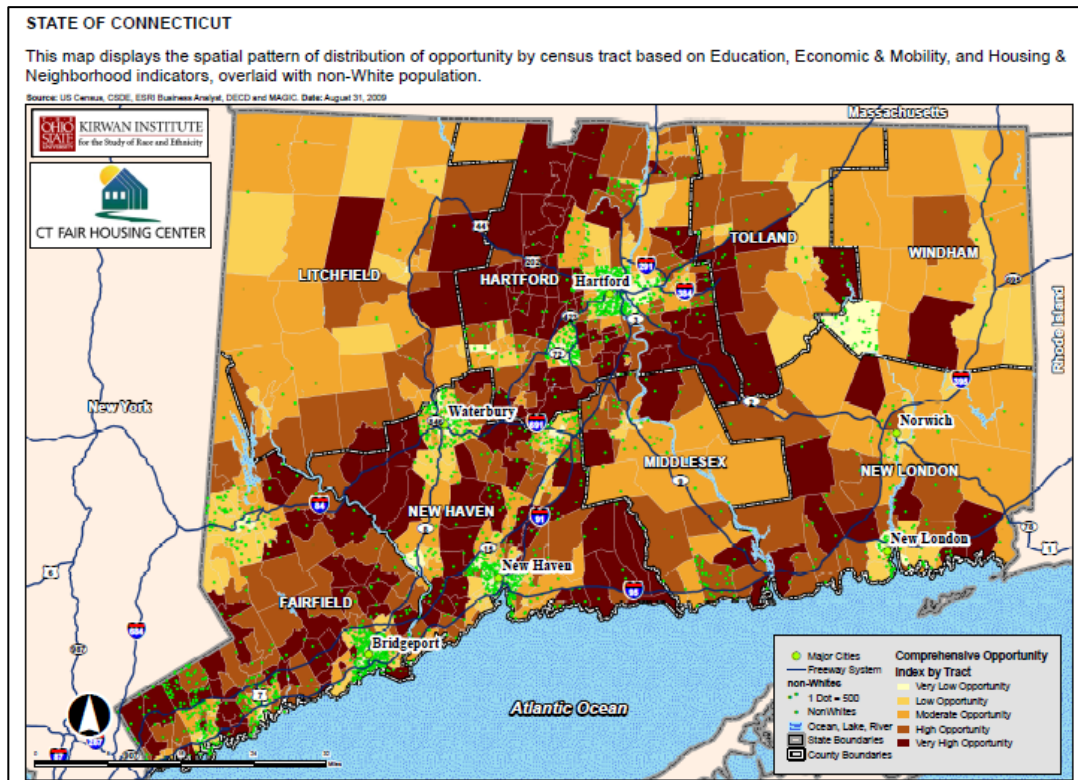
¹ Reece et al., *People, Place and Opportunity: Mapping Communities of Opportunity in Connecticut*, Kirwan Institute, 2009/2010, <http://kirwaninstitute.osu.edu/connecticut-op-mapping-temporary/>.

Figure 1: Preservation List by Location and Demographic Served (by tracts)

Demographic Served	Total Units	% of Units in Disproportionately Minority Areas <i>(30% Minority or greater)</i>	% of Units in High Poverty Areas <i>(9.2% Poverty or greater)</i>	% of Units in Racially and Ethnically Concentrated Areas of Poverty <i>(50% minority or greater and 3 x the regional poverty rate)</i>
<i>Land Area of CT</i>		5.8%	10.5%	< 1%
All	82,290	66%	69%	28%
Family	43,534	75%	78%	32%
Elderly	37,330	56%	58%	24%
Supportive*	440	89%	83%	40%
People with Disabilities*	442	48%	39%	6%

* Note the small sample size of supportive housing and housing for people with disabilities. Additional housing of these types exists in the state but in not part of this dataset.

Figure 2: Opportunity in Connecticut by race and ethnicity



Housing that is segregated by race, ethnicity, and income creates areas that are poverty- and minority-concentrated and isolated from opportunity. The impact of opportunity isolation has been

extensively documented and cuts across life indicators.² Some examples of outcomes in Connecticut that trace their roots to isolation from opportunity include:

- Connecticut is home to some of the most severe disparities in school performance between White children and Latino and Black children in the nation.³
- Connecticut has some of the widest gaps in unemployment rates by race and ethnicity in the country. While the unemployment rate for Whites is around 8.4%, it is about 17.3% for Latinos and 17% for Blacks. Connecticut has the second widest gap in the U.S. in unemployment rates between Latinos and Whites and the 10th widest gap between Blacks and Whites.⁴
- Connecticut has some of the highest incarceration rates by race and ethnicity in the country. With 12 Blacks incarcerated for every White inmate, Connecticut has the fourth highest Black/White ratio in the country.⁵ Connecticut has *the highest* Latino/White incarceration rate in the country – 6.6 Latinos are incarcerated for every White inmate.⁶
- Starkly different health outcomes for Black and Latinos and Whites are longstanding and cut across health indicators. For example, in Connecticut, infant mortality rates for Blacks and Latinos are three and two times greater, respectively, as compared to Whites. In 2009, Connecticut asthma hospitalization rates for Blacks and Latinos were almost five times that for White non-Latinos.⁷ A wealth of research has documented the connections between health outcomes, race, and geography.⁸

² See, e.g. James E. Carr and Nandinee K. Kutty, *Segregation: The Rising Costs for America*, (New York: Routledge 2008); Sandra E. Black, “Do Better Schools Matter? Parental Valuation of Elementary Education,” 114 *QUARTERLY JOURNAL OF ECONOMICS* 577, 577-599 (1999); Brief of Latino Organizations as Amici Curiae, *Parents Involved v. Seattle Sch. Dist. No.1*, 551 U.S. 701 (2007), at 25; The Century Foundation, *Can Separate Be Equal? The overlooked Flaw At The Center of No Child Left Behind* (2004); Jason Reece and Samir Gambhir, *The Geography of Opportunity: Review of Opportunity Mapping Research Initiatives*, The Kirwan Institute (Sept., 2008); Joanna Duke-Lucio et al., *The Latent and Sequential Costs of Being Poor: An Exploration of Housing*, 2 *Poverty & Public Policy* (2010); George Galster, *Housing Discrimination and Urban Poverty of African Americans*, 2 *JOURNAL OF HOUSING RESEARCH* 87, 87-122 (1991); Nat’l Comm’n on Fair Hous. And Equal Opportunity, *The Future of Fair Housing* (Dec. 2008) at 2, available at http://www.civilrights.org/publications/reports/fairhousing/future_of_fair_housing_report.pdf.

³ Not including Washington, DC, Connecticut has the largest gap between White and Black fourth graders based on reading test scores and ranks near the bottom for math (42 out of 46 states, including DC) and science (33 out of 40 states, including DC). Connecticut also has the largest White Non-Hispanic/Hispanic achievement gap for fourth graders on reading, math and science standardized tests. National Assessment of Educational Progress Database, National Center on Education Statistics (2010), <http://nces.ed.gov/nationsreportcard/statecomparisons/>.

⁴ Algernon Austin, *No relief in 2012 from high unemployment for African Americans and Latinos*, Economic Policy Institute (February 16, 2012), <http://www.epi.org/publication/ib322-african-american-latino-unemployment/>.

⁵ Marc Mauer and Ryan S. King, *Uneven Justice: State Rates of Incarceration By Race and Ethnicity*, The Sentencing Project, July 2007, pg. 10, http://www.sentencingproject.org/doc/publications/rd_stateratesofincbyraceandethnicity.pdf.

⁶ *Id.* at 14.

⁷ Nepal, A.N., Peng, J., Kloter, A., Hewes, S., & Boulay, E. (2012). *The Burden of Asthma in Connecticut*. Hartford, CT: Connecticut Department of Public Health, p. 114, http://www.ct.gov/dph/lib/dph/hems/asthma/pdf/full_report_with_cover.pdf.

⁸ For a summary of research, see, e.g., Dolores Acevedo-Garcia and Theresa Osypuk, “Impacts of Housing and Neighborhoods on Health: Pathways, Racial/Ethnic Disparities, and Policy Directions,” Chapter 6 from *Segregation: The Rising Cost for America*, eds. James H. Carr and Nandinee K. Kutty, pg. 197 (Rutledge, 2008); see also Philip Tegeler and Salimah Hankins, “Prescription for a New Neighborhood: Housing mobility can complement community revitalization for children with serious health challenges,” *ShelterForce* (July 2012), http://www.shelterforce.org/article/2769/prescription_for_a_new_neighborhood/.

- Race and income are strongly correlated and the income gap between the rich and poor is growing in Connecticut. Since the 1970s, Connecticut has experienced the greatest increase in the income disparity between the top 20% and bottom 20% of income earners in the nation.⁹

Our actions today are of such tremendous importance because they affect not only people who are currently living in areas of lower opportunity, but their children and grandchildren.¹⁰ Recent research chronicles and quantifies the multigenerational impact of exposure to, for example, neighborhood violence.¹¹ Such exposure actually negatively affects gene development and these changes can be passed from mother to child. A change in the way we do the business of affordable housing creation today will benefit people currently cut off from opportunity, their offspring and beyond.

Understanding how crucial a reorientation of housing programs is, my testimony provides overarching recommendations on changes to the Action Plan and then includes a list of more detailed recommendations. My colleagues Martha Ferson, Hilary Albrecht, and Noah Bokot-Lindell of Yale Law School, will offer some program-specific suggestions and emphasize the connection between housing and schools.

Overarching Suggestions for Changes to the Action Plan to Promote Fair Housing

I have overarching suggestions for adjustments to the Action Plan that would affirmatively further fair housing. I recognize that some of these might also require changes to the Consolidated Plan or other planning documents and I ask that, to the greatest extent possible, allowances be made to put affirmatively furthering practices in place immediately despite inconsistencies with prior plans that were not created with the full understanding of the extent of fair housing concerns in Connecticut that we now have as a result of the forthcoming Analysis of Impediments to Fair Housing Choice.

1. ***Need for Data.*** From a fair housing perspective, there are four basic data needs:
 - a. ***Data on Housing Need:*** In order to do more robust planning, the state must have more data on its current population and projected population trends. In particular, it is essential to collect data on income and location for different family sizes, age cohorts, and disability status, as well as projected increases and decreases in these populations.
 - b. ***Data on Housing Stock:*** In gathering and analyzing data for the Analysis of Impediments it was abundantly clear that across multiple agencies more resources need to be dedicated to collecting and analyzing data on privately and publically funded housing stock. Particularly with regard to subsidized housing, there needs to be a central depository for data on all subsidized housing programs, including information on bedroom size, funding source and amount per affordable unit,

⁹ Elizabeth McNichol et al., "Pulling Apart: A State-by-State Analysis of Income Trends," *Center on Budget and Policy Priorities*, 11, <http://www.cbpp.org/files/11-15-12sfp.pdf>.

¹⁰ Patrick Sharkey, *Stuck in Place* (University of Chicago Press, 2012).

¹¹ Nathan A. Fox, "Evidence for a Gene-Environment Interaction in Predicting Behavioral Inhibition in Middle Childhood," *Psychological Science*, v. 16, n. 12 (2005), <http://education.umd.edu/HDQM/labs/Fox/publications/56.pdf>.

accessibility, target population (elderly, family, people with disabilities), and census tract, just to name a few important pieces of data.

- c. *Data on Resident Race and Ethnicity:* It is also critical to know the race and ethnicity of occupants of subsidized housing. Without such data it is impossible to tell if affirmative marketing efforts are effective. More resources must be dedicated to the collection of this vital information.
- d. *Making Data Publically Available:* All this data, across agencies, should be put into a unified user-friendly format and made publically available on the Department's website so that DOH and advocates can assess trends in occupancy and development location that are relevant to fair housing.

2. Fair Share Housing: One important reason to collect data is to allow for the creation of a fair share housing plan. With a better sense of the housing landscape, DOH can better prioritize housing initiatives that promote integration. In order to do this, DOH should consider assessing an appropriate "fair share" of affordable housing for each municipality in the state. A fair share plan can create housing choice without generating poverty concentration. Such an assessment should consider, among other factors regional needs, poverty deconcentration goals, the location of jobs and thriving schools, and municipal median income.

3. Opportunity Mapping: DOH should also integrate into the Action Plan specific steps for developing opportunity mapping for Connecticut that looks at a number of factors to determine which areas are struggling and need an infusion of non-housing resources and which areas are in a position to host more affordable housing. Such mapping was created for Connecticut in 2010 by the Kirwan Institute and could be updated with current data and potentially adjusted to reflect DOH priorities (see Figure 2 for an example). The Action Plan outlines plans for the geographic distribution of housing subsidies, so including the intention to create and use such mapping into the Plan is a natural addition. This is also in line with the forthcoming Analysis of Impediments and the aspects of the Consolidated Plan that call for a focus on promoting access to opportunity.

4. Convert Housing Programs to Affirmatively Furthering Tools: There are a wide range of ways that state and federal subsidized housing programs can be used to affirmatively further fair housing. My colleagues will provide additional details on this concept, but I will provide one example. One of the biggest challenges to developing subsidized housing in higher opportunity areas is restrictive zoning. A scattered site approach involving the purchase of a number of properties in higher opportunity areas and making them available to people using the Housing Choice Voucher addresses this. It is generally not necessary to request zoning changes, it will not generate poverty concentration, and since subsidy rents will be paying the mortgage, it will eventually create a stock of affordable housing that is wholly owned by a non-profit agency, housing authority, or the Department.

5. Monitoring of Zoning: Since zoning is frequently cited as a central barrier to affordable and subsidized housing development, I suggest that DOH incorporate into its Action Plan a strategy for working with other relevant agencies, such as the Office of Policy and Management,

to monitor local zoning to ensure that it permits affordable, subsidized and multifamily housing, as is required by Connecticut statute.

6. Consistency with other State Plans: The Action Plan references the extent to which Connecticut's anti-poverty strategy is articulated in a number of other state reports and plans. With the exception of the Interagency Council on Affordable Housing and a few references in the Consolidated Plan, state planning documents, such as the Plan of Conservation and Development, do not offer comprehensive strategies for affirmatively furthering fair housing. The Action Plan should be amended to state that DOH will work to ensure that all state planning documents make affirmatively furthering central to proposed strategies.

7. Fair Housing Impact Assessment: DOH should consider applying a fair housing impact assessment to each project proposed for subsidized housing funding. This assessment would consider the extent to which integration and access to opportunity are furthered by the proposal and whether the project will assist the Department in reaching an annual goal of generating an increased net total of subsidized units in higher opportunity areas.

8. Fair Housing Strategy within the Action Plan: DOH should consider inserting a section early in the 2014 Action Plan that is solely dedicated to outlining its fair housing strategy. Many of the components of this strategy will flow naturally from the Analysis of Impediments to Fair Housing Choice. This strategy could include:

- a. Continued and increased support for fair housing education and advocacy.
- b. Proposals to review regulations for consistency with fair housing requirements.
- c. Plans and funding needs for improved data collection capacity including plans to produce comprehensive analyses of housing needs and location.
- d. The creation of a fair housing impact assessment.
- e. Goals for tracking and monitoring affirmative marketing outcomes and connecting them back to the fair housing impact assessment goals.
- f. A clear strategy for employing opportunity mapping to guide subsidy allocation and developing a fair share housing plan.
- g. Delineated steps to ensure that affirmatively furthering goals are central to state plans.
- h. Goals for fostering increased state monitoring of local zoning.
- i. Specific plans to identify and remedy subsidized housing program requirements and practices that foster segregation.
- j. Steps for increasing support for fair housing education and advocacy.
- k. Plans for implementing other recommendations of the Analysis of Impediments not listed here.

Specific Suggestions for Changes to other Sections of the 2013 Action Plan

- 1. ESG and HOPWA:** While not the focus of the Alliance's comments, we encourage the Department to consider the extent to which some services provided through ESG and HOPWA may not be distributed in a geographically even way. In some cases, for example, struggling urban areas are taking on the responsibility of assisting homeless people from other jurisdictions. While recognizing that there are important savings found in economies of scale and locating shelters in central locations accessible to public transportation, they are overwhelmingly located in areas that are struggling. It would also be interesting to assess the extent to which shelters are not located near areas of increasing employment opportunities.
- 2. Supportive Housing:** The Alliance encourages the Department to consider the location of supportive housing, which, to an even greater degree than family subsidized housing is located in areas of minority and poverty-concentration. Again, the Alliance recognizes that to a degree this is due to the location of services, but urges the Department to consider the other consequences of such placements. For example, such placement of supportive housing may not, in fact, be in the best interest of people in need of supportive housing who may not fare well in neighborhoods with high levels of crime and, of particular concern for people in recovery, drug activity. Such placements also tend to concentrate poverty and therefore are the least appropriate for areas that are already poverty concentrated.
- 3. \$30 million of funding for the preservation or revitalization of existing state-financed affordable housing (pg. 8):** This is a tremendous and important commitment on the part of the State. The Alliance urges the Department to include in the Action Plan a strategy for prioritizing the preservation and revitalization of higher opportunity developments and ensuring that they have vacant units that can be aggressively affirmatively marketed. In addition, since many of the existing state-financed affordable housing units are located in lower opportunity areas, the Alliance recommends that the Action Plan include a strategy for redeveloping those properties with one-for-one replacement, but with some of the units going to higher opportunity areas and replacing those areas with market rate units. Significant time and energy should be investing in working with tenants to understand their interest in remaining in their neighborhood or moving elsewhere. Mobility counselors should be involved in assisting tenants to have full access to alternative housing options.
- 4. State Anti-Poverty Strategy (pg. 10):** This plan does not include any elements that would foster the deconcentration of poverty through a strategy to locate affordable and subsidized housing in less poverty concentrated/higher opportunity areas. The Alliance urges the Department to include in the Action Plan a commitment to enhancing the State plan in this way.
- 5. Affirmatively Furthering Discussion (pg. 21):** The Alliance assumes that this section will be updated with a range of recommendations coming out of the new Analysis of Impediments. Changes to the current recommendations include adding the recommendations in these comments and, ensuring that the plans to create more affordable housing are targeted in higher opportunity areas.

6. **Relocation, Sec. 92.253 pursuant to 49 CFR 24 Discussion (pg. 31):** The Alliance encourages DOH to include a robust process of interviewing tenants who will be subject to relocation about their interest in a range of housing options and engaging the services of mobility counselors for this purpose.
7. **Affirmative Marketing in HOME (pg. 33):** While the affirmative marketing requirements of 24 CFR 92.350 and 92.351 appear only to apply for developments of five or more units, smaller, often scattered site, developments are often the most feasible for higher opportunity areas. The Alliance encourages DOH to see the federal requirements as a floor and expand affirmative marketing mandates to smaller developments.
8. **Assessment of HOME Applications (pg. 34):** The Action Plan states an intention to review HOME applications according to factors outlined in the Con Plan such as the impact on the neighborhood, education and transportation. The Alliance encourages the Department to consider adding more nuance to this process through the use of opportunity mapping, as outlined above. In addition, we caution against the overreliance on outcomes putting a heavy emphasis on the current transportation system, which has limited access to higher opportunity areas. While a focus on developments in the centers of higher opportunity towns is a good way to prioritize a transit oriented development (TOD) strategy, if TOD is defined as access to our state's major transit hubs, affordable housing development will continue to occur only in areas that are isolated from opportunity. Similarly, we are concerned about heavy weighting of projects aligned with the Plan of Conservation and Development, which does not adequately prioritize affirmatively furthering objectives.

Thank you for the opportunity to provide these recommendations. I will provide supplemental recommendations in the next few weeks. It is a new day for housing in Connecticut, with a new Department of Housing and a governor committed to supporting affordable housing. I look forward to working closely with the Department in the future to affirmatively further fair housing.

Open Communities Alliance

Embracing diversity to strengthen Connecticut



Comments on the Proposed Fair Housing Action Plan Testimony of the Yale Law School Legislative Advocacy Clinic To the Department of Housing February 28, 2014

My name is Martha Ferson, and I am a member of the Legislative Advocacy Clinic of the Jerome Frank Legal Services Organization at Yale Law School.¹ I am testifying today on behalf of Open Communities Alliance, a civil rights organization that promotes access to opportunity for all people through education, organizing, advocacy, research, and partnership. The Alliance's initial and primary focus is on promoting housing integration as a means of reversing opportunity disparities.

Introduction

Connecticut expects to receive over \$11 million in Community Development Block Grant (CDBG) funds in the 2013-2014 fiscal year. As a condition of receiving funds, state and local recipients certify that they will affirmatively further fair housing.² Affirmatively furthering fair housing entails grantees taking active steps to foster integration in improve housing choice. Based on the existing data provided by the state, it appears that no more than 12.9% of funds distributed in Connecticut as part of the Small Cities CDBG Program are being used on family-subsidized housing and that none of the funding is being used to generate new units of family housing in higher opportunity areas.³ Although two projects included improving accessibility for people with disabilities, whether the CDBG-funded projects are furthering housing integration cannot be ascertained from the available data. The following analysis provides recommendations on reorienting the CDBG Small Cities program so that it can become a tool for affirmatively furthering fair housing.

¹ Martha Ferson is a student at Yale Law School, and does not speak on behalf of herself. This testimony was prepared through the Yale Law School Legislative Advocacy Clinic under the supervision of J.L. Pottenger, Jr., Nathan Baker Clinical Professor of Law, Shelley Geballe, Distinguished Senior Fellow at Connecticut Voices for Children and Clinical Visiting Lecturer at Yale Law School, and Erin Boggs, Executive Director at Open Communities Alliance.

² U.S. Dept. of Housing and Urban Development, "Fair Housing Planning Guide."
<http://www.hud.gov/offices/fheo/images/fhpg.pdf>

³ The projects that may be furthering fair housing include the Regional Housing Rehabilitation Programs. Data drawn from State of Connecticut Department of Housing, "State of Connecticut Consolidated Annual Performance and Evaluation Report." 2012. Tables 33 and 36.
http://www.ct.gov/doh/lib/doh/doh/2012_caper.pdf

Programs Qualifying for Funding

As the Department of Housing is aware, to qualify for CDBG funding, an activity must meet two criteria. First, it must fall within a wide range of eligible activities, including property acquisition and rehabilitation, public services, and relocation assistance.⁴ The breadth of activities that qualify for CDBG funding provides the state with an opportunity to further fair housing through a variety of innovative approaches.

Second, the program must advance one of the three national objectives of the CDBG program. Thus, to qualify for funds, projects must either (1) benefit low- and moderate-income families; (2) prevent or eliminate of slums or blight; or (3) Alleviate an urgent need (38). Activities that affirmatively further fair housing meet the CDBG criteria, so CDBG funds provide the state with excellent resource with which it can address the challenge of providing fair housing.

Affirmatively Furthering Fair Housing through the Small Cities CDBG Program

The following recommendations address ways the state may ensure that CDBG funds are used to affirmatively further fair housing.

First, the state should award the highest application points to activities that eliminate housing discrimination, increase housing choice in high opportunity areas, and increase economic opportunity. Such activities include:

Mobility Counseling. Mobility Counseling consists of counselors working with people using housing subsidies and informing them of housing opportunities, resources, and economic opportunities in neighborhoods they may not have considered. Mobility counseling efforts should be taken in partnership with higher opportunity towns, and town and mobility counseling partners should explore ways to work together along with local landlords and local social service providers.

Creation of Mixed-Income Family Housing. Applying CDBG funding to the renovation of commercial or residential properties in high opportunity areas into family mixed-income housing promotes housing integration and is an eligible use of the funding.

Scattered Site Down Payments. Using funds for down payments on suburban single-family, multifamily, and condominium properties that will then be rented

⁴ More specifically, CDBG funding can support: 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. (“2013-2014 AI,” 37)

to individuals with tenant-based Housing Choice Vouchers and Rental Assistance Program certificates is an excellent way to use CDBG funding in combination with other subsidy programs to generate access to higher opportunity neighborhoods.

Land Banking. Since the cost of land is one of the greatest challenges to providing affordable housing in suburbs, CDBG funds may be used for land banking in suburban towns for use as family mixed income housing.

Paired funding. Because CDBG funding is at a relatively low level to undertake housing development projects, streamlining the process of pairing CDBG funding with other funds to leverage the total support needed for higher opportunity family mixed income development is an important component to converting the CDBG program into an affirmatively furthering tool. The Alliance recognizes that the Department has taken steps to do this and applauds these efforts.

Education and Advocacy. Supporting effective fair housing education, outreach and advocacy efforts is a critical way to use the CDBG to affirmatively further fair housing.

Second, the state should condition receipt of CDBG funds for non-housing projects on a simultaneous commitment to undertake a project that affirmatively furthers fair housing as outlined above. Accordingly, the state can assign the second highest points to applications that support major AFFH initiatives and are paired with other non-housing projects. For instance, a town would be able to use CDBG funds to renovate a park, only if also commits to a major activity that integrates housing. This proposal directly addresses the challenge the state has faced in encouraging high opportunity areas to use funds to affirmatively further fair housing. By conditioning receipt of funds for non-housing projects, we can provide incentives for high opportunity areas to use CDBG funds for fair housing. In order to achieve this, the state should consider handing out fewer but larger grants so that meaningful housing and non-housing projects can realistically be undertaken. The Alliance would recommend that the larger portion of these consolidated grants be allocated for expenditures that generate units or lead directly to integration, such as the kinds of projects outlined above.

Third, to ensure that the use of CDBG funds in lower opportunity areas is consistent with the goals of improving mobility and increasing opportunity, projects focused on lower opportunity areas should be required to contribute to the deconcentration of poverty while allowing housing choice and not fostering the net loss of affordable units (although such units can be placed elsewhere with partnership arrangements). In addition, the state should prioritize the funding of projects in lower opportunity areas that promote economic development, job creation, public safety or access to education.

Finally, all Small Cities CDBG-funded jurisdictions should be required to meet baseline AFFH requirements, including:

- A fair housing officer who receives comprehensive training on fair housing.
- Contributing financially to the local mobility counseling program.
- Providing information on their website about fair housing.
- Zoning that permits affordable and multifamily housing. This could include having several non-contiguous areas of town designated to permit affordable/multifamily housing, a streamlined process for affordable housing spot zoning or, for fewer application points, a concrete plan with a timeline for creating affordable/multifamily-friendly zones.
- Using of comprehensive affirmative marketing procedures with reported results.

Conclusion:

The Small Cities CDBG Fund provides Connecticut with an excellent resource through which it may innovatively further fair housing. The above recommendations suggest ways the state may structure the process through which it awards funds and considerations it should consider in this process in order to ensure that CDBG funds are used to affirmatively further fair housing.

Open Communities Alliance

Embracing diversity to strengthen Connecticut



Public Hearing Testimony on the 2014 Action Plan February 2014

My name is Noah Lindell, and I am a member of the Legislative Advocacy Clinic at Yale Law School, representing the Open Communities Alliance.¹ My comments center on the connection between housing diversity and educational opportunity. This link is extremely important, but rarely discussed. The Alliance recommends that the Department make access to quality education an explicit goal in the 2014-15 Action Plan and ensure that this priority is reflected in its program application criteria.

The state's five-year Consolidated Plan envisions "that Connecticut's communities will be vibrant, safe, clean, and diverse places for people to live, work, and *raise a family* [emphasis added]..."² Access to a quality education is an essential part of this vision. Most Connecticut children go to school near where they live, which means that housing location determines school demographics. The Consolidated Plan rightly wants housing developments to be located "in close proximity" to schools—though it should also specify that those schools should be of high quality.³

This is important because, as the Consolidated Plan itself recognizes, housing policy does not exist in a bubble. "Housing development," the plan acknowledges, "is linked to Connecticut's other public policy areas which include education. . . . Historically governments have viewed and addressed each of these areas independent of each other. In the real world these areas are not independent. They are interconnected and interdependent."⁴ This passage is exactly right. Housing policy and education policy are inextricably linked. The 2014-15 Action Plan can better reflect this reality.

How are housing and education linked? Through a simple formula: a lack of integrated housing, plus neighborhood attendance zones, plus an education system funded through property taxes, yields struggling, under-resourced schools. These three factors in combination lead to minority-concentrated, often poorly funded, schools in high-poverty areas. Today, Connecticut students who live in public housing are nearly four times more likely than Connecticut students overall to

¹ Mr. Lindell is a student at Yale Law School. This testimony was prepared through the Yale Law School Legislative Advocacy Clinic under the supervision of J.L. Pottenger, Jr., Nathan Baker Clinical Professor of Law, Shelley Geballe, Clinical Visiting Lecturer at Yale Law School, Alex Knopp, Clinical Visiting Lecturer at Yale Law School, and Erin Boggs, Executive Director at the Open Communities Alliance.

² *State of Connecticut: 2010-15 Consolidated Plan for Housing and Community Development*, Submitted to the U.S. Department of Housing and Urban Development by the State of Connecticut (July 16, 2010), http://www.ct.gov/doh/lib/doh/housing_plans/2010-15_cp_-_hud_approved.pdf, 148.

³ *Id.*

⁴ *Id.*

attend schools that perform in the bottom ten percent statewide.⁵ Perceived school quality also affects people's choice of where to live, and demographics act as a signal of school quality to many homebuyers. A high percentage of disadvantaged students in the schools often gets equated with poor school quality in many homebuyers' eyes, making it unlikely that more affluent people will want to move to high-poverty neighborhoods.⁶ This continues the trend of racial and socioeconomic isolation in housing.

Schools that more fully reflect the racial and economic diversity of the state, on the other hand, create more opportunities to interact with diverse classmates. Such schools tend to generate better long-term outcomes for students. More diversity leads to better educational and occupational attainment for low-income students and students of color, while also improving—or at least not negatively affecting—the performance of white students. In fact, in a Montgomery County study (discussed in greater detail below), low-income children who moved to mixed income school districts reduced the achievement gap by half over a five to seven year period.⁷ Students, white and minority alike, who attend diverse schools are more likely to attend and graduate from racially diverse colleges, develop more interracial friendships, and work in diverse workplaces. They have lower levels of prejudice, exhibit less criminal behavior, and greater civic participation. They are also more likely to move into diverse neighborhoods, continuing the race-positive cycle.⁸

But Connecticut has been going in the wrong direction, creating a vicious cycle instead of a positive one. Two-thirds of Connecticut's minority residents now live in only 15 of the state's 169 towns. Connecticut's major metropolitan areas are some of the most racially segregated in the nation.⁹ The vast majority of Connecticut residents in federal family public housing are in disproportionately impoverished areas (89%) and disproportionately minority areas (86%) of the

⁵ Ingrid Gould Ellen, *Federally-Assisted Housing and Access to Schools: Analysis of Connecticut*, Presentation to the Impediments to Fair Housing Task Force, Connecticut State Legislature (January 8, 2014), http://www.cga.ct.gov/pd/FairHousing/Docs/CT_taskforce_jan8_SM.pptx, 6.

⁶ Kristie J. R. Phillips, Robert J. Rodosky, Marco A. Muñoz, and Elisabeth S. Larsen, "Integrated Schools, Integrated Futures? A Case Study of School Desegregation in Jefferson County, Kentucky," in *From the Courtroom to the Classroom: The Shifting Landscape of School Desegregation*, ed. Claire E. Smrekar and Ellen B. Goldring (2009), 239–70; Jennifer Jellison Holme, *Buying Homes, Buying Schools: School Choice and the Social Construction of School Quality*, 72 HARV. EDUC. REV. 117 (2002).

⁷ Heather Schwartz, *Housing Policy is School Policy: Economically Integrative Housing Promotes Academic Success in Montgomery County, Maryland*, The Century Foundation (2010), <http://tcf.org/assets/downloads/tcf-Schwartz.pdf>.

⁸ See Richard D. Kahlenberg and Halley Potter, *Diverse Charter Schools: Can Racial and Socioeconomic Integration Promote Better Outcomes for Students?*, The Century Foundation (May 2012), http://tcf.org/assets/downloads/Diverse_Charter_Schools.pdf; Rucker C. Johnson, *Long-Run Impacts of School Desegregation & School Quality on Adult Attainments*, NBER Working Paper 16664 (January 2011), http://www.nber.org/papers/w16664.pdf?new_window=1; Roslyn Arlin Mickelson and Martha Bottia, *Integrated Education and Mathematics Outcomes: A Synthesis of Social Science Research*, 88 N. CAR. L. REV. 993 (2010); Michal Kurlaender & John Yun, *Fifty Years After Brown: New Evidence of the Impact of School Racial Composition on Student Outcomes*, 6(1) INT'L J. EDUC. RES. POL'Y & PRAC. 51 (2005); Janet Ward Schofield and Leslie R.M. Hausmann, *The Conundrum of School Desegregation: Positive Student Outcomes and Waning Support*, 66 U. PITT. L. REV. 83 (2004); Amy Stuart Wells and Robert L. Crain, *Perpetuation Theory and the Long-Term Effects of School Desegregation*, 64 REV. OF ED. RES. 531 (1994).

⁹ Erin Kemple, *Connecticut Analysis of Impediments to Fair Housing Choice: Executive Summary*, Presentation to the Impediments to Fair Housing Task Force, Connecticut State Legislature (December 4, 2013), <http://www.cga.ct.gov/pd/FairHousing/Tmy/Connecticut%20Analysis%20of%20Impediments%20to%20Fair%20Housing%20Choice.pdf>, 31, 33-34.

state.¹⁰ Households in LIHTC-funded buildings are similarly concentrated, with 73% in areas that are disproportionately minority-heavy and impoverished.¹¹

Over the last several years, Connecticut's placements of housing subsidies, far from reversing this trend, have actually exacerbated it. Over the past decade, Connecticut has been funding the building of multi-family affordable housing units mostly in areas that are already minority-concentrated, while heavily white areas have been losing these units.¹² The majority-minority areas also tend to be areas of concentrated poverty.¹³ The Alliance recognizes that the new Department of Housing is making efforts to increase higher opportunity placements, and hopes that these efforts will continue.

This housing segregation directly affects the composition of the schools Connecticut students attend (see Table 1 below). For Connecticut households overall, the nearest school has a median poverty rate of only 21%, as measured by free or reduced-price lunch (FRPL) recipients.¹⁴ For poor households in Connecticut, on the other hand, the median poverty rate of the nearest school is about three and a half times higher (73%). For housing voucher recipients, the median poverty rate of the nearest school is 77%, and for those in public housing in Connecticut, it's 82%.¹⁵ Things are a bit better for those living in newer LIHTC-funded buildings: the median poverty rate of the nearest school is 56%. But this is still nearly three times higher than for Connecticut households overall. Children of families getting housing assistance are in schools with much higher levels of poverty than are other children in Connecticut.

Connecticut's biggest cities showcase the same inequity as the state as a whole (see Table 1).

- In the Bridgeport metropolitan area, the school nearest to the average household with kids has a median of only 24% FRPL students. For Bridgeport households in public housing, however, the story could not be more different. In the school nearest to each of those households, nearly all of the students are on free or reduced price lunch (99%). The numbers are the same for those getting Housing Choice Vouchers.¹⁶
- The same pattern holds in the Hartford metropolitan area. The school nearest to each household with kids has a median of 17% FRPL students. Among those in public housing, though, the nearest school has a median of 71% FRPL students. The numbers are even higher for those getting housing vouchers (82%).¹⁷
- In New Haven, for all households with kids, the median poverty level at the nearest school is 34%. But for those in public housing, the nearest school has a median of 78% FRPL students. For those with housing vouchers, the nearest school has a median of three-quarters of its students on free or reduced-price lunch.¹⁸

¹⁰ *Id.* at 46.

¹¹ *Id.* at 45.

¹² *Id.* at 44.

¹³ *Id.* at 57.

¹⁴ Ellen, *Federally-Assisted Housing*, 5.

¹⁵ *Id.*

¹⁶ *Id.* at 7.

¹⁷ *Id.* at 8.

¹⁸ *Id.* at 9.

Table 1: Median Poverty Rate of Nearest School, as Measured by Percentage of Free or Reduced-Price Lunch (FRPL) Recipients

	Statewide	Bridgeport	Hartford	New Haven
All Households (All households with children for city data)	21%	24%	17%	34%
Poor Households	73%	99%	79%	71%
Housing Choice Voucher Recipients	77%	99%	82%	75%
Households in Public Housing	82%	99%	71%	78%
LIHTC-Funded Buildings	56%	99%	73%	78%

Unfortunately, Connecticut students who live in low-income or minority-concentrated areas lack the educational opportunity that other students in the state enjoy. Connecticut households receiving housing assistance live near lower-performing schools than do non-assisted households (see Table 2 below).¹⁹ Approximately one-quarter of children in LIHTC-funded buildings live closest to schools that are in the bottom 10% statewide.²⁰ Over 35% of those in Housing Choice Voucher housing live closest to a school that is in the bottom 10% in the state academically, as do more than 36% of those in public housing. In contrast, only 9.8% of Connecticut children overall attend these low-performing schools.²¹ This may be in part because Connecticut has built much of its subsidized housing in places that are already concentrated areas of poverty.

Table 2: Percentage of Children Going to Schools that Perform in the Bottom 10% Statewide

	Connecticut Statewide
All Children	9.8%
Children in LIHTC-Funded Buildings	26%
Children in Housing Choice Voucher Housing	35%
Children in Public Housing	36%

¹⁹ *Id.* at 2.

²⁰ *Id.* at 6.

²¹ *Id.*

The story in Connecticut is not all bad, however. The integration of the Hartford school district, spurred by the *Sheff v. O’Neill* decision, shows that diverse schools can help to benefit students from disadvantaged areas (see Table 3 below). Only 46% of Hartford-resident third graders in the low-income, high-minority Hartford city schools are proficient in reading, and only 54% are proficient in math. But nearly three-quarters of Hartford-resident third graders in the district’s more diverse CREC-run magnet schools are proficient in reading, and 78% are proficient in math. Hartford’s choice magnet schools are also doing better than the city public schools: 59% of Hartford-resident third graders in those schools are proficient in reading, and 66% are proficient in math.²²

The difference between Hartford’s racially diverse schools and minority-concentrated schools only grows as students get older. By tenth grade, even fewer students are performing up to par in the Hartford city schools: only 38% are proficient in reading, and only 30% in math. But in the more integrated CREC magnet schools, around double the percentage of Hartford students are proficient (68% in reading and 63% in math). The Hartford-run magnet schools are doing even better by the tenth grade: 75% of students are proficient in reading, and 65% in math. The more diverse magnet schools are performing better than the low-income, high-minority city schools at every tested grade level.²³

It is important to note that school integration is not the only factor contributing to these results. The composition of the schools—including the quality of the teachers—may differ, and more motivated parents are more likely to move their children to the magnet schools. However, Hartford’s experience is consistent with other research and shows us that more integrated schools can contribute to better academic results, especially for the disadvantaged students in those schools. Fostering greater diversity in housing across Connecticut can help narrow the state’s achievement gap, providing greater opportunity for all of Connecticut’s youth.

Table 3: Student Proficiency Rates in Hartford Schools

	3 rd Grade Reading	3 rd Grade Math	10 th Grade Reading	10 th Grade Math
Hartford City Schools	46%	54%	38%	30%
CREC Magnet Schools	73%	78%	68%	63%
Hartford Magnet Schools	59%	66%	75%	65%

²² Jacqueline Thomas, *State report: Students in desegregated schools test higher*, The Connecticut Mirror (Sept. 12, 2013), <http://ctmirror.org/state-report-students-in-desegregated-schools-test-higher/>.

²³ *Id.*

Even though the 2013-14 Action Plan does not specifically discuss education and the educational effects of housing location, there are several ways in which the 2013-14 Action Plan can better acknowledge and take account of this link:

1. The “Overarching Goals” section of the 2013-14 Action Plan does not mention access to educational opportunities, though it mentions the goal of creating access to economic opportunities for adults.²⁴ **Access to a quality education should be an explicit goal** of Connecticut’s housing policies, and this should be reflected both in the “Overarching Goals” section and in the application criteria for housing grant programs. Applicants should receive bonus points *specifically* if their proposals would expand access to high-performing schools for Low- and Moderate-Income families.
2. The 2013-14 Action Plan discusses giving priority for SC/CDGB and HOME development applications to communities with greater need. This makes intuitive sense. However, if impoverished areas—which already have seen the largest growth in recent public housing developments—also receive priority in funding for the SC/CDBG and HOME programs, then we will continue to see disadvantaged Connecticut residents remaining in these impoverished areas. If more funding can go toward **housing developments in higher opportunity areas**, we may be able to achieve greater income and racial/ethnic diversity in our towns and small cities and thereby open greater educational opportunity to more of Connecticut’s poor and minority children.
3. The Department should encourage **mobility counseling** to help people from low-income areas figure out how to move into wealthier or more diverse areas (and where to move). Mobility counseling could include tours of new communities, aid with rental applications, and landlord/tenant mediation, where necessary. Education should also factor into mobility counseling. The most recent briefing materials handed out by the mobility counseling subcontractors, which were reviewed by the Alliance, do not include schools as a factor that clients should consider when determining where to live. Providing information on school performance is crucial.
4. The Department should also have **more interaction** with the Connecticut Department of Education. The plan should seek to foster more discussion about the link between housing and education, breaking down the silos within which we usually view these interconnected issues.

These sorts of policies have already worked in other states. One prominent example is Montgomery County, Maryland. The county has run an inclusionary zoning (IZ) policy since 1976, which requires all developers to set aside up to 15% of their units for rental or sale at below-market prices. More than 12,000 such units have been built in the county since the IZ policy came into effect. Most importantly, the policy gives the public Housing Opportunity Commission the right to purchase up to one-third of the IZ units to use as federally subsidized public housing. This policy was very successful in enabling low-income families to move into—and send their children to school in—affluent neighborhoods.

²⁴ *State of Connecticut: 2013-14 Action Plan for Housing and Community Development*, Submitted to the U.S. Department of Housing and Urban Development by the State of Connecticut (2013), 61-62.

The Montgomery County housing authority has purchased over 700 housing units, which are in the attendance zones of nearly every elementary school in the county. Because the county randomly assigns households to these apartments, and since the county mostly uses neighborhood attendance zones, children are essentially randomly assigned to their elementary schools. This has allowed social scientists to conduct the equivalent of a randomized controlled trial of these children's performance.

The researchers found that children in public housing who attended schools with fewer than 20% FRPL students performed far better than those who attended higher-poverty schools. After seven years of being in one of these more advantaged schools, children in public housing were able to cut the achievement gap with their well-off peers by half in math and one-third in reading. The researchers also found that children benefitted academically just from living in low-poverty neighborhoods.²⁵

Montgomery County's experience shows that housing integration policies can, in fact, increase educational opportunity for low-income children. Connecticut does not have counties, so it cannot do exactly what Montgomery County did. But the state must work to integrate public housing into more affluent areas, through the changes outlined above or through other similar methods. Doing so would allow low-income students to experience the academic benefits of attending low-poverty schools.

With Connecticut's increasing minority population and higher average age, the state's current housing patterns have to change. If not, Connecticut will have an undereducated workforce that may not be able to support the aging populace. This state's economic future depends on recognizing the link between housing and education. So, too, does the fate of Connecticut's children. The Department's Action Plan must do more to act on a simple fact: housing policy is education policy.

²⁵ Schwartz, *Housing Policy is School Policy*, 4-8.



February 11, 2014

Michael Santoro
Community Development Specialist
Office of Policy, Research and Housing Support
Department of Housing
505 Hudson Street
Hartford, CT 06106-7106

RE: Partnership for Strong Communities comments on the development the State of Connecticut 2014-15 Annual Action Plan for Housing and Community Development

Dear Mr. Santoro,

Partnership for Strong Communities is a statewide nonprofit policy and advocacy organization dedicated to ending homelessness, expanding the creation of affordable housing, and building strong communities in Connecticut. As such, we encourage the State of Connecticut Dept. of Housing to consider the following in developing the 2014-15 Annual Action Plan for Housing and Community Development, which will guide how the state administers the federally funded programs of 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 state currently has a great demand for housing for those at or below 50% of the area median income. Census Bureau 2012 1-Year American Community Survey data indicate that two out of every five households in Connecticut spend more than 30% of their income on housing. The National Low Income Housing Coalition estimates that there is a deficit of over 90,000 affordable and available housing units for those making 30% of AMI or less and that 69% of renters making 30% of AMI or less are severely cost burdened, paying more than 50% of their income towards housing.

To respond to this need, we urge the Department of Housing to use the limited resources provided by the federal government to address the housing needs of those who are most vulnerable to the state's high housing costs.

- Currently, only 32 of the state's 169 municipalities has over 10% of its housing stock designated as affordable, according to the 2012 Affordable Housing Appeals List. Of the 32 municipalities with over 10% of the housing stock designated as affordable, 29 have median household incomes below the state median.

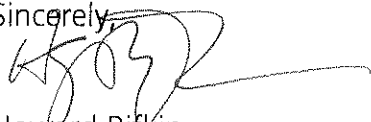
As such, we urge the state to consider allocating its federal resources in ways that encourage revitalization of its economically challenged communities AND that widen the availability of affordable housing to municipalities in the state that currently lack this important resource.

- Connecticut's Homelessness Management Information indicated that homelessness rose in our state from 2011 to 2012, despite declining nationally, with the number of children experiencing homelessness rising by 13% since 2010 to 2,524 in 2012. Of the 14,287 people who experienced homelessness in 2012, 3,006 were chronically homeless.

Given these conditions, we urge the Dept. of Housing to administer its ESG funding in ways that strengthen our ability to develop an effective coordinated access system and rapid re-housing program statewide, and that provide incentives for these funds to be aligned with the goals and strategic priorities of Opening Doors-CT.

Thank you for your consideration of Partnership's comments. Please feel free to contact Partnership staff with any questions you might have.

Sincerely,



Howard Rifkin
Executive Director

C. Attachment C - Application Documents:

- C-1 Application Form HUD 424
- C-2 Program Certifications



SF 424

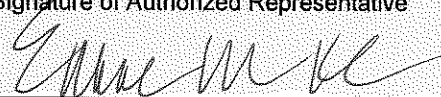
The SF 424 is part of the CPMP Annual Action Plan. SF 424 form fields are included in this document. Grantee information is linked from the 1CPMP.xls document of the CPMP tool.

SF 424

Complete the fillable fields (blue cells) in the table below. The other items are pre-filled with values from the Grantee Information Worksheet.

Date Submitted: 5-19-14	Applicant Identifier	Type of Submission	
Date Received by state	State Identifier	Application	Pre-application
Date Received by HUD	Federal Identifier	<input checked="" type="checkbox"/> Construction	<input type="checkbox"/> Construction
		<input type="checkbox"/> Non Construction	<input type="checkbox"/> Non Construction
Applicant Information			
State of Connecticut		UOG Code	
505 Hudson Street		Organizational DUNS: 0788478980000	
		Organizational Unit: Department of Housing	
Hartford	Connecticut	Department	
06106-7106	Country U.S.A.	Division: Policy, Research and Housing	
Employer Identification Number (EIN):		County: Hartford	
32-0140548		Program Year Start Date: July 1, 2014	
Applicant Type:		Specify Other Type if necessary:	
State Government Agency		Specify Other Type	
Program Funding		U.S. Department of Housing and Urban Development	
Catalogue of Federal Domestic Assistance Numbers; Descriptive Title of Applicant Project(s); Areas Affected by Project(s) (cities, Counties, localities etc.); Estimated Funding			
Community Development Block Grant		14.218 Entitlement Grant	
CDBG Project Titles: Small Cities Community Development Block Grant Program –Statewide- Connecticut		Description of Areas Affected by CDBG Project(s)	
\$CDBG Grant Amount: \$11,958,150	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for CDBG-based Project(s)			
Home Investment Partnerships Program		14.239 HOME	
HOME Project Titles		Description of Areas Affected by HOME Project(s)	
\$HOME Grant Amount: \$6,988,822	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged:	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	

\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for HOME-based Project(s)			
Housing Opportunities for People with AIDS		14.241 HOPWA	
HOPWA Project Titles		Description of Areas Affected by HOPWA Project(s)	
\$HOPWA Grant Amount: \$219,764	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for HOPWA-based Project(s)			
Emergency Shelter Grants Program		14.231 ESG	
ESG Project Titles		Description of Areas Affected by ESG Project(s)	
\$ESG Grant Amount: \$1,856,840	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for ESG-based Project(s)			
Congressional Districts of:		Is application subject to review by state Executive Order 12372 Process?	
Applicant Districts: 1 st , 2 nd , 3 rd , 4 th , 5 th	Project Districts: 1 st , 2 nd , 3 rd , 4 th , 5 th		
Is the applicant delinquent on any federal debt? If "Yes" please include an additional document explaining the situation.		<input type="checkbox"/> Yes	This application was made available to the state EO 12372 process for review on DATE
		<input type="checkbox"/> No	Program is not covered by EO 12372
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Program has not been selected by the state for review

Person to be contacted regarding this application		
First Name: Evonne	Middle Initial: M.	Last Name: Klein
Title: Commissioner	Phone: 860-270-8037	Fax: 860-706-5741
eMail: evonne.klein@ct.gov	Grantee Website www.ct.gov	Other Contact
Signature of Authorized Representative 		Date Signed 6/13/14



CPMP State Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted

in paper form to the Field Office.

- This certification does not apply.
 This certification is applicable. See signature on the last page.

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing, which means it will conduct an analysis of 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 that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about --
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will --
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted --
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Jurisdiction

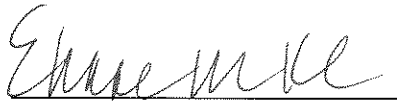
Anti-Lobbying -- To the best of the state's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

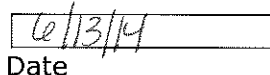
Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



Signature/Authorized Official



Date

Ms. Evonne M. Klein

Name

Commissioner, CT Department of Housing

Title

505 Hudson Street

Address

Hartford, CT 06106-7106

City/State/Zip

860-270-8037

Telephone Number

- This certification does not apply.
 This certification is applicable. See signature on the last page.

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority - With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit - The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2___, 2___, 2___, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments - The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital

Jurisdiction

costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

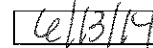
1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.



Signature/Authorized Official



Date

Ms. Evonne M. Klein

Name

Commissioner, CT Department of Housing

Title

505 Hudson Street

Address

Hartford, CT 06106-7106

City/State/Zip

860-270-8037

Telephone Number

This certification does not apply.
 This certification is applicable. See signature on the last page.

Specific HOME Certifications

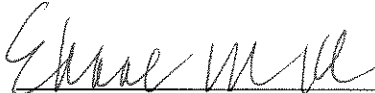
The State certifies that:

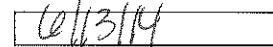
Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Appropriate Financial Assistance -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;


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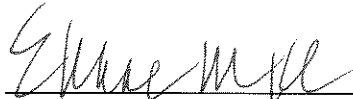
HOPWA Certifications

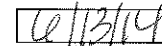
The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.


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ESG Certifications

The Emergency Shelter Grantee certifies that:

1. The requirements of 24 *CFR* 576.21(a)(4) which provide that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services meet the following standards: (A) that the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) that the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) that there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) that the assistance must not supplant funding for preexisting homeless prevention activities from any other source.
2. The requirements of 24 *CFR* 576.25(b)(2) concerning the submission by nonprofit organizations applying for funding of a certification of approval of the proposed project(s) from the unit of local government in which the proposed project is located.
3. The requirements of 24 *CFR* 576.53 concerning the continued use of buildings for which Emergency Shelter Grant funds are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services, concerning the population to be served.
4. The building standards requirement of 24 *CFR* 576.55.
5. The requirements of 24 *CFR* 576.56, concerning assistance to the homeless.
6. The requirements of 24 *CFR* 576.57, other appropriate provisions of 24 *CFR* Part 576, and other applicable Federal law concerning nondiscrimination and equal opportunity.
7. The requirements of 24 *CFR* 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
8. The requirements of 24 *CFR* 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
9. (9) The requirements of 24 *CFR* 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the Emergency Shelter Grants Program and that the address or location of any family violence shelter project assisted with ESG funds will not be made public, except with written authorization of the person or persons responsible for the operation of the shelter.
10. The requirement of that recipients involve, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 *CFR* 576.56(b)(2).
11. The new requirement of the McKinney Act (42 *USC* 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that State and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of State and local resources.

I certify that the State will comply with the requirements of 24 *CFR* Part 24 concerning the Drug Free Workplace Act

Jurisdiction

of 1988.

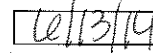
I certify that the State will comply with the provisions of, and regulations and procedures applicable under 24 *CFR* 576.57(e) with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related authorities as specified in 24 *CFR* Part 58 as applicable to activities of nonprofit organizations funded directly by the State. The State also agrees to assume the Department's responsibility and authority as set forth in 24 *CFR* 576.57(e) for acting on the environmental certifications and requests for the release of funds submitted to the State by local government recipients.

I certify that the State will ensure the provision of the matching funds required by 24 *CFR* 576.51 and 42 *USC* 11375, including a description of the sources and amounts of such supplemental funds, as provided by the State, units of general local government or nonprofit organizations.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under State law, and that the State possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.



Signature/Authorized Official



Date

Ms. Evonne M. Klein

Name

Commissioner, Evonne M. Klein

Title

505 Hudson Street

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<input type="checkbox"/> This certification does not apply. <input checked="" type="checkbox"/> This certification is applicable. See signature on the last page.
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APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: Place of Performance (Street address, city, county, state, zip code)
Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

Place Name	Street	City	County	State	Zip
CT Department of Housing	505 Hudson Street	Hartford	Hartford	CT	06106

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules: "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant,

Jurisdiction

including:


- i. All "direct charge" employees;
- ii. all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and
- iii. temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

- 1. Analysis of Impediments to Fair Housing
- 2. Citizen Participation Plan
- 3. Anti-displacement and Relocation Plan



Signature/Authorized Official



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