CONNECTICUT
Department of Housing

State of Connecticut

DRAFT 2016-2017 Action Plan

for

Housing and Community Development

Submitted to the

U.S. Department of Housing and Urban Development

by the
State of Connecticut

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DRAFT Action Plan for Housing and Community Development

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I. EXECUTIVE SUMMARY

A. Overview

This annual Action Plan is the second action plan under the State of Connecticut's 2015-19 Consolidated Plan for Housing and Community Development (ConPlan), the five-year plan addressing Connecticut's housing and community development needs. The state submits the ConPlan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to receive funding under the HOME Investment Partnerships (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA), and National Housing Trust Fund (NHTF) Programs. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. The 2016-2017 Action Plan is for the state fiscal year July 1, 2016 to June 30, 2017. In addition, the ConPlan identifies the State's housing priorities for the next five years for all of its anticipated state and federal resources.

However, as of the data of this publication, NHTF formula allocations and guidance on the required content of the allocation plan have not been published. As a result, the State of Connecticut will be required to develop a substantial amendment to this Action Plan, after HTF formula allocations and guidance have been published. Input and citizen participation will be accepted at this time, but will also be solicited as part of the substantial amendment.

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;
- Other Actions: Strategies to address underserved populations, foster and maintain affordable housing, remove barriers, and assist families in poverty;
- Citizen Participation: Input and comments made on the Action Plan and Department of Housing (DOH) and responses;
- Applications for Assistance: HUD Form SF-424 for the 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 2016-17[1] funds for the following programs:

Table 1: Anticipated State and Federal Funding For Development and Housing Support			
Housing (DOH)	**State FY 2016-17**	**HUD FY 2016-17**	**Total**
HOME	$ 0	$ 6,583,809	$ 6,215,305
SC/CDBG	$ 0	$ 12,162,864	$ 11,990,905
Affordable Housing (Flex)	$ 140,000,000	$ 0	$ 140,000,000
Energy Conservation Loan Program	$ 0	$ 0	$ 0
Subsidized Assist Living Demonstration	$ 2,198,146	$ 0	$ 2,198,146
Elderly Rental Registry & Counselor	$ 1,054,087	$ 0	$ 1,054,087
Fair Housing	$ 670,000	$ 0	$ 670,000
Housing Assistance and Counseling	$ 369,376	$ 0	$ 369,376
Elderly/Congregate Rental Assistance	$ 2,017,778	$ 0	$ 2,017,778
Congregate Operating Subsidy	$ 7,517,798	$ 0	$ 7,517,798
Tax Abatement	$ 1,087,450	$ 0	$ 1,087,450
Housing Trust Fund (State)	$ 15,000,000	$ 0	$ 15,000,000
TOTAL	$ 169,914,635	$ 18,746,673	$ 188,120,845

Source: DOH/OPM

Table 2: Anticipated State and Federal Funding for Individual and Family Services				
	STATE FY 2016-17	**HUD FY 2016-17**	**HHS FY 2016-17**	**TOTAL FY 2016-17**
Emergency Solutions Grant	$ 3,078,813	$ 2,179,417	$ 9,035,054	$ 14,293,284
Housing Opportunities for Persons With AIDS	$ 3,222,781	$ 218,321	$ 861,555	$ 4,302,657
Section 8 Rental Assistance		$ 75,062,659	$ 0	$ 75,062,659
Housing/Homeless Services - Municipality	$ 597,540			$ 597,540
Housing/Homeless Services, including: Special Needs Housing benefits Rental Assistance Program/Supportive Hsg. Security Deposit Program Eviction Prevention Program Transitional Living Program	$ 66,008,869		$ 1,443,578	$ 67,452,447
Homeless Prevention and Response Fund	$ 15,000,000	$ 0	$ 0	$ 15,000,000
Connecticut Collaborative on Re-Entry	$ 0	$ 0	$ 0	$ 0
TOTAL	$ 87,908,003	$ 77,460,397	$11,340,187	$176,708,587

Source: DOH/OPM

Table 3: CHFA Anticipated State and Federal Funding			
Connecticut Housing Finance Authority (CHFA)	**State FY 2016-17**	**Federal FY 2016-17**	**Total**
Low Income Housing Tax Credit	$ 0	$ 8,500,000*	$ 8,500,000
Housing Tax Credit Contribution	$ 10,000,000	$ 0	$ 10,000,000
TOTAL FOR CHFA:	$ 10,000,000	$ 8,500,000	$ 18,500,000

*Source: CHFA * Amount is the estimated credit amount for calendar year 2016 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.*

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B. Performance

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

This Action Plan is the second annual implementation plan for the goals, objectives and strategies outlined in the state's 2015-19 Consolidated Plan for Housing and Community Development. This Action Plan describes how the State will use allocated funds by the State to address its affordable housing needs and by the federal government in connection with the four federal Community Planning and Development (CPD) formula grant programs.

The Consolidated Annual Performance Evaluation Report (CAPER) is the annual report submitted to HUD that details the progress DOH has made in carrying out the ConPlan and the annual Action Plan provisions with respect to the 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 9/15/15. It contained performance data for the annual Action Plan program year ending June 30, 2015 and can be accessed on DOH's website, www.ct.gov/doh under Publications. It is expected that the CAPER containing performance data for the annual Action Plan for the program year ending June 30, 2016 will be submitted to HUD in September 2016.

Summary of federal funding anticipated for FY 2016-17:

Small Cities Community Development Block Grant (SC/CDBG)	$	12,162,864
HOME Investment Partnerships (HOME)	$	6,583,809
Emergency Solutions Grant (ESG)	$	218,321
Housing Opportunities for Persons with AIDS (HOPWA)	$	2,179,417

C. Objectives and Outcomes

In this Action Plan, we have outlined the state's proposed accomplishments for program year 2016-2017 based on the performance measurement system presented in the draft 2015-19 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 2015-2016 annual Action Plan program year with regard to the four federal CPD formula grant programs will be submitted to HUD in September 2016.

D. Citizen Participation

In accordance with Connecticut's Citizen Participation Plan, DOH solicited public input to: 1). solicit input into the development of the Plan; and 2). solicit feedback and comments on the drafted sections of the plan. The DOH conducted one public meeting and one round table discussion with state officials and other housing organizations to seek input into the development of the State's 2016-2017 Annual Action Plan. A legal notice for the public hearing was published in two newspapers across the state including one in Spanish. The legal notice was also posted on DOH's web site and forwarded to all 169 municipal chief elected officials as well as all public housing authorities and regional planning organizations.

DOH also solicited input on the draft Action Plan through a 30-day public comment period from April 22, 2016 to May 23, 2016. DOH will hold a public hearing on the draft Action Plan in Hartford on May 17, 2016 and in New Haven on May 12, 2016. A legal notice was published announcing the public hearings 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 when in its final form.

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 Councils of Government 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, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly, met to review the Small Cities Community Development Block Grant Allocation Plan. That meeting was held on April 13, 2016 prior to the completion and submission of this Action Plan.

In addition, consultation was sought during the October 2015 CT Balance of State (BOS) Continuum of Care (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 April 22, 2016 on the draft 2016-2017 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.

In FY 15-16, on November 16, 2015, DOH sponsored a training on the Affirmative Fair Housing Marketing Plan and Section 3 Compliance for CDBG grantees. A training was also held at the Small Cities Application Workshop on January 28, 2016. DOH continues to strive to complete efforts for the following:

- Increase the access of people in the protected classes to the existing supply of housing through fair housing education and enforcement activities;
- Increase the access of people in the protected classes to the existing supply of housing by preventing foreclosure and ensuring that they obtain mortgage modifications to which they are entitled;
- Ensure that homeowners in foreclosure know and understand any changes to mortgage modification procedures and the resources that are available to assist with mortgage modifications;
- Provide increased training of state employees in the area of fair housing/civil rights; and
- Increase monitoring and enforcement of fair housing laws and policies.

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, rapid rehousing, permanent supportive housing, and others. Each of these programs is designed to assist the target population with staying stably housed and thus not breaching the emergency shelter/transitional living system.

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, 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 has aligned its emergency shelter services with Emergency Solution Grants expectations. ESG funds may be used for the following components: street outreach, emergency shelter, homelessness prevention, rapid re-housing, HMIS and administrative costs. DOH issued a Request for Proposals from shelter providers in order to allocate a majority of the anticipated ESG funding. 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 (CT Rapid Rehousing Program) for housing relocation and stabilization services. Also DOH has two existing opportunities through state resources (Eviction Foreclosure Prevention Program and Security Deposit Guarantee 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 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 three 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.
- DOH will continue to assign high point value for developments that achieve fair housing goals in historically under-served communities.
- DOH will evaluate the effectiveness of funding rounds in facilitating the creation of new family affordable housing units to ensure the availability of affordable family housing in diverse areas.

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; Interagency Committee on Supportive Housing and Homelessness; Multifamily Advisory Committee;

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Connecticut Housing Coalition Steering Committee; the Journey Home Steering Committee; and the Reaching Home Steering Committee.

- In association with the activities of the Money Follows the Person Steering Committee, DOH will expend the balance of $10M in state capital bonding for "right-sizing" nursing homes originally appropriated in SFY 2013, SFY 2014 and SFY 2015.

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 and $3.5M in state rental assistance funds 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.

Additionally, the State of Connecticut has several statutory and federally mandated interconnected/interrelated plans that further articulate and constitute the State's Anti-Poverty Strategy. These plans include but are not limited to those enumerated below. The plans that follow are available online via the links provided.

- **Connecticut's Economic Development Strategy**
  http://www.ct.gov/ecd/lib/ecd/2015_strategic_plan_final.pdf

- **Conservation & Development Policies Plan: The Plan for Connecticut 2013-2018**
  http://www.ct.gov/opm/lib/opm/igp/org/cdupdate/2013-2018_cd_plan.pdf

- **State Of Connecticut Temporary Assistance For Needy Families (TANF) State Plan**
  http://www.ct.gov/dss/lib/dss/pdfs/plans/TANFPlan2015.pdf

- **Department Of Housing Section 8 Housing Choice Voucher Program Plan**
  http://www.ct.gov/doh/lib/doh/2016_section_8_administrative_plan.pdf

- **Department Of Housing Rental Assistance Payment Program Plan**
  http://www.ct.gov/doh/lib/doh/published_rap_plan_2015.pdf

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II. INTRODUCTION

This annual Action Plan is the second action plan under the State of Connecticut's 2015-19 Consolidated Plan for Housing and Community Development (ConPlan), the five-year plan addressing Connecticut's housing and community development needs. The state submits the ConPlan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to receive funding under the HOME Investment Partnerships (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA), and National Housing Trust Fund (NHTF) Programs. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. The 2016-2017 Action Plan is for the state fiscal year July 1, 2016 to June 30, 2017. In addition, the ConPlan identifies the State's housing priorities for the next five years for all of its anticipated state and federal resources.

However, as of the data of this publication, NHTF formula allocations and guidance on the required content of the allocation plan have not been published. As a result, the State of Connecticut will be required to develop a substantial amendment to this Action Plan, after HTF formula allocations and guidance have been published. Input and citizen participation will be accepted at this time, but will also be solicited as part of the substantial amendment process.

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

The activities, programs and resources discussed in this Action Plan will be administered by various agencies including 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.

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III. CITIZEN PARTICIPATION

In accordance with Connecticut's Citizen Participation Plan, DOH solicited public input to: 1). solicit input into the development of the Plan; and 2). solicit feedback and comments on the drafted sections of the plan. The DOH conducted one public meeting and one round table discussion with state officials and other housing organizations to seek input into the development of the State's 2016-2017 Annual Action Plan. A legal notice for the public hearing was published in two newspapers across the state including one in Spanish. The legal notice was also posted on DOH's web site and forwarded to all 169 municipal chief elected officials as well as all public housing authorities and regional planning organizations.

DOH also solicited input on the draft Action Plan through a 30-day public comment period from April 22, 2016 to May 23, 2016. DOH will hold a public hearing on the draft Action Plan in Hartford on May 17, 2016 and in New Haven on May 12, 2016. A legal notice was published announcing the public hearings 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 when in its final form.

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 Councils of Government 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, and state finances. In accordance with Connecticut General Statutes Section 4-28b, the joint standing committees of Connecticut's General Assembly, met to review the Small Cities Community Development Block Grant Allocation Plan. That meeting was held on April 13, 2016 prior to the completion and submission of this Action Plan.

In addition, consultation was sought during the October 2015 CT Balance of State (BOS) Continuum of Care (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 April 22, 2016 on the draft 2016-2017 Action Plan and a letter of support is anticipated.

Outline of Activity for Public Hearings/Public Comment:

NOTE: Portions of this Section will be completed upon close of the public comment period, and prior to submission to HUD.

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- Standards subcommittee; Performance Measurement Committee and the Interagency Committee 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 2016-17 by conducting 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 2016-17 through the following technical assistance activities: an Affirmative Fair Housing Workshop, a Consolidated Application Training Workshop, and various developer debriefings.

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 2015-19 ConPlan, are found in the program-specific sections of this report.

This Action Plan provides a detailed plan for expending FY 2016-17 funds for the following federal programs:

Small Cities Community Development Block Grant (SC/CDBG)	$	12,162,864
HOME Investment Partnerships (HOME)	$	6,583,809
Emergency Solutions Grant (ESG)	$	2,179,417
Housing Opportunities for Persons with AIDS (HOPWA)	$	218,321

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 2015-2019 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. ESG funds were made available on a competitive 3-year cycle beginning with the 15-16 Action Plan. HOPWA funds are anticipated to be distributed on a competitive basis in this 16-17 Action Plan of the ConPlan. 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 sought competitive proposals statewide, and awards were made consistent with a fair and equitable distribution that took 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. Details on awards and contracts will be made available as part of the CAPER. With regard to HOPWA, with limited funding available, current participants will receive a commensurate portion of the allocation, with the intention to solicit competitive proposals for funding available under the next Action Plan.

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 and revises 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) requires that lead-safe work practices are followed when work is performed on pre-1978 housing and child occupied facilities. Firms are required to be certified, train and certify their employees in use of lead-safe work practices, and follow lead-safe work practices that minimize occupants' exposure to lead hazards. 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.
d. DOH continues to administer funding under the Lead Hazard Reduction Grant, in coordination with DPH, the Lead Action for Medicaid Primary Prevention Project (LAMPP), and the Connecticut Children's Healthy Homes Program.

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

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The State of Connecticut Analysis of Impediments to Fair Housing Choice 2015 (AI 2015) 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 recently completing that update, AI 2015, and that report is available for viewing at the Department of Housing website, under Publications. Further, DOH is aware that the new Affirmatively Furthering Fair Housing regulations require an update in accordance with those new requirements for the period beginning July 1, 2018, and intends to comply with this requirement.

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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 2016-17 HOME funds. All HOME Program assisted rental and home ownership units will meet all program guidelines for income eligibility and accessibility.

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

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

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

The state is also seeking to expand access to affordable housing through the utilization of partnerships with stakeholders and other funding organizations that leverage non-state resources for development or preservation of affordable housing. Geographically, HOME funds will be available to all 169 communities. DOH will accept applications for all HOME Program eligible activities <u>with the exception</u> of Tenant Based Rental Assistance (TBRA).

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1. FY 2016-17 Resource Allocation Plan for the HOME Program

The FY 2016-17 HUD allocation to DOH for the HOME Program is anticipated to be $6,583,809. 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 2016-17 Allocation	$6,583,809
State Administration (10%)	$658,380.90
CHDO Set-aside (15%)	$987,571.35
Subtotal	$1,645,952.25
Program Allocation	$4,937,856.75
Estimated Program Income	$ 14,600.00
Allocation available for eligible activities	$4,952,456.75

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.

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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.

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

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

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

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

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

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

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

Resale Provisions

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

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

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

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

c. If resale requirements are employed, then either at the time of resale or in the event that the housing does not continue to be the principal residence of the family for the duration of the affordability period, they must ensure that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-

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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:

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Yearly Reduction = 1 / #
(Where "#" equals the number of years of affordability required)

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

8. HOME Final Rule, 24 CFR Part 92 Policies

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

- Income Determinations, §92.203b - DOH has selected the Section 8 HCV Program definition for annual income for its HOME program.
- Eligible Activities, § 92.205 - DOH will allow all HOME Program eligible activities 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.

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- 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,

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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:

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a. Published utility allowance schedules for the Section 8 Housing Choice Voucher Program, as calculated and published by administering entity;

b. Published utility allowance schedules for the state Rental Assistance Payments Program, as calculated and published by DOH; or

c. Results of a documented utility study consistent with industry standards on the same or similar units.

- Community Development Housing Organizations (CHDO's) – DOH will reserve not less than 15 percent of their annual HOME Program allocation for investment only in housing to be developed, sponsored, or owned by Community Housing Development Organizations (CHDO's). Only certain types of activities count toward the 15 percent set-aside. CHDO's are a specific type of private nonprofit community based organization that must meet certain requirements pertaining to their legal status, organizational structure, and experience. They must have a clearly defined service area and the capacity to develop affordable housing for the community they serve. DOH will adhere to the 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.

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- 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. National Housing Trust Fund (NHTF)

As previously discussed, formula allocations and guidance on the requirements for an NHTF substantial amendment are not currently available. The Department currently intends to coordinate the use of NHTF with the application process for both HOME and state bond funding. It will be used to leverage the development of units targeted for extremely low income families, with a priority for the development of permanent supportive housing units.

1. Application Process for the NHTF Program

The Department intends to make use of the "open" enrollment application process used for the HOME program: 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 NHTF funds.

2. Program Eligibility and Threshold Requirements

- Eligible applicants: As defined by HUD program regulations;
- Applicant capacity: Previous experience with 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 evaluated for capacity;
- Eligible activity: Only those activities eligible under NHTF 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.

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

The state is required to pay from its own resources all administrative costs incurred by the state in carrying out its responsibilities under subpart 24 CFR 570.489(a)(1), except that the state may use 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 $243,257 and will use DOH's General Fund personal services appropriation as the source of funding for the match.

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

1. FY 2016-17 Resource Allocation Plan for SC/CDBG Program

The FY 2016-17 allocation to DOH for the SC/CDBG Program is anticipated to be $12,162,864. 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 Cites CDBG funds anticipated to be available to fund projects in FFY 16 (SFY 17) is $11,897,969 (*FFY16 / SFY 17 allocation of $12,162,864 minus administrative costs of $464,895 plus the recaptured funds from the previous year of $200,000).*

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.

Table A: Summary of Appropriations and Committed Funds			
Small Cities CDBG Program	**FFY 14 (SFY 15) Actual**	**FFY 15 (SFY 16) Estimated**	**FFY 16 (SFY 17) Proposed**
Uncommitted Balance Carried Forward from the previous year	$109,897	$0	+$-0-
Plus Recaptured Funds	$841,853	$463,348	$200,000
Plus Reprogrammed 1% TA Funds from the previous year	$400,000	$0	+$-0-
Reallocation Total	$1,351,750	$463,348	$200,000
PLUS			
Annual Allocation	$11,958,150	$11,990,905	$12,162,864
Minus Admin. (see Table B lines Annual Allocation for Admin and Technical Assistance)	($458,745)	($459,727)	($464,895)
Net Allocation	$11,499,405	$11,531,178	$11,697,969
EQUALS			
Total CDBG funding available for projects	$12,851,155	$11,994,526	$11,897,969
MINUS			
Committed Funds	$12,851,155	$11,994,526	0
EQUALS			
Uncommitted Balance to be Carried Forward to the following year	$0	$0	$11,897,969

[1] Estimated figure. Actual recapture dollars pending financial closeout.

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:

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

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

3. Activities

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

Eligible activities include:

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

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

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Ineligible activities include:

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

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

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

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

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

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

- Low- and Moderate-Income Benefit:
  - Area benefit (e.g., streets and sidewalks[2]), where at least 51% of the population in the defined area is of low- and moderate-income; or

[2] *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.*

- Limited clientele (e.g., seniors or handicapped persons[3]); or
- Direct benefit (e.g., housing rehabilitation and job creation[4]).

- Slum and Blight:
  - Prevention or elimination on an area basis; or
  - Prevention or elimination on a spot slum and blight basis.
- Urgent Need:
  - Sudden and unexpected need;
  - Threat to the health and welfare of the community;
  - Occurred within 18 months; and
  - No other funds available.

5. Community Revitalization Strategies (CRS)

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

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

- Boundaries: A community must identify the neighborhood's boundaries for which the CRS applies. All areas within the boundaries must be contiguous;
- Demographic Criteria: The designated area must be a primarily residential area that contains at least 51% Low- and Moderate-Income (LMI) residents. However, a community may not utilize the area benefit presumption authorized by 24 CFR

[3] *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.*

[4] *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.*

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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.

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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 2016-17 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: In order to be eligible, grantees must have met the following expenditure rates/conditions by February 29, 2016. Any applicant not meeting the applicable requirement will be rejected.
  - 2015 grants must be 10% expended
  - 2014 grants must be 50% expended
  - 2013 grants must be 100% expended
  - Grants older than 2012 must be closed out with a certificate of completion or pre-closeout certification issued by DOH

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;

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- 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

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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 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

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of the Program Year. The municipality will be required to disburse its Program Income prior to requesting additional funds or drawdowns for the same Program.

- Any program income and miscellaneous revenue must be reported quarterly to the state as part of the reporting process.
- Program income must be expended before requesting additional grant funds if the grantee has a current grant and the activity was approved in the program income re-use plan, (2) request DOH's permission by completing a program income application to expend program income on an activity that was not approved in the program income re-use plan, (3) the grantees' request for a future grant if awarded will be reduced by the excess program income and (4) the grantee will be requested to return the excess program income to DOH if the funds can't be expended within a reasonable amount of time (DOH to determine reasonable).

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

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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.

D. 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 growth[5] 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;

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

- Reuses and rehabilitates existing property, infrastructure, and land;
- Are sited within existing developed areas and promote infill development;
- Are sited within existing public utilities service areas (water, sewer, etc.);
- For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land;
- Promote transit-oriented development[6];
- Provide or leverage educational opportunities at all grade levels;
- Promote the livable characteristics of the sustainable communities initiative[7];
- Promote mixed-use[8] 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 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.

E. 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.

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[6] "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.

[7] 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

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

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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, <u>but are not limited to</u>:

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

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

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

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

2. Small Cities CDBG Monitoring

Monitoring during the Development Stage: The Office of Small Cities-CDBG and Technical Services (OSCTS) in DOH has the primary responsible for monitoring all projects financed by DOH 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 OSCTS will:

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

- 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.

F. Emergency Solutions Grants (ESG) Program:

Connecticut anticipates receiving $2,179,417 in federal ESG funds for the Action Plan program year beginning July 1, 2016. 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 approximately $3,078,813 in annual funding from Connecticut's general operating budget and approximately $9,035,054 from the U.S. Department of Health and Human Services TANF and Social Services Block Grants.

Should the amount of the allocation by the federal government be greater or lesser than the anticipated allocation denoted, these funds will be distributed on a prorated basis as described in this section. During the FY, DOH may recapture funds from previous fiscal years due to any of the following: a) nonperformance; underutilization; or program income.

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

DOH administers these funds by providing assistance to six (6) non-profit organizations. In addition, DOH provides state and other funding to these providers who are experienced, well established in their communities and provides quality services. The funding received from ESG enables the organizations to provide shelter beds, case management services and rapid re-housing services to homeless persons. DOH is currently developing a more formal process for the future allocation of all sources of funds to homeless shelters.

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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), federal ESG funds will be 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%).

Through competitive procurement, DOH has awarded five (5) ESG funded shelters: three (3) shelters that support families and two (2) shelters for both families and individuals. These shelters were previously established due to the documented need to support homeless individuals and families. As needs are identified in local communities, DOH examines its current financial capability to determine if there is financial and program support for new shelters. In addition to ESG funded shelters, DOH also funds an additional 32 shelters utilizing state and federal funds, which bring the total funded shelters to 37. DOH intends to utilize ESG monies for Rapid Re-housing Tenant Based Rental Assistance (RR-TBRA) for this fiscal year. DOH has awarded a non-profit the right to act as the ESG financial assistance fiduciary agency. 40% of the annual ESG allocation will go to this fiduciary to administer financial assistance requested by housing relocation and stabilization agencies. DOH has leveraged existing resources to provide Housing Relocation and Stabilization Services to support the RR-TBRA program to ensure that homeless households will have a better chance of remaining stably housed. Through competitive procurement, seven (7) agencies have been awarded assistance to aid our homeless population with housing relocation and up to 12 months of stabilization services and in-home case management. These five agencies receive referrals for services and financial assistance through their local Coordinated Access Network (CAN).

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

1. **Outcome Measures for Homeless Shelter:**

   DOH has negotiated the client-based outcomes and measures with directors of emergency shelters listed below. Each shelter will select and negotiate individual numerical outcomes and measures with DOH staff and will submit 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.

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 roughly 13 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.

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Permanent 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), DOH, the Department of Mental Health and Addiction Services (DMHAS), the Department of Social Services (DSS), the Connecticut Housing Finance Authority (CHFA) and the Corporation for Supportive Housing (CSH). This MOU was in support of the statewide PILOTS Supportive Housing 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 Steering Committee.

In the capital budget, $26 million is provided over the biennium for a homeless prevention and response fund. This fund will provide forgivable loans and grants to landlords to renovate multifamily homes. In exchange, a landlord will agree to let renovated units be used for scattered site supportive housing or participation in a rapid rehousing program.

3. Certification on Coordinated State Policy Regarding Discharge:

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

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

- 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.

- The passed budget provides $1.9 million in FY 16 and will most likely provide $1.9 million in FY 17 to fund rental subsidies and wrap-around services to increase the number of individuals being served by this program to a total of 190. The increased funding to CCR, formerly known as "FUSE", is part of the Governor's larger Second Chance Society initiative, and is a supportive housing program targeted to a small set of individuals with high recidivism rates resulting from complex unmet needs, histories of long-term homelessness, chronic health conditions, and untreated mental illness and addiction.

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

Connecticut anticipates receiving $218,321 in federal Housing Opportunities for Persons With AIDS (HOPWA) funds for the Action Plan program year beginning July 1, 2016. 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 approximately $3,222,781 in annual funding from Connecticut's general operating budget and approximately $861,555 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". DOH anticipates conducting 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 be required to provide services in Litchfield and Middlesex County during the period of July 2016- June 2019.

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

in the state.

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

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

   DOH has negotiated the following outcomes and measures with the AIDS residence service providers. Each organization that receives 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:	**Measures:**
- Program will strive to maintain maximum capacity. - Clients with HIV/AIDS will receive services and support to improve their quality of life.	- 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.

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H. State and Federal Resources for DOH Fiscal Year (FY) 2016-17

This table lists the anticipated/estimated level of state and federal funding available in FY 2016-17. Please note that Connecticut's 2015-19 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 2015-19 Consolidated Plan

Table 2: Anticipated State and Federal Funding for Individual and Family Services

	STATE FY 2016-17	HUD FY 2016-17	HHS FY 2016-17	TOTAL FY 2016-17
Emergency Solutions Grant	$ 3,078,813	$ 2,179,417	$ 9,035,054	$ 14,293,284
Housing Opportunities for Persons With AIDS	$ 3,222,781	$ 218,321	$ 861,555	$ 4,302,657
Section 8 Rental Assistance		$ 75,062,659	$ 0	$ 75,062,659
Housing/Homeless Services - Municipality	$ 597,540			$ 597,540
Housing/Homeless Services, including: Special Needs Housing benefits Rental Assistance Program/Supportive Hsg. Security Deposit Program Eviction Prevention Program Transitional Living Program	$ 66,008,869		$ 1,443,578	$ 67,452,447
Homeless Prevention and Response Fund	$ 15,000,000	$ 0	$ 0	$ 15,000,000
Connecticut Collaborative on Re-Entry	$ 0	$ 0	$ 0	$ 0
TOTAL	$ 87,908,003	$ 77,460,397	$11,340,187	$176,708,587

Source: DOH/OPM

I. 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 AIDS Connecticut (ACT) 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 reviewed and updated three times 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 ACT 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.

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 ACT 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

J. State and Federal Resources for DOH FY 2016-17

These tables list the levels of state and federal funding anticipated to be available in FY 2016-17. Please note that Connecticut's 2015-19 ConPlan outlines how the state plans to leverage SC/CDBG, HOME, 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-governmental funding sources, please refer to the Connecticut 2015-19 ConPlan.

Table 1: Anticipated State and Federal Funding For Development and Housing Support

Housing (DOH)	State FY 2016-17	HUD FY 2016-17	Total
HOME	$ 0	$ 6,583,809	$ 6,215,305
SC/CDBG	$ 0	$ 12,162,864	$ 11,990,905
Affordable Housing (Flex)	$ 140,000,000	$ 0	$ 140,000,000
Energy Conservation Loan Program	$ 0	$ 0	$ 0
Subsidized Assist Living Demonstration	$ 2,198,146	$ 0	$ 2,198,146
Elderly Rental Registry & Counselor	$ 1,054,087	$ 0	$ 1,054,087
Fair Housing	$ 670,000	$ 0	$ 670,000
Housing Assistance and Counseling	$ 369,376	$ 0	$ 369,376
Elderly/Congregate Rental Assistance	$ 2,017,778	$ 0	$ 2,017,778
Congregate Operating Subsidy	$ 7,517,798	$ 0	$ 7,517,798
Tax Abatement	$ 1,087,450	$ 0	$ 1,087,450
Housing Trust Fund	$ 15,000,000	$ 0	$ 15,000,000
TOTAL	$ 169,914,635	$ 18,746,673	$ 188,120,845

Source: DOH/OPM

Table 2: Anticipated State and Federal Funding for Individual and Family Services

	STATE FY 2016-17	HUD FY 2016-17	HHS FY 2016-17	TOTAL FY 2016-17
Emergency Solutions Grant	$ 3,078,813	$ 2,179,417	$ 9,035,054	$ 14,293,284
Housing Opportunities for Persons With AIDS	$ 3,222,781	$ 218,321	$ 861,555	$ 4,302,657
Section 8 Rental Assistance		$ 75,062,659	$ 0	$ 75,062,659
Housing/Homeless Services - Municipality	$ 597,540			$ 597,540
Housing/Homeless Services, including: Special Needs Housing benefits Rental Assistance Program/Supportive Hsg. Security Deposit Program Eviction Prevention Program Transitional Living Program	$ 66,008,869		$ 1,443,578	$ 67,452,447
Homeless Prevention and Response Fund	$ 15,000,000	$ 0	$ 0	$ 15,000,000
Connecticut Collaborative on Re-Entry	$ 0	$ 0	$ 0	$ 0
TOTAL	$ 87,908,003	$ 77,460,397	$11,340,187	$176,708,587

Source: DOH/OPM

Table 3: CHFA Anticipated State and Federal Funding			
Connecticut Housing Finance Authority (CHFA)	**State FY 2016-17**	**Federal FY 2016-17**	**Total**
Low Income Housing Tax Credit	$ 0	$ 8,500,000*	$ 8,500,000
Housing Tax Credit Contribution	$ 10,000,000	$ 0	$ 10,000,000
TOTAL FOR CHFA:	$ 10,000,000	$ 8,500,000	$ 18,500,000

K. Performance Measurement

The 2015-16 Action Plan outlined DOH's proposed accomplishments for FY 2015-2016. These were based on the performance measurement system presented in the 2015-19 ConPlan. The results for FY 2015-16 proposed accomplishments will be contained in the 2015-16 Consolidated Annual Performance Evaluation Report (CAPER).

Likewise the 2016-17 Action Plan outlines DOH's proposed accomplishments for FY 2016-17, based on the performance measurement system presented in the 2015-19 ConPlan. The results for FY 2016-17 proposed accomplishments will be contained in the 2016-17 Consolidated Annual Performance Evaluation Report (CAPER). Connecticut's 2015-19 Consolidated Plan, 2016-17 Action Plan and subsequent Action Plans outline Overarching Principles, Goals, Strategies, Objectives, Outputs, Outcomes, and Indicators based on HUD's Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs as contained in the Federal Register dated March 7, 2006 (Volume 71, Number 44). The state intends to make available HOME, SC/CDBG, ESG, and HOPWA funds to eligible recipients based on the priorities set forth in the state's 2015-19 ConPlan and this document.

Below is a summary of the Performance Measures as contained in the 2015-19 ConPlan, which serve as an outline of the annual proposed accomplishments for the 2016-17 Action Plan.

The state's long-term vision is to create a Connecticut where affordable housing, in strong, vibrant, and inclusive communities, is accessible to individuals and families across the state and homelessness is a thing of the past. Housing developments will be clustered around pedestrian-friendly areas, in close proximity to employment and commercial centers, schools, public transportation, and around established infrastructure. Connecticut will revitalize its urban and regional centers with mixed-use, mixed-income housing and community development, providing a safe and clean environment to attract an economically and socially diverse workforce. Chronic homelessness and in particular chronic veteran's homelessness will be a thing of the past.

Housing is a key component of attaining and sustaining local viability, community health and ensuring a thriving community. Ensuring affordable housing options, to own and rent is an important contributing factor to future community health. Additionally, many of Connecticut's most vulnerable citizens are in need of quality affordable housing with the availability of services. In order to address these needs, it is important to add new housing as well as preserve affordable housing presently serving households in need in a coordinated and efficient manner.

Housing development is linked to Connecticut's other public policy areas which include, education, transportation, energy cost and availability, public health and safety, environmental quality, and economic development. These areas are not independent of each other. They are interconnected and interdependent. Just as transportation is not just a network of roads and bridges, housing is not just shelter. It is an integral part of the state's socio-economic fabric. Public policy and investment decisions made in one area directly and indirectly impact the other areas. As such the state must comprehensively consider these relationships and take a multifaceted and balanced approach to addressing Connecticut's housing and community development needs.

Responsible Development and Sustainable Communities' principles consider and connect all of the aforementioned public policy areas. These principles are in conformance with the state's Conservation and Development Policies Plan for Connecticut (C&D Plan), and the current Analysis of Impediments to Fair Housing Choice 2015. Because Responsible Growth and Sustainable Communities principles make the most efficient uses of energy, land, travel time and other societal resources over the long-term they are incorporated into the state's Consolidated Plan. The state will use its federal formula grant funding and state resources to address Connecticut's housing and community development needs through the application of Responsible Growth and Sustainable Communities principles and by giving funding priority to projects that address multiple needs and leverage existing infrastructure and resources.

At the end of each program year, the state must also prepare a CAPER to provide information to HUD and citizens about that year's accomplishments. The CAPER is the annual report that summarizes activities undertaken and details the progress the state has made in carrying out the Consolidated Plan and the annual Action Plan. Performance Measures are also reported based on actual outcomes for proposed accomplishments that appeared in the corresponding program year Action Plan. This information allows for evaluation of the state's performance to determine whether the activities undertaken during the program year addressed the needs identified in the

Consolidated Plan. The CAPER is due to HUD within 90 days after the end of the state's program year.

The 2015-2019 Consolidated Plan is intended to describe the state's strategic goals and objectives relative to the use of its state and federal resources, specifically with regard to:

- Affordable housing (preservation and creation);
- Public housing (preservation);
- Homelessness (elimination of)
- Other special needs (both family and elderly); and
- Non-housing community development needs.

In addition, it is intended to address issues related to:

- Community revitalization;
- Barriers to affordable housing;
- Lead-based paint hazards;
- The state's anti-poverty strategy;
- The state's institutional structure;
- Coordination among state agencies and with other interested parties, both public and private; and
- Low-income housing tax credit use

In order to address these issues, three overarching goals have been established:

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 disadvantage 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 neighborhood; 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.

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

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needs summarized from the Needs Assessment and Housing Market Analysis sections of this 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. (See Needs Assessment and Housing Market Analysis sections). Based on the state's review of all relevant and available data, specific issues were selected at the Department of Housing. Issues chosen to be assigned high priority funding status within this plan were selected based on four primary factors: (1) the primary eligibility criteria of the respective funding; (2) the availability of "other" funds to address the issue, (3) the issue's relative demonstrated need (as identified in the needs assessment), and (4) the impact of the issue on the prevention and reduction of homelessness.

High Priority Needs and Funding

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

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

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

Geographic Targeting

The state will target its state and federal funds to certain geographic areas consistent with the priorities set in the recommended State Plan of Conservation and Development, except as prohibited by federal or state law. For example, the state's allocation of SC/CDBG and

ESG funds may only be used in non-entitlement areas. However, since there is a major emphasis on directing resources to areas in need of revitalization, resources will be focused, to the greatest extent possible, in targeted areas.

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

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

- 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. Four jurisdictions (Bridgeport, Hartford, New Haven and Waterbury) receive their own allocations of ESG funds directly from the federal government, thus are not eligible for the state allocation. Because of the nature of homelessness, the ESG program is exempt from Priority Funding Area requirements.

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

Affordable Housing Strategies

Fair Housing and Housing Choice

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

Consistent with the recommendations in the Analysis of Impediments to Fair Housing Choice 2015 (AI2015), the state will implement the following strategies, within available programs and appropriations:

1. Collaborate with other State Agencies to Affirmatively Further Fair Housing
2. Convene stakeholders to review proposed legislative solutions to existing impediments to fair housing choice
3. Ensure State and local planning documents affirmatively further fair housing
4. Maximize the effectiveness of State programs that promote mobility
5. Promote fair housing enforcement and education
6. Encourage the creation and rehabilitation of affordable housing in a variety of locations
7. In cooperation with the Fair Housing Enforcement Office of HUD, the state will endeavor to redraft and update the Connecticut Fair Housing Regulations, and
8. Initiate testing and use of the Connecticut Opportunity Map

Supply of Quality Affordable Housing

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

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

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

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

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

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

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

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

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

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

- Mortgage Assistance - CHFA will continue to implement the Emergency Mortgage Assistance and CT FAMLIES (Connecticut Fair Alternative Mortgage Lending Initiative &

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

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

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

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

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

- Continued use of the Connecticut Opportunity Map.

2016-2017 Affordable Housing Objectives

Fair Housing and Housing Choice

In the second year of the 2015-19 ConPlan, the state will focus its resources to achieve the following:

- Within available appropriations, the DOH will continue to support the Connecticut Fair Housing Center with their efforts to assist the State of Connecticut to fulfill the recommendations in the state's AI2015 for state level action.

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

- Update and redraft the Connecticut Fair Housing Regulations consistent with guidance from the Fair Housing Enforcement Office HUD.

Quality Affordable Housing

In the second year of the 2015-19 ConPlan, the state will focus its resources to achieve the following:

With Regard to New Affordable Rental Housing

- DOH will work to create 1,000 new quality affordable rental housing units.

With Regard to New Homeownership Opportunities

- DOH will work to create 100 new affordable homeownership opportunities.

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 60 households.

The above referenced figures were based on historic program performance, current unit production costs and anticipated financial resources at the time the 2015-19 ConPlan was developed.

Objectives, Outputs, Outcomes and Indicators

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

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

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

Output:

- Within available resources, fund the activities of the Fair Housing Center related to outreach and education with an emphasis on preventing discrimination and increasing housing choice opportunities annually.
- Improved availability/accessibility and affordability by promoting and funding at least one inter-municipal or regional partnership for a housing and/or community development project that benefits low- and moderate-income persons/households to increase housing choice.
- Continue to fund mobility counseling/tenant education programs to encourage/assist/educate approximately 7,951 DOH Section 8 Housing Choice Voucher (S8 HCV) and State Rental Assistance Payments Program (RAP) participants with moves to areas of higher opportunity.
- Support the upgrading of existing infrastructure within areas where the majority of residents are of low-and-moderate-income to increase housing choice.
- Support up to five infrastructure projects to include reconstruction of streets, sidewalks, water lines, and drainage problems in predominately low-and-moderate-income areas.
- Improve availability/accessibility by supporting the construction and/or rehabilitation and/or expansion of five existing public facilities that primarily serve low-and-moderate-income persons, including but not limited to: transitional housing, battered women

shelters, daycare centers, and efforts to meet the needs of the physically handicapped population by supporting projects designed to make current facilities accessible or to provide new-handicapped accessible facilities annually.

Outcome:

- Increased opportunities for housing choice.

Indicator(s):

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

Objective 2:

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

Output:

- Produce up to 1,000 newly constructed or rehabilitated rental units that serve households.
- Produce up to 100 newly constructed or created homeowner units that serve low-and-moderate income households.
- Rehabilitate up to 100 homeowner units that serve low-and-moderate income households.
- Preserve up to 1000 rental units that serve low- and moderate-income households.
- Fund up to one single-family moderate rehabilitation program.
- Create and/or preserve up to 100 residential units through the adaptive re-use of historic structures.
- Support energy conservation/efficiency activities that would primarily serve low-and-moderate-income persons.

Outcome:

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

Indicators:

- Number of newly constructed ownership units.
- Number of newly constructed rental units.
- Number of newly rehabilitated rental units.
- Number of newly rehabilitated ownership units.
- Number of single-family moderate rehabilitation programs funded each year.
- Number of single-family units rehabbed each year.

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

Objective 3:

To enhance suitable living environments though financial intermediaries.

Output:

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

Outcome:

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

Indicators:

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

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

PUBLIC HOUSING

Goal

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

Objectives, Outputs, Outcomes and Indicators

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

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

Objective 1:

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

Output:

- Preserve federally assisted housing units annually by working with current owners and prospective purchasers of these projects to retain them in service to low-income households over the long-term with a focus on projects nearing the end of their current mortgage service periods and those in need of capital reinvestment to provide quality rental housing through a new extended use period.
- Invest in the maintenance/rehabilitation/modernization of 1,000 existing publicly-assisted rental housing units annually to preserve them as a long-term resource.
- Preserve or replace state or federally assisted housing units annually by working with current owners and prospective developers of these projects to retain them in service to low-income households with a focus on projects in need of capital reinvestment to provide quality rental housing through a new extended use period.

- Encourage local public housing authorities and DOH to respond to all notices of funding availability from HUD to increase the supply of Federal Section 8 Housing Choice Vouchers by 50 new vouchers.

Outcome:

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

Indicators:

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

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

HOMELESSNESS PREVENTION & SUPPORTIVE HOUSING

GOAL

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

OBJECTIVES, OUTPUTS, OUTCOMES AND INDICATORS

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

Objective 1:
Enhance suitable living environments to expand the Rapid Re-housing Program (RRP) 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 all eligible resources administered by the DOH 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.
- Participate in Zero 2016, the national campaign to end chronic homelessness by the end of 2016.
- Continue RRP to promote quick access to housing for those who are eligible.
- Utilize the Coordinated Access Network (CAN) to produce better placements and outcomes for the most vulnerable individuals in need as assistance.
- Implement the CT811 PRA program to locate project-based rental subsidies in areas where community-based services are available.
- Carry out the Homeless Prevention and Response Fund which will provide forgivable loans and grants to landlords to renovate multifamily homes in exchange for participation in the scattered site supportive housing program or the rapid re-housing program.

Outcome:

Eliminate chronic homelessness, and veteran's homelessness, and reduce the occurrence of homelessness.

Indicator(s):

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

Objective 2:

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

Output:

- Maintain the state-funded Eviction Foreclosure Prevention Program that assists families and individuals to remain in permanent housing.
- Increase the supply of permanent supportive housing opportunities for individuals and families experiencing homelessness or at risk of becoming homeless, particularly those with special needs by providing financing for renovation of existing buildings. Create 50 new supportive housing units.
- Fully implement CAN statewide, and improve coordination and consistency across the CAN's

Outcome:

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

Indicator(s):

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

Objective 3:
End chronic veteran's homelessness.

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

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

Indicator(s):
- Number of veteran's using a VASH voucher
- Number of veteran's placed in permanent supportive housing

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

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

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

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

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OTHER SPECIAL NEEDS

GOAL

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

Objectives, Outputs, Outcomes and Indicators

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

Special Needs – General

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

Output:

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

Outcome:

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

Indicator(s):

- Number of specials needs persons assisted over time.

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

Output:

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

Outcome:

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

Indicator(s):

- Number of special needs persons assisted over time.

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

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

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

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

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

Elderly and Frail Elderly

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

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

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

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

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Objective 2:
Promote efficiency in service delivery to the elderly and frail elderly.

Output:
- Increase client caseload per case manager.

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	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-Wide

Persons with Disabilities

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

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

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

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

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

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

Outcome:

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

Indicator(s):

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

Objective 3:

Continue to provide for accessibility modifications.

Output:

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

Outcome:

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

Indicator(s):

- Number of accessibility modifications funded.

Objective 4:

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

Output:

- Bond funds are provided to complete accessibility modifications for persons leaving nursing facilities under MFP.
- RAP set-aside for up to 50 eligible persons in support of the MFP is established.

Outcome:

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

Indicator(s):

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

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

Output:
- Create linkages between various housing types that serve the disabled.
- The number of accessible housing units in the state is increased.

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

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

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

Persons With HIV/AIDS And Their Families

Objective 1:
Continue to fund existing HIV/AIDS programs and seek additional federal funding for existing HIV/AIDS programs.

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).

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 by 10.

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

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

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

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

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

Indicator(s):
- Number of evaluations conducted.

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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:
- Increase the number of clients who are provided appropriate services.

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

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, assist individuals leaving the correction system, facilitate their integration back into the community. Individuals leaving the corrections system and in need of long-term supports could either immediately, or after living for a short time in a halfway house, live in supportive housing. The Connecticut Department of Correction (DOC) will work with other state agencies to maximize

the use of various funding streams to assist persons to reintegrate into their communities after release from DOC facilities.

Output:

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

Outcome:

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

Indicator(s):

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

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

NON-HOUSING COMMUNITY DEVELOPMENT

GOAL

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

Objectives, Outputs, Outcomes and Indicators

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

Objective 1:

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

Output:

- Support one inter-municipal or regional project per year under the SC/CDBG Program.

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.

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.
- Cost savings for local municipalities and the state due to regional partnerships.
- Number of low-and-moderate-income persons served annually.

Objective 2:

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

Output:

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

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.

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Indicator(s):

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

Objective 3:

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

Output:

- Support up to three public facilities projects per year under the SC/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 4:

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

Output:

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

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 5:

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

Output:

- Provide federal/state/local community development resources for up to ten brownfield redevelopment projects over the next five-years.

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):

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

Objective 6:

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

Output:

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

Short-Term Outcome:

- New/Improved availability/accessibility to funds.
- Creation and/or retention of permanent, private sector job opportunities principally for low- and moderate-income persons.
- Increased employment opportunities for low-and-moderate-income persons.

Long-Term Outcome:

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

Indicator(s):

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

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

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COMMUNITY REVITALIZATION

GOAL

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

Objectives, Outputs, Outcomes and Indicators

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

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

Objective 1:

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

Output:

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

Outcomes:

New and improved sustainable communities.

Indicator(s):

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

Objective 2:

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

Output:

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

Outcomes:

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

Indicator(s):

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

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

BARRIERS TO AFFORDABLE HOUSING

GOAL

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

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

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

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

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

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

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

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

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

Objective 3:
Convene stakeholders to review potential legislative solutions to existing impediments

Output:
- Convene partner agencies, organizations and stakeholders in the redrafting of the Connecticut Fair Housing Regulations and Waiting List Regulations

Outcomes:
Provide clear concise regulatory direction on meeting and addressing fair housing requirements in state-supported housing

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Indicator(s):

- Number of collaborative opportunities with partner agencies, organizations and stakeholders
- Passage of revised regulations

Objective 4:
Maximize effectiveness of mobility programs

Output:

- Work with mobility counselors under contract to improve processes

Outcomes:
Provide increased opportunities for mobility.

Indicator(s):

- Number of clients successfully moved to an improved opportunity area

Objective 5:
Improve fair housing education and enforcement

Output:

- Work with mobility counselors under contract to improve processes

Outcomes:
Provide increased opportunities for mobility.

Indicator(s):

- Number of clients successfully moved to an improved opportunity area

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

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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 HealthyHomes principles, assessment practices, and evidence-based interventions.

Objectives, Outputs, Outcomes and Indicators

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

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

Output:

- Actively participate in the Statewide Healthy Homes Initiative meetings, as scheduled.
- Collaborate with the DPH Healthy Homes Initiative on the development and implementation of a uniform healthy homes assessment and intervention approach.
- Support the abatement or remediation of lead-based paint and lead-based paint hazards, damaged asbestos containing materials, elevated indoor radon levels, and other identified or known environmental hazards in housing units in collaboration with other state agencies and in accordance with applicable federal and state laws. Lead-based paint testing, and remediation or abatement activities will be conducted in accordance with Regulations of CT State Agencies section 19a-111 et.al., the final lead safe housing rule – [Title X of the Lead-based Paint Hazard Reduction Act of 1992 (24 CFR Pt 35)] the EPA Lead Paint: Renovation, Repair and Painting Program (RRP) effective April 22, 2010, and through healthy homes assessments and intervention strategies established in concert with the Department of Public Health
- Fund up to three housing rehabilitation projects per year with the goal of making 20 units per year healthy homes (as defined in concert with the Statewide Healthy Homes Initiative).
- Build the technical capacity local housing agencies by sponsoring one (1) National Center for Healthy Homes (NCHH) training courses.
- Support the training and certification of 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 SC/CDBG Other/ State	Low-Mod Income	State-Wide SC/CDBG Small Cities

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VI. ATTACHMENTS TO THE 2016-2017 ACTION PLAN

Attachment A – Citizen Participation

- Attachment A-1 – Citizen Participation Process
- Attachment A-2 – Outline of Activity for Public Hearings/Public Comment
  This attachment will be added after completion of the public comment period and prior to submission to HUD
- Attachment A-3 – Summary of Public Comments Received and DOH Responses
  This attachment will be added after completion of the public comment period and prior to submission to HUD

Attachment B – Citizen Participation Documents

- B.1. Legal Notices/Email Notices for Public Hearings and Public Comment Periods For the development of 2016-2017 Action Plan
- B.2. Department Notices to Municipal Elected Officials
- B.3. Public Hearing Transcripts
- B.4. Written Comments

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VI. ATTACHMENTS TO THE 2016-2017 ACTION PLAN

Attachment A-1 – Citizen Participation Process

The following process will be used to solicit citizen input and make the state's consolidated plan and subsequent action plan priorities available for public review.

- Periodically throughout any given year, DOH staff will meet with major interest groups to discuss a variety of issues including, HOME, Small Cities, HOPWA and ESG programs. These groups include, but are not limited to: Connecticut Community Development Association, which is composed of local community development professionals; Conn-NAHRO, made up of local housing authority directors; The Connecticut Housing Coalition, an association of nonprofit housing developers and advocates; Interagency Council on Affordable Housing; AIDS Connecticut (ACT), a group representing advocates for persons with AIDS; and emergency shelter service providers.

- These meetings will be part of continuous input into the departments' planning and policy development activities as they relate to annual action plans.

- The Connecticut Housing Finance Authority will be invited to participate in the drafting of the annual plan. Also, DOH will consult with the Department of Public Health concerning plans to remove lead based paint hazards. Local health and child welfare agencies will also be contacted for their input on lead based paint hazards and poisoning.

- During the planning process, the chief elected officials of any non-entitlement communities will be invited to discuss with and provide input to DOH as it prepares the portion of the annual plan relating to the Small Cities Community Development Block Grant program.

- Prior to the development of any annual action plan, the state will hold at least two public hearings on housing and community development needs in various locations. These hearings will be held at times and places convenient to citizens. Notices of these needs hearings will be published approximately 2 weeks in advance of the hearings, in at least 2 newspapers serving all regions of the state, as well as the state's minority communities. In addition, notices of the hearings will be emailed to the above referenced major interest groups, and/or other state agencies as well as all interested residents of Connecticut who have expressed an interest in receiving information on all activities of the Department, known as the "Community Partners" list.

- Staff will prepare a draft annual action plan, taking into consideration the input received from the above listed organizations, state agencies and interested parties. The action plan will include a discussion of the amount of assistance the state expects to receive, the range of activities it will undertake with this assistance, and, to the extent possible, the benefit to low and moderate income people of these proposed activities.

- A notice summarizing the main elements of the plan, its availability and locations where it can be obtained, the dates and times of at least two public hearings on the draft plan will be published in at least 2 newspapers serving all regions of the state, as well as the state's minority communities. The draft action plan will be made available to anyone requesting a copy, either in print or on disk, during the 30-day comment period. Copies will be available at the DOH office. In addition, access to the draft will be available by visiting the DOH Home Page on the Internet at www.ct.gov/doh. Copies will be mailed to the above referenced major interest groups. As part of the notice, the state will tell citizens who have special needs how they can obtain the draft plan in a form which is accessible to them. Non-English speaking and hearing impaired citizens will be given a phone number to call so that special arrangements can be made to accommodate them at the public hearings. Public hearings will be held at convenient locations and times across the state.

- Any comments received, either at the public hearings or during the public comment period will be considered by the agency before the final action plan is prepared. A summary of the comments and the agency's responses will be one of the attachments to the final action plan.

- The procedures and actions discussed above will constitute the state's citizen participation plan for annual action plan submissions and any substantial amendments, which may need to be made in the course of the program year. A "substantial amendment" to the plan is one which implements a change the use and/or method of distributing those funds.

- This citizen participation plan will itself be made available to the public and any interest groups for review and comment as part of the annual action plan review.