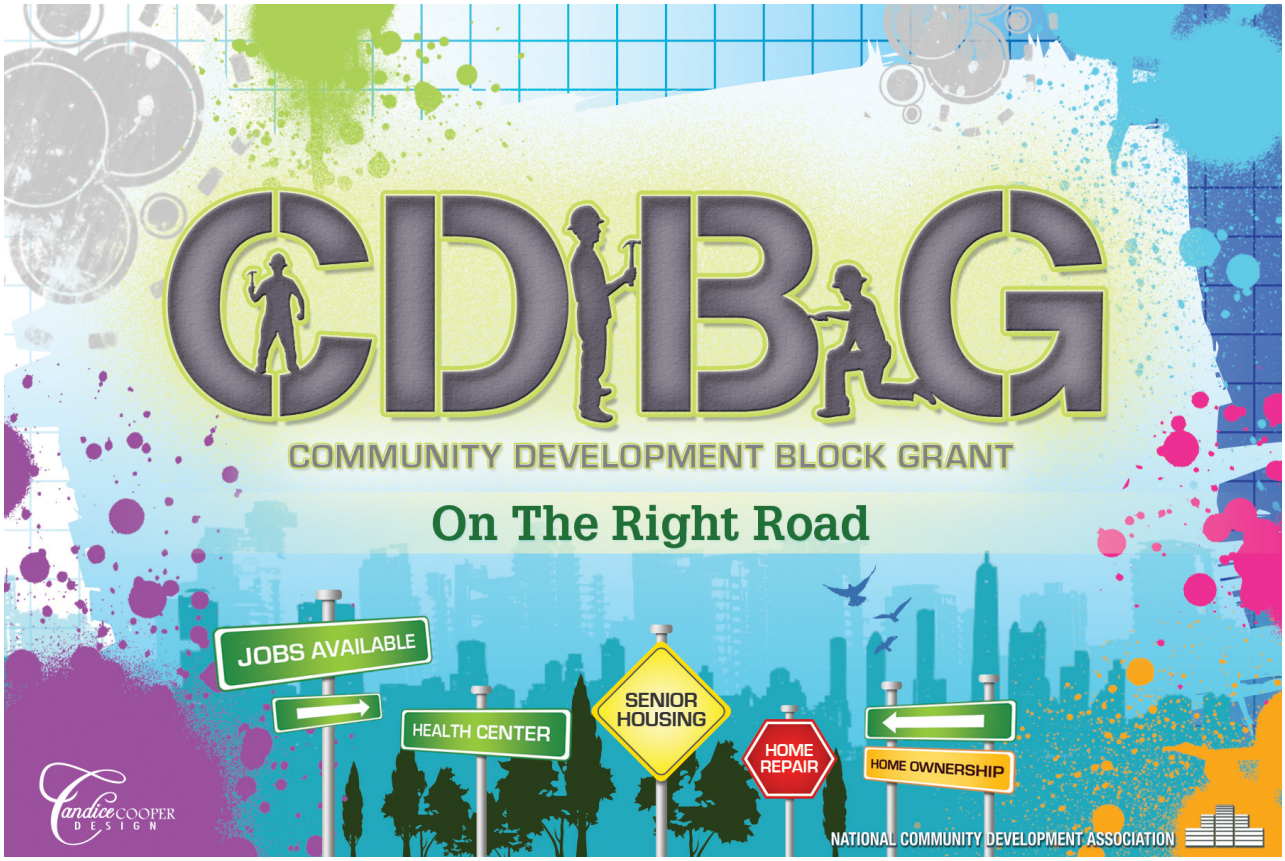
2009 CDBG Small Cities Handbook



Connecticut Department of Economic and Community Development

Joan McDonald, Commissioner

Deputy Commissioner
Ronald Angelo

Executive Director
Lawrence Lusardi

Office of Municipal Development

Small Cities CDBG Program Application Handbook

1. Introduction.....3
2. Definitions.....4
3. Eligible Applicants..... 6
4. Eligible and Ineligible Activities..... 7
5. National Objectives.....10
6. Additional Program Guidelines 12
7. Administrative Requirements.....16
8. Fair Housing/Civil Rights Compliance 22
9. Application Instructions 25
10. Exhibits: Requirements & Guide forms.....35

List of Appendices

Geographic Areas..... Appendix A
General Information Notice (GIN)..... Appendix B

Department of Economic and Community Development Programs are administered in a nondiscriminatory manner, consistent with equal employment opportunities, affirmative action, and fair housing requirements.

Small Cities Staff

Executive Director	Lawrence Lusardi	860-270-8037
Administrative Assistant	Marilyn Taylor	860-270-8161
Program Manager	Veronica Hunter	860-270-8236

Economic & Community Development Agents

John Fauxbel	860-270-8031
Shelley Pille	860-270-8103
Bruce Sheridan	860-270-8114
Leroy Smith	860-270-8254

Fair Housing/Civil Rights Staff

Frances Messina	860-270-8255
Ploynapas Levitt	860-270-8181
Jerome Mihm	860-270-8097

Environmental Support Staff

Peter Simmons	860-270-8149
Maya Lowenberg	860-270-8155

Architectural Support Staff

William Frederick	860-270-2146

PROGRAM OVERVIEW

1. INTRODUCTION

The purpose of this handbook is to provide assistance to eligible municipalities in the preparation of applications to the Connecticut Department of Economic and Community Development (DECD) for funds under the Small Cities Community Development Block Grant Program (CDBG).

The handbook contains information that is critical both for compiling a complete, relevant, and competitive application. It is therefore important for prospective applicants to read it carefully and to become familiar with Small Cities Program guidelines and requirements.

Technical Assistance will be provided by the State Department of Economic and Community Development in answering questions regarding program design, application requirements, and eligible activities.

The Small Cities Program application process requires the submission of information necessary to document the proposal's compliance with national objectives, eligibility of the activity, and compliance with other federal requirements.

2. DEFINITIONS

COMMISSIONER - The Commissioner of the Connecticut Department of Economic and Community Development.

APPLICANT - Any municipality or borough with a population less than 50,000 which is not the "Central City of a Metropolitan Statistical Area (MSA)." See Eligible Applicant section for further details concerning eligible applicants.

APPLICATION - A proposal for funding to DECD under the Small Cities Program. Applications may be for regular program grants, discretionary urgent need grants, Planning Only grants, or economic development grants.

SINGLE PURPOSE PROJECT - A project funded under the Small Cities Program which addresses only one of the following areas: housing, economic development, community facilities, or public service.

VERY LOW-INCOME FAMILY OR PERSON - A family or persons whose income does not exceed 30% of the median income for the Primary Metropolitan Statistical Area (PMSA).

LOW-INCOME FAMILY OR PERSON - A family or persons whose income does not exceed 50% of the median income for the Primary Metropolitan Statistical Area (PMSA).

MODERATE-INCOME FAMILY OR PERSON - A family or person whose income does not exceed 80% of the median income for the Primary Metropolitan Statistical Area (PMSA).

INCOME
The Final Rule published in the Federal Register on November 5, 1995 created the following definition of "income" at 24 CFR 570.3 for the Small Cities Program.

> For the purpose of determining whether a family or household is low- and –moderate income, grantees may select any of the three definitions listed below for each activity, except that integrally related activities of the same type and qualifying under the same paragraph of 570.208(a) shall use the same definition of income. The option to choose a definition of income does not apply to activities that qualify under 570.208(a)(1) (Area benefit activities), except when the recipient carries out a survey under 570.208(a)(1)(vi). Activities qualifying under 570.208(a)(1) generally must use the area income data supplied to recipients by HUD. **The three definitions are as follows:**
>
> **1.** **"Annual income"** as defined at 24 CFR 5.609 (except that if the CDBG assistance being provided is homeowner rehabilitation under 24 CFR 570.202, the value of the homeowner's primary residence may be excluded from any calculation of Net Family Assets); or
>
> **2.** Annual income as reported under the Census long-form for the most recent available decennial Census. This definition includes:
>
> (A) Wages, salaries, tips, commissions, etc.;
>
> (B) Self-employment income from own non-farm business, including proprietorships and partnerships;

(C) Farm self-employment income;
(D) Interest, dividends, net rental income, or income from estates or trusts;
(E) Social Security or railroad retirement;
(F) Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs;
(G) Retirement, survivor, or disability pensions; and
(H) Any sources or income received regularly, including Veterans' (VA) payments, unemployment compensation, and alimony; or

3. Adjusted gross income as defined for the purposes of reporting under Internal Revenue Service (IRS) Form 1040 for individual Federal annual income tax purposes.

Estimate the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is provided for the individual, family, or household (as applicable). Estimated annual income shall include income from all family or household members, as applicable. Income or asset enhancement derived from the CDBG-assisted activity shall not be considered in calculating estimated annual income.

Grantees must immediately stop deducting the amounts listed at 24 CFR 5.611 ($480 for each dependent, etc.) regardless of which of the three definitions of income they use for their CDBG-funded activities. The "Section 8 definition" of "annual income" at 24 CFR 5.609 does not include any of these deductions and none of these deductions may be used to determine whether a family or household is "low- and moderate-income" under the Small Cities Program.

AFFORDABLE RENTS - Existing Section 8 Fair Market Rents. (See Appendix C)

HOMELESS - Any person who does not have a place to stay for the night nor the income or resources to secure shelter.

PROGRAM - The Connecticut Small Cities Program.

PROJECT - An activity undertaken by a grantee with funding from the Small Cities Program.

RESPONSIBLE GROWTH (RG)) is 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, preserves natural resources, and maximizes previous investments in existing infrastructure while preserving distinctive landscapes, historic structures, landmarks, and villages. (Connecticut Responsible Growth Task Force Definition)

3. ELIGIBLE APPLICANTS

The Small Cities Program will be open to general purpose units of government – cities, towns, and boroughs – with populations under 50,000. However, any city which has been designated by the Office of Management and Budget as a Central City of a Metropolitan Statistical Area (MSA) and is eligible for entitlement funds from HUD will not be allowed to submit an application, regardless of size. A listing of eligible applicants is included in this section.

Joint Applications
Joint or multi-jurisdictional applications are encouraged under the Connecticut Small Cities Program. Joint applications may be undertaken in those instances where solving a shared problem requires mutual action. It is generally assumed that the problem(s) addressed by joint applications lie in areas of contiguous or overlapping geographical jurisdictions or service areas. Where this is not the case, the applicants must clearly document in the application that mutual action is necessary to solve the problem. In addition, all municipalities participating in the joint application must be eligible Small Cities communities.

Written cooperation agreements between participating communities must be submitted with all multi-jurisdictional applications. One unit must be designated in the agreement as the lead municipality for legal and administrative purposes (See the sample Cooperation Agreement in the Application Handbook). The lead community will act as the grantee and will be responsible for all aspects of program management.

Eligible Sub-Recipients
Though only eligible applicants may directly apply to DECD for Small Cities funds, grantees may provide grants or loans to any sub-recipient that is a Community Based Development Organization (CBDO). CBDOs are allowed to carry out neighborhood revitalization, community economic development, or energy conservation activities. In some instances, CBDOs are allowed to carry out otherwise ineligible activities such as new housing construction.

In the past, organizations had to fit rather strict criteria to qualify as a subrecipient. Recent changes in federal law now allow any non-profit organization serving the development needs of the communities of nonentitlement areas to act as a CBDO subrecipient. If an applicant is proposing to fund an activity such as new housing construction through a CDBO, it must document that the sub-recipient is a legitimate organization and was not created to circumvent program restrictions prohibiting certain activities.

**** It should be noted that sub-recipients are not under any circumstances allowed to carry out an ineligible activity as described in the ineligible activity section.**

4. ELIGIBLE AND INELIGIBLE ACTIVITIES

Communities funded under the Small Cities program can undertake a wide range of activities in the areas of housing, economic development, community facilities, and public services. This section contains a listing of the specific eligible activities as defined by HUD. This section also contains a review of expressly ineligible activities that Small Cities grantees are under no circumstances allowed to carry out. Applicants should also remember that in addition to being eligible as defined in this section, each activity must meet a National Objective as defined in the next chapter. (Sec. 570.200 of Code of Federal Regulations)

A. SUMMARY OF ELIGIBLE ACTIVITIES

The following is a listing of eligible activities under the Small Cities CDBG Program.

ELIGIBLE ACTIVITIES

1. Acquisition of real property for eligible housing, economic development or community services/facilities projects.

2. Clearance/Demolition

3. Disposition of real property acquired with CDBG funds, or its retention for public purposes including temporary management. (Proceeds subject to conditions.)

4. Public Facilities and Improvements - Assistance for acquisition, construction, reconstruction, rehabilitation, or installation (but not routine repair or maintenance) of community facilities and/or infrastructure, including neighborhood or senior centers, centers for the handicapped, historic properties, utilities, streets, sidewalks, streetscape and lighting, parking, water and sewer, park, recreation, and for flood and drainage facilities (subject to certain conditions). This includes facilities designed to serve the needs of special populations such as homeless, and may include those owned by nonprofit recipients provided they meet certain conditions. Exceptions: Facilities used for political activities or for the general conduct of government, or activities that supplant the routine expenses of general local government are not eligible.

5. Public Services - May include labor, supplies and materials, provided it is either a new service or quantifiable increase in service.

6. Interim Assistance to carry out emergency repairs or alleviate emergency conditions (subject to conditions).

7. Sec. 108 Loan Guarantee - Funds may be used to guarantee and make commitments to guarantee financing for: 1) acquisition of or rehab to real property owned by an eligible public entity; and 2) housing rehabilitation; economic development or construction of housing by nonprofit organizations for homeownership. (See Title I of the HCD Act as amended through October 28, 1992)

8. Payment of Local or Non-Federal share for federal and for most state grant-in-aid programs, provided activities are CDBG-eligible.

9. Completion of Urban Renewal Projects

10. Relocation Assistance for permanently and temporarily relocated households, businesses, nonprofit organizations and farm operations (subject to conditions).

11. Loss of Rental Income due to temporary holding of residential units for relocation related to CDBG program activities.

12. Removal of Architectural Barriers in publicly and privately owned buildings, facilities and improvements (may include buildings for conduct of local government).

13. Privately Owned Utilities - for acquisition, construction, reconstruction, rehabilitation or installation of distribution lines and facilities.

14. Construction of Housing - under Section 17 of the U.S. Housing Act of 1937 (Rental Rehabilitation) only.

15. Activities to Support the Development of Low and Moderate Income Housing, including acquisition, clearance, site assemblage, provision of site and public improvements (water, sewer, access roads, drainage, etc.) and other reconstruction costs.

16. Rehabilitation of Privately Owned Buildings and improvements for residential purposes, and related costs.

****Related housing rehabilitation costs include a wide range of activities, including historic preservation, lead paint abatement, septic system and well repair, energy audits, utility connections, flood insurance, rehab services, code inspections, loan re-financing, etc.****

17. Rehabilitation and Improvements to Publicly Owned Low Income Residential Units, and related costs, for non-urgent activities.

**** Note: For Number 17.** Pursuant to the Action Plan of the Consolidated Plan for Housing and Community Development, applications for the rehabilitation of existing state-financed public housing will be eligible but only for non-urgent rehabilitation activities. If an applicant has an urgent need, they should apply directly to the Department of Economic and Community Development for state bond funds as soon as the need has been identified.

18. Rehabilitation of Manufactured Housing if part of a community's permanent housing stock, and related costs.

19. Rehabilitation of Publicly or Privately Owned Commercial or Industrial Buildings (subject to conditions). Privately owned structures are limited to exterior improvements and code enforcement. Any additional work must be done under economic development.

20. Code Enforcement - Involves the payment of salaries and overhead costs directly related to the enforcement of local codes. Code Enforcement needs to be targeted at a deteriorated or deteriorating area delineated by the community and meet the following requirements:

(a) At least 51% of the residents of the area are L/M income persons; and
(b) The code enforcement must be combined with other public improvements, rehabilitation, and services, which together should be expected to arrest decline of the area.

**** Code Enforcement does not include inspections for the purpose of processing applications for rehabilitation assistance. Those costs must be included in the housing rehabilitation costs.****

21. Special Economic Development Activities

a. Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial structures and other real property equipment and improvements (including public facilities, site improvements, utilities) by public or private nonprofits, for job creation or retention.

b. Provision of assistance to private for-profit business, where the assistance is necessary or appropriate to create or retain jobs, and where there is justifiable public benefit to be derived.

22. Special Assistance to Certain Sub-recipients (Community Based Development organizations, Section 301(d) Small Business Investment Companies or local development corporations) to carry out neighborhood revitalization, community economic development or energy conservation projects (under certain conditions).

23. Planning and Capacity Building - CDBG funds may be used for: studies, analyses, data gathering, preparation of plans, and identification of actions that will implement plans. (See 24 CFR 570.205 of regulations for more detailed description). The amount of CDBG funds used for planning and capacity building activities is subject to the **16% limit** on planning and administration.

24. Payment of Reasonable Administrative Costs and carrying charges related to the planning and execution of community development activities. This may include general management, public information, fair housing activities, indirect costs, preparation of federal grant applications, necessary costs for obtaining financing for housing assistance and other activities. This may also include payment of reasonable administrative costs related to establishing and administering federally approved Enterprise Zones.

25. Direct Homeownership Assistance. CDBG funds can now be used to:
   (a) subsidize interest rates and mortgage principal amounts for low and moderate income homebuyers;
   (b) finance the acquisition by low and moderate income homebuyers of housing that is occupied by the homebuyers;
   (c) acquire guarantees for mortgage financing obtained by low and moderate homebuyers from private lenders (except that amounts received under this title may not be used under this subparagraph to directly guarantee such mortgage financing and grantees under this title may not directly provide such guarantees);
   (d) provide up to 50% of any downpayment required from low or moderate income homebuyers;
   (e) pay reasonable closing costs (normally associated with the purchase of a home) incurred by low or moderate income homebuyers.

26. Provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities.

27. Housing Services, such as housing counseling, energy auditing, preparation or work

specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors and other entities, participating or seeking to participate in housing activities authorized in Title I or under Title II of the Cranston-Gonzalez National Affordable Housing Act.

28. Provision of assistance by recipients of CDBG funds to institutions of higher education that have demonstrated capacity to carry out eligible activities.

29. Provision of assistance to public and private organizations agencies and other entities, (nonprofit and for profits) to enable such entities to facilitate economic development by providing credit, technical assistance and support for micro-enterprises.

30. Activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low and moderate income neighborhoods.

31. Development of energy use strategies related to development goals.

32. Assistance to facilitate substantial reconstruction of housing owned and occupied by low and moderate income persons (subject to conditions).

33. Fair Housing Activities to facilitate compliance with Fair Housing Plan, implement Analysis of Impediments to Fair Housing or other related fair housing activities.

B. SUMMARY OF INELIGIBLE ACTIVITIES

In general, any activity not specifically authorized in the previous section will be considered to be ineligible for assistance under the Small Cities CDBG Program. Ineligible activities will not be considered for funding and will be deleted from proposals. If an ineligible activity is central to a proposal, the entire proposal may be eliminated.

Following is a partial listing of activities that are expressly ineligible and will not be funded:

1. Construction, rehabilitation or other assistance connected with buildings or facilities for general conduct of government such as city or town halls, courthouses, schools, and other state and local offices. The only exception is the removal of architectural barriers from such facilities.

2. General government expenses or regular operating and maintenance costs of the local community.

3. Facilities or equipment used for political purposes or to engage in partisan political activities, unless the facility is available to all parties and organizations on an equal basis.

4. Purchase of equipment, including construction equipment, except that which will be used as

part of a solid waste disposal facility or as an integral part of delivery of a community service. Contact DECD if there are further questions.

5. Purchase of furnishings, personal property, or other equipment that is not an integral structural fixture. Those items which are necessary for administration of CDBG activities will, however, be eligible, as will the purchase of fire fighting equipment (for voluntary fire departments only).

6. New housing construction except as carried out by eligible sub-recipients or in conjunction with a Rental Rehabilitation project. Site improvements that support the development of low or moderate income housing, such as clearance, site assemblage, and the provision of public improvements, are eligible expenses. Contact DECD for details.

7. Income payments to individuals for housing or any other purpose, with the exception of relocation expenses.

8. Funds cannot be used to construct, rehabilitate, maintain, or restore a structure owned by a "pervasively sectarian organization," even if the structure is not used for religious services or instruction. (The Department of Justice's definition of "pervasively sectarian organizations" includes such groups as the Salvation Army, B'nai B'rith, and the YMCA.) Block grant funds can be used to fund public services carried out by such organizations as long, as the service complies with certain conditions. The conditions that apply to the funding of public services sponsored by a religious organization are:

   a. the service must be exclusively nonreligious;
   b. no proselytizing, instruction, or other religious influence can be connected with the public service;
   c. there can be no religious discrimination in terms of employment or benefits.

The only exception to the prohibition on rehabilitation of structures owned by a sectarian organization is that minor repairs may be made as long as they:

   a. are directly related to carrying out a public service,
   b. occur in a structure used exclusively for nonreligious purposes, and
   c. constitute a minor portion of the CDBG funding.

Terms incorporating the above conditions must be set forth in a written contract between the Small Cities grantee and the sub-recipient, using draft wording supplied by HUD. Contact DECD for further information on these conditions.

5. NATIONAL PROGRAM OBJECTIVES

The primary objective of the Housing and Community Development Act of 1974, as amended, is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for families or persons of low and moderate income.

In order to meet these objectives, the federal government has established three national

objectives for the Small Cities program. Every activity must meet one of the three national objectives. The three National Objectives are:

A. Benefit low and moderate income families;
B. Aid in the prevention or elimination of slums or blight;
C. Activities designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community (Urgent Need).

****NOTE**: In addition to meeting a National Objective, applicants must also remember that each individual activity must be an <u>eligible activity</u> as defined in the Eligible Activity section.**

Following is a description of how activities can qualify under each of the national objectives. This is a summation of the regulations and should only be used as a guideline for determining if a national objective can be met for a proposed activity. The detailed federal regulations concerning National Objectives are contained in Appendix D.

A. <u>LOW/MODERATE INCOME BENEFIT</u>

Low Moderate income persons are defined as those persons whose household income is at or below 80% of the median income for the area in which they reside. Appendices A and B contain the geographic area and current income limits for all of Connecticut's municipalities, respectively. Applicant must use the income limits that are designated for each community.

Activities can qualify under the Low/Mod Benefit National Objective in one of three ways. They are:

<u>Areawide Benefit</u> – Activities that benefit all of the residents of a particular area where at least 51% of the residents are low and moderate income persons. Activities that qualify under areawide benefit include but are not limited to street, sidewalk, sewer, or waterline construction.

When qualifying activities under the Areawide criteria, applicants will have to fully document the Low/Mod benefit that is claimed. The low and moderate benefit for such activities is usually documented through either census data or an income survey. DECD also has a survey guidance package that is available upon request.

<u>Limited Clientele</u> – Activities that benefit a limited group of persons, at least 51% of who meet low and moderate income criteria. An example would be a public service or project that serves only a limited group of people, such as a youth center or a senior center. Under this method, applicants must either document the income of the people to be served or limit the activity to households whose family income meets low and moderate income benefit.

In addition to the above method, HUD assumes that certain groups automatically meet Low/Mod Benefit. They are abused children, battered spouses, elderly handicapped, homeless and illiterate persons, and migrant farm workers. Activities that serve such groups will be assumed to meet 51% low/mod benefit. Applicants need to take into account that activities using the "assumed" benefit will only be credited with 51% low and moderate income benefit. This could be equivalent to sacrificing criteria. In such cases it would be beneficial to survey the group to determine the actual benefit.

Direct Benefit – This method is used to determine the low and moderate income benefit for activities that assist a specific known person or family. This includes residential rehabilitation or job creation activities. In cases where the assisted party at the time of application, such as with a housing rehabilitation program, grantees will have to document the Low/Mod Benefit that is claimed in the application as the project is carried out.

B. PREVENTION AND ELIMINATION OF SLUM AND BLIGHT

Slum or Blight- Any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary conditions, or any combination of these factors, are detrimental to safety, health and morals (definition taken from state statutes governing municipal housing projects).

Activities funded under the Slum and Blight national objective may involve the rehabilitation or removal of slums and blight in the physical, economic and/or social environments. Activities may address any serious conditions identified in the areas of residential, infrastructure, commercial, or industrial facilities. The overall program proposed should resolve all needs indicated.

Slum and blight activities are eligible, **provided that:**

(a) The grantee has delineated a specific geographical area that meets a state or local definition of slum, blight or deterioration and where there are a substantial number of deteriorated or dilapidated buildings.
(b) The activity is done through a comprehensive neighborhood improvement approach, while discouraging displacement (of both people and business).
(c) Each structure to be rehabilitated must be substandard and all deficiencies must be brought up to that standard and be eliminated before further work is done.
(d) Rehabilitation of structures outside a "blighted area" is limited to elimination of specific conditions detrimental to public health and safety.

C. URGENT NEEDS;

In order to meet federal urgent need criteria and qualify for a Discretionary Single Purpose Grant, the proposal must meet all of the following three criteria:

- It must address a serious, unique and immediate community development need related to public health and safety;
- It must not have been able to anticipated (e.g. by reasonably good planning) in the past eighteen months; and
- It must be last-resort funding (i.e. no other reasonable source of funds available).

6. ADDITIONAL PROGRAM GUIDELINES and REQUIREMENTS

Though the Department of Economic and Community Development does not expect applicants to know every federal regulation and guideline, it is important that they be familiar with common compliance areas. Two of the most important compliance areas, National Objectives and Eligibility, have been reviewed in previous sections.

This section will review a number of issues and policies in detail. These compliance issues should be reviewed carefully since they may impact proposals. An example is the requirement to pay

Davis-Bacon labor wages on all non-housing rehabilitation projects over $2,000. This significantly increases labor construction costs compared to private sector construction. Another consideration is the requirement that rental units remain affordable for a five year period after rehabilitation. This could significantly affect the program design for rental properties.

Administrative Requirements

DETERMINING ALLOWABLE ADMINISTRATIVE COSTS

Under the Connecticut Small Cities Program, administration costs are limited to 16% of grant funds. Total administrative and project soft costs are limited to 25% for housing rehabilitation programs and 21% for all other activities.

In order to comply with this requirement, administrative costs must be distinguished from project soft costs. Project soft costs are those that are part and parcel of the delivery of individual project activities. For example, for a residential rehabilitation project, the salaries and related expenses of rehabilitation specialists, inspections or specification writing, or the cost of historic surveys and client services, would all be considered project soft costs rather than administrative expenses.

Administrative costs, on the other hand, are the costs of items that cannot be directly attributed to an activity but are rather associated with overall program management. Under the Connecticut Small Cities Program the following categories will be considered as administrative costs:

1 General Management, Oversight and Coordination Costs are the reasonable costs of overall project management, coordination, monitoring, and evaluation and similar costs associated with management.

Such costs include, but are not limited to, the following necessary expenditure items:

- Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;

- Salaries, wages, and related costs of the recipient's staff, the staff of local public agencies, or other staff engaged in general management, coordination, monitoring, and evaluation.

- Travel costs incurred for official business in carrying out the overall administration of the program; and

- Other costs for goods and services required for administration of the program including such goods and services as rental and maintenance of office space, insurance, utilities, office supplies, and rental or purchase of office equipment.

2. Indirect Costs - The cost of setting up accounting systems, purchasing procedures and allocation plans.

3. Citizen Participation - The cost of citizen participation (public hearings, newspaper notices, recording fees for public meetings, etc.) and public information programs specific to Small Cities activities.

4. Environmental Studies or Reviews - Reasonable costs associated with the preparation of the Environmental Review required for participation in the Small Cities Program.

5. Displacement Plan - Reasonable costs associated with the preparation of a Displacement Plan required for participation in the Small Cities Program if any displacement is anticipated or likely to occur.

6. Fair Housing Activities - Planning costs and development of a fair housing needs assessment, strategy and Analysis of Impediments through a New Horizons Fair Housing Task Force (see March 22, 1985 HUD Memo, and the May l985 State Clearinghouse CDBG update, both available from DECD on request.)

7. Preparation of Small Cities Program Applications - costs for preparation of applications is eligible under the administration line item.

The preparation of Small Cities applications by local municipal or CDBG Small Cities staff is an eligible Small Cities administrative expense under the following conditions:

- Costs may include Small Cities proposal preparation, consultants, and prefigured expenses as outlined above.

- Costs may not exceed $3,000 for the preparation of a Single Purpose application and $5,000 for the preparation of a multiple activity application. Any amount in excess of these amounts will be the sole responsibility of the applicant.
- If current staff is utilized, the task may or may not be included in their job description, but the ongoing oversight and timely expenditure of prior grants remains the primary responsibility of the municipality.

- If a staff person, (including CDBG staff, planner, administrative assistant, etc.) is on the town's General Fund payroll, the cost of their time is not reimbursable. The only exception to this, according to OMB Financial circular A-87, is the cost of budget or fiscal preparation.
- Unless a town has a prior existing grant the cost of preparing an application is not reimbursable unless or until the new application is approved by DECD. If consultants or staff on a contracted or reimbursable basis are used, current grant administrative budgets should be reviewed carefully, as the cost of the current or prior grant's preparation may already have been charged off and the current budget may therefore be seriously affected.

Only activities that are specific to Small Cities administration may be charged off to this line. Costs that are applicable to management of other grants will not be allowable unless otherwise approved in writing by DECD.

Those municipalities choosing to hire a private consultant to assist them in the preparation of their applications are encouraged to choose carefully. Be sure to ask any consultant seeking a contract for a list of references, including other communities for which the consultant may have done similar work in the past. Check with DECD to determine whether they have been in contact with staff for information on the Small Cities Program and application process. All federal procurement requirements must be met with consideration given to the state and national goals of equal employment opportunity, stimulation of small and minority-owned businesses, and fair labor practices. Failure to demonstrate compliance with the above may result in the entire cost of the

consultant's contract being declared an ineligible expense.

The Town must develop written procurement policies and procedures, and should carefully document all steps in the procurement process including advertising, bid package and RFPs ("requests for proposals"), the basis for determining costs, copies of all bids received and contracts awarded, and the rationale, basis, or justification for selection. Contracts for professional services may be awarded on the basis of a firm's experience and expertise, after at least two firms have been contacted.

** **Contracts awarded on the basis of cost-plus-a-percentage-of-costs are specifically prohibited under federal financial regulations, as are those based on a straight percentage of an approved Small Cities grant. Payments can only be made for specific work completed.****

If a community wishes to have the same consultant administer portions of a funded grant, the scope of work must specifically be included in the original Request for Proposal (RFP) distributed to all prospective firms.

There is possibility for conflicts of interest if a person or business entity manages or administers a CDBG program for a grantee while providing a service or product under that particular grant. All grantees will be required to inform DECD when entering into my contractual obligations where a person or business entity manages or administers a CDBG program while at the same time providing a service or product under that particular grant. DECD will make a case-by-case determination whether there are adequate controls to ensure that a conflict would be avoided.

The competitive proposal method is generally the best method for procuring professional services because factors in addition to price may be considered in selecting the contractor.

A. New Housing Construction

New housing construction is generally prohibited under the Small Cities program. However, communities can use Small Cities funds for the purchase of land for the future construction of such buildings and for various site improvements that would serve the new housing, including utilities, septic system, wells, roads, parking, etc.

A general exception to this prohibition of new housing construction is if such activities are carried out by an eligible sub-recipient (see Eligible Applicants section). Applicants considering using sub-recipients should contact DECD for additional information.

When Small Cities funds are used for this type of activity, all HUD requirements will be applicable unless other requirements are more stringent. Acquisition or rehabilitation of property for housing may be considered to benefit low and moderate income persons only to the extent that the units will, upon completion, be rented to low and moderate income persons or households at levels that are affordable for such persons or families.

B. Required FMR Rental Levels

As a method of assuring affordability, the Connecticut Small Cities program requires that all rental units rehabilitated with Small Cities funds are at or below the Fair Market Rent Levels as defined in Appendix C. **Note that the Fair Market Rent figures include utilities. If tenants are paying their own utilities, the Utility Allowance included in Appendix C must be used to**

adjust the maximum rent level downward.

C. 5 Year Rental Affordability
Rental housing rehabilitated with Small Cities funds must remain affordable as described in the above section for a minimum of five years after rehabilitation.

D. Substantial Rehabilitation
Under recent revisions to federal regulations, Small Cities funds can be used to substantially rehabilitate residential units. Such substantial reconstruction can now be funded as long as (a) the need for such was not determined until rehabilitation had begun or (b) where the reconstruction is part of a neighborhood rehabilitation effort. If it is part of a rehabilitation effort, grantees must document that the housing is not suitable for rehabilitation as well as demonstrate that the cost of the rehabilitation will be less than the cost of new construction and less than the fair market value of the property after rehabilitation.

E. Residential Rehabilitation Structure Eligibility
If Small Cities funds are used to rehabilitate residential units, grantees must document the eligibility of each structure rehabilitated. To be eligible for rehabilitation under the Small Cities program, at least 51% of the total units within the structure must be occupied by low/mod income persons. This rule applies even if some of the units are not rehabilitated with Small Cities funds. The only exception is for duplexes, in which case only one unit (or 50%) must be occupied by a low and moderate income person.

Though a structure needs to be only 51% low/mod to be eligible for rehabilitation, grantees must always comply with the low/mod income benefit claimed in your application. If an application claims 100% benefit to low and moderate income persons, all units rehabilitated must meet the requirement.

F. Acquisition
Both the eligibility and the low and moderate income benefit of any acquisition activity is based on the future proposed use of the property. Low/mod benefit cannot be claimed merely because the parcel is located in a low and moderate income area. The proposed use will be reviewed to determine both eligibility and the national objective.

When developing projected costs and budgets, applicants should keep in mind that Small Cities funded acquisitions must comply with federal acquisition requirements. This includes the completion of an appraisal and a review appraisal. An additional federal requirement is that the purchase price not be lower than the lowest appraisal. This is opposite of state acquisition policies which require acquisition costs to be negotiated downward if possible. Complying with the federal requirements could increase the final acquisition cost.

G. Public Facilities
There is a wide range of activities that can be carried out under the public facilities category. However, applicants should keep in mind two key restrictions to public facilities. First, applicants must document that public facilities clearly serve the residents of the area in which low/mod benefit is being claimed. For example, a street reconstruction must serve the residents of the area

but cannot be an arterial road that merely runs through a low and moderate area but actually serves a larger area. The second restriction is that funding cannot be used towards operating costs or routine repair or maintenance. Those are considered general government expenses and are not eligible under the Small Cities program.

H. Hookups, Assessments, and Utility Fees

Following is a list of special HUD guidelines that relate to assessments, hookups, and user or activity fees in relation to public facilities projects funded with Small Cities funds.

Special Assessments - When Small Cities funds are used to pay all or part of a public improvement project, the Small Cities funds used towards the project cannot be recaptured through the use of a special assessment. In addition, the non-Small Cities portion of the public improvement can only be recaptured if certain criteria are met. Under this criteria grantees must use Small Cities funds to pay the assessments for all properties owned and occupied by low or moderate income persons.

For public improvements not initially assisted with Small Cities funds, the payment of special assessments with Small Cities funds constitutes Small Cities assistance for the original public improvement. Therefore, paying special assessments under this circumstance is only allowed if the original public improvement was carried out in compliance with all applicable Small Cities requirements, including labor, procurement and environmental requirements.

User Fees - Reasonable fees may be charged for the use of the facilities assisted with Small Cities funds. However, excessive fees that may limit the participation of low and moderate income persons are not permitted.

Hook-Ups - The hook-up of residential structures to water distribution or local sewer collection lines is an eligible Small Cities rehabilitation expense.

I. Public Services

Public and social services are eligible for Small Cities funding as long as certain requirements are met. Those circumstances are that the public service must serve low and moderate income persons and the proposed services must offer a quantifiable increase in existing public services. Simply funding an existing public or social service is not eligible.

J. Code Enforcement

As described in the Eligible Activities section, code enforcement is an eligible Small Cities expense. Code enforcement involves the payment of salaries and overhead costs directly related to carrying out a local code enforcement program. Code enforcement activities must be:

(a) targeted at a deteriorated or deteriorating area;
(b) take place in an area where at least 51% of the residents are low or moderate income; and
(c) the code enforcement must be combined with other public improvements, rehabilitation, and public services, which together should be expected to arrest the decline of the area.

code of enforcement cannot be used to fund inspections or any other activities that serve the purpose of processing applications for rehabilitation assistance.

K. Housing for the Homeless

CDBG funds may be used to provide the necessary financing for acquisition and/or rehabilitation of shelters for homeless persons. The project may also involve the provision of equipment and staff.

Grantees may elect to either undertake these activities directly or to provide the funds to a non-profit organization for this purpose.

L. Fair Housing Activities

Fair housing activities can be funded under both the public services and administrative cost categories, provided they are done under the same spending ceilings for the program in general. Fran Messina, DECD Affirmative Action Administrator (860-270-8255) should be contacted for assistance in designing and implementing a Fair Housing plan.

M. Federal Wage Rates

Federal funds used in whole or in part on construction projects over $2,000 or the rehabilitation of residential structures with 8 or more units are subject to the federal Labor Standards provisions. Davis-Bacon minimum wage requirements are one of these provisions and must be paid on all applicable construction projects. Remember to take into consideration these requirements when projecting costs of activities.

Small Business Enterprises

Qualifications overlap partially, but not completely, with those in state law. A socially and economically disadvantaged small business concern is any small business concern:

1) Which is at least 51% owned by one or more socially and economically disadvantaged individuals; or in the case of publicly-owned business, at least 51% of the stock of which is owned by one or more socially and economically disadvantaged individuals;
2) Whose management and daily business operations are controlled by one or more of such individuals; and
3) Gross earning must not exceed 3 million dollars for the previous calendar year.

N. Relocation Expenses

If any displacement stems from a Small Cities funded activity, the displaced persons must be given relocation assistance. Though relocation payments are an eligible Small Cities expense, the costs associated with relocation payments may be so high as to make the project economically infeasible. In addition, the federal government now requires that any low/moderate residential dwelling unit taken off the market must be replaced on a 1 for1 basis with a new low/mod housing unit.

In order to avoid the problems related to displacement and relocation, proposals should be designed to minimize relocation and to avoid it entirely if practical. Demolition of housing units should be avoided whenever possible. Where such actions cannot appear to be avoided, applicants must take relocation costs into consideration when projecting costs.

O. Environmental Considerations

If awarded, all Small Cities grantees must complete an Environmental Review Record prior to incurring costs. Though the Environmental Review Record does not have to be completed prior to grant award, applicants should take environmental conditions into consideration when developing proposals. This will help to avoid lengthy studies, reviews, and delays. It is strongly suggested that activities within floodplains and inland wetlands be avoided entirely and that any obvious

potential historic preservation problems be taken into consideration. Applicant's having questions concerning environmental compliance requirements, can contact Bill Frederick, at 860-270-8146.

P. Combining CDBG Funds with Other Programs

When CDBG Small Cities funds are combined with other sources of funding on a project, all CDBG requirements apply to the entire project no matter how much or how little money is involved. The only exception is that other requirements will apply if they are more stringent.

In all cases, separate records for the CDBG and non-CDBG portions of all activities must be maintained. If projects are co-funded by other state agencies, DECD may review the joint budgets for appropriateness of expenses and/or for potential duplication of costs.

Q. Program Income Guidelines

Certain Small Cities activities, such as housing rehabilitation or business loan programs, will produce program income as the loans are repaid. Program income can be a vital source of funds for a locality if either competition increases or federal funds are reduced. For this reason, DECD encourages that such programs be designed in a manner that produces the greatest amount of program income for the grantee.

General Instructions

Three applications should be submitted as follows:

1 complete original clearly marked "**ORIGINAL**" with all required "Handbook" exhibits* having original signatures.

2 Copies of the original

All materials must be bound (3 ring binders, etc.) and tabbed by section and placed in the same order as they appear in the application. Each tabbed section must include all relevant materials for that section, including application exhibits.

* "Handbook" exhibits (e.g., Local Assurances, Certified Resolution, Application Certification,) must be tabbed and placed at the end of the application.

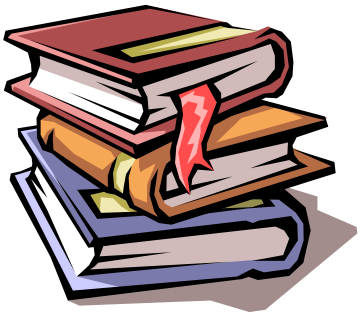
Completing the application

When a question is not answered on the application itself, please provide the information through specified documents, maps, or illustration as an "Exhibit." In certain instances, however, the Exhibit is a form included with the application. These are marked and only need to be filled out according to the instructions. If you do not have sufficient room to answer a question in the space provided, place the remainder of your response on a separate piece of paper, marked as "Exhibit" and numbered to correspond to the question being answered. Include these materials in the tabbed section that the materials supplement.

For each question, provide all information that you want considered as a response even if it requires repeating items included in other sections. Please be sure you complete all parts of the application. If a question or exhibit is not relevant to your project, place "N/A" (not applicable) in the space. All parts of the application and required exhibits must be completed for the application to be eligible for evaluation.

Exhibits and Formatting

The following "Handbook" Exhibits are provided as part of the Application Handbook:



- Citizen Participation Requirements
- Citizen Participation Plan
- Affidavit of Publication
- Certified Resolution
- Local Assurances
- Cooperation Agreement
- Fair Housing/Civil Rights
- Application Certification
- Program Income Plan, as applicable
- Certification of Compliance with the Requirements of 24 CFR 570.606
- and the Residential Anti-displacement and Relocation Assistance Plan (24 CFR 42.325)
- Rehabilitation Guidelines, as applicable
- Armstrong/Walker "Excessive Force" Certification
- Joint Cooperation Agreement is only required if it is a multi-jurisdictional application

All Application Exhibits must be clearly titled, numbered and included in the corresponding section of the submission. Narratives should be in minimum of 11 pt type with 1.5 or 2 spaces between lines and a minimum of 1 inch on all four margins. Single spacing is fine for all other responses on the application itself.

Other considerations

All commitment letters or pre-commitment agreements being provided by the applicant will be rated based on the degree of certainty. Full commitments will be given greater weight than something less firm such as a letter of understanding or interest.

Data from surveys and waiting lists will be judged by appropriate standards such as recency of data collection, reliability and validity of methods, sample size and relevance of data to specific project proposed. Data from several different sources provides the most convincing case, although two sources of corroborating data may be sufficient in some instances.

Application Instructions

1. Project Identification

1.1 Check the appropriate Activity Category as identified in the CFR reference for eligible activities. See Sections 24 CFR 570-201 through 570-205.

1.2 Accomplishments

1.3 Performance Measures

Suitable Living Environment: relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. This objective is intended to address a wide range of issues faced by low and moderate income persons, from physical problems with environment, such as poor quality infrastructure to social issues such as crime prevention, literacy, or elderly health services.
Decent Housing: this objective focuses on housing activities whose purpose is to meet individual family or community housing needs. It does not include programs where housing is an element of a larger effort to make community-wide improvements since such programs would be more appropriately reported under suitable living environments.
Creating Economic Opportunities: applies to activities related to economic development, commercial revitalization or job creation.

Outcomes
Availability/Accessibility: applies to activities that make services, infrastructure, public services, public facilities and housing, available or accessible to low-moderate income people, including persons with disabilities. In this section accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to low –moderate income persons where they live.
Affordability; applies to activities that provide affordability in a variety of ways to low-moderate income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care. Affordability is appropriate when the activity is lowering the cost, improving the quality or increasing the affordability of a product or service to benefit a low-income household.
Sustainability: applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low-mod income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

1.5 a. Provide a <u>short project name</u> for identification purposes.
b. Identify street(s) and #(s) of actual site(s). Attach information on additional locations.
c. Identify the Census Tract and Block Number.
d. If a survey was conducted provide the methodology used and include the results.
e. Benefits to business or residential tenants under the Federal Uniform Relocation Assistance and Property Acquisition Policies Act of 1970 (URA) can be triggered at the time the applicant submits its application to DECD. This occurs if the applicant has already acquired, or entered into an agreement to acquire, the property. If this is the

case, it is imperative that the General Information Notice (GIN), modified to fit the circumstances of the applicant's project, be sent to every tenant prior to or simultaneous with the submission of this application. A sample GIN is included as Appendix E of the Small Cities CDBG Program Application Handbook.

If tenants were not involved with the acquisition, please explain briefly in an attachment. Provide specifics concerning how long the property has been vacant or unoccupied.

If tenants were involved with the acquisition, has a GIN been sent to every tenant? Please provide a copy of the GIN. If a GIN has not been sent, one must be sent immediately with a copy forwarded to DECD or an explanation as to why a GIN was not sent must be attached. The requirement for issuance of a GIN can also be triggered if the applicant acquires, or enters into an agreement to acquire, the property while its application is under review by DECD. If that occurs, the applicant must issue the GIN and send a copy to DECD.

1.7 Narrative **must** include but is not limited to, the following:

1. What is the purpose of the project? Include a detailed description of the actual physical activities or services that would be undertaken. What past efforts were taken to deal with the problem?
2. How the funds from Small Cities will be used in this project.
3. The status of site control (i.e. option to purchase, own, lease).
4. At what stage are you on the planning and implementation of this project?
5. Any unique situations or anticipated problems in the development of the project.
6. Any special conditions/requirements imposed by funders or others.
7. If it involves relocation identify the numbers of individuals, families or businesses to be relocated.
8. If new construction home ownership is planned, please provide information on the type and style of housing, average size, expandability, and amenities.
9. For economic development projects, demonstrate how the business assistance is necessary or appropriate to create or retain jobs and address where there is a justifiable public benefit to be derived.
10. For public services, demonstrate that the proposed service is either a new service or a quantifiable increase in service.
11. Demonstrate how the project addresses any local Community Development Plans.
12. State how the project meets elements of the state's responsible growth strategies.

1.8 Complete the chart to show what percentage of funds will benefit LMI persons. Identify the data sources and detail the methodology used to calculate the number of low/moderate income persons and families benefiting. If a survey was used, provide the survey instrument, a summary of the results, and the methods used for data collection. For further guidance, review the discussion on the assessment of surveys and other data sources on the first page in the general instructions.

2. Project Need

2.1. Applicants are encouraged to use the documentation that is best suited to making the case for a project. Below are some suggested sources of information:

- Documentation of health and safety issues
- Unemployment rate for community/region
- Demonstrated business need/interest
- Plant closures and other economic changes
- Waiting lists for existing assisted housing
- Waiting lists for proposed activity in rehab loans
- Waiting lists at projects - comparable housing
- Vacancy rates for housing at existing housing developments or in general housing market
- Occupancy rates for existing commercial/industrial space
- Accessibility
- Availability of housing tenure type affordable to target income group(s)
- Availability of unit sizes affordable to target income group(s)
- Waiting lists for proposed home ownership program
- Results of surveys for home ownership programs
- Availability of affordable home ownership housing stock in target area
- Comparable market rate for similar housing
- Waiting list for existing services
- Results of specific surveys
- Technical evaluations of problems with existing facilities, infrastructures documented from agencies such as DEP, DOT
- Lack of services, facilities, and/or public utilities
- Percentage of substandard housing in target area

3. Applicant Capacity

3.3 Spending verification form – (threshold item) must not have more than 2 other grants open and the oldest must be 100% expended and the newer at least 50% spent.

3.4. "Sub-recipient" is an entity with whom the municipality contracts to conduct the activities proposed in this application. List the 4 most recent projects completed by the sub-recipient in 3.4a

3.4 b Litigation –grantee or sub-grantee must disclose any litigation or audit finding(s) related to housing, economic development, community development, fair housing, EEOC or Environment.

4. Project Feasibility- Sources and Uses

4.2 Program Income: Indicate the amount of program income on hand, the year it was earned and the source.

4.3 Environmental/ Feasibility/ Compliance

I, II & III Unusual/Environmental Site & Building Conditions
The factors listed are those that must be addressed and are based on the general areas of environmental concern cited in the National Environmental Policy Act (NEPA) and Federal Regulations pursuant thereto. If there are other unusual site or building conditions, or other areas of environmental concern that would specifically affect the proposed project they must also be addressed.

4.3 IV Site & Building Report

The purpose of the report is to identify any past or current conditions at or surrounding the site or structure(s) that would have an impact on the proposed project activity or that would influence the development process. The report is required for any proposed new construction or rehabilitation of existing buildings. It is not required for infrastructure projects or rehab programs. Complete the Report and attach as Exhibit 4.3.

HUD Environmental Standards – It is HUD policy that all properties be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the affect the health and safety of occupants or conflict with the intended utilization of the property. Section 6 of the Site & Building Report provides a means to identify suspected hazardous materials and determine the necessity of professional Environmental Site Assessments for hazardous materials. If professional Environmental Site Assessments have been prepared, Section 6 does not have to be completed.

Environmental Site Assessments
If a Phase I Environmental Site Assessment has been completed or will need to be performed, it must be in accordance with the American Society for Testing and Materials (ASTM) Designation E 1527-05 "Standard Practice for Environment Site Assessments: Phase I Environmental Site Assessment Process." A copy of the Assessment must be submitted. If the Phase I Assessment recommends a Phase II Assessment and both have been completed, attach copies of each.

Section 7 - Supporting Data - The maps and materials listed are normally available from the local authority having jurisdiction, such as the Assessor's Office, Planning and Zoning Office, Wetlands Commission, etc. Floodplain Maps must be FEMA Flood Insurance Rate Maps. All maps must be at a scale to clearly identify the project area and surrounding neighborhood(s).

4.3 V Infrastructure: Roads, Streets, Utilities, Walks, Parks, Landscaping
Complete this section if your project is civil engineering, non-building/structure related not applicable for a Site & Building Report.

4.4 Coordination/Approvals/Clearances– Please identify any local, state or federal permits or approvals that are required by the appropriate authority having jurisdiction in order to complete

the proposed project or activity. If appropriate permits and approvals have been obtained include copies with this application. If they have not been obtained submit documentation indicating any potential problems in obtaining them and the anticipated time frame to secure the permits or approvals from the regulating authority. Permits/approvals may include, but are not limited to, local zoning, state storm water management, federal historic designation, DOT, DEP etc.

5. Community Impact

5.1.a. Constructing the map may involve using a phone book map or other readily available maps. The purpose of the map is to create a "snapshot" of the project, to illustrate the way the project fits into the surrounding neighborhood and how it will impact the area.

5.1c Census tract

5.1.d. A community that is interested in seeking approval of a community revitalization strategy (CRS) must submit a request to DECD prior to and separate from an application for a Small Cities grant.

5.2 Letters may come from various groups:

- Advocacy groups
- Church groups
- Social service providers
- Neighborhood groups
- Regional policy makers and service providers

In addition applicants can submit letters of support from regional planning agencies or other regional organizations to demonstrate the relationship between the proposed activities and regional needs.

5.3 Housing Activities: Indicate yes or no to displacement or 1 for 1 replacement.

5.4 Provide actual or sample landlord/tenant agreement indicating the 5year affordability period (**a minimum of 5 years affordability is required).** Indicate method of affordability.

5.5 Responsible Growth: is 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, preserves natural resources, and maximizes previous investments in existing infrastructure while preserving distinctive landscapes, historic structures, landmarks, and villages.

Responsible Growth encourages reuse and rehabilitation of existing infrastructure rather than the construction of new infrastructure in undeveloped areas. It maximizes previous investments in existing infrastructure while preserving distinctive landscapes, historic structures, landmarks and villages. Categories below will determine if the project is appropriate for a Responsible Growth review.

Development in Urbanized Areas: Regional Center, Neighborhood Conservation Area, and Growth Area classifications. Refer to the State's Plan of Conservation and Development for description of these Area classifications.

Re-use & Infill Emphasis

1. Project is located in an area with existing or currently planned public utilities or other infrastructure.
2. Project will remediate and/or re-use existing "Brownfields" for appropriate development.

Mixed Use Environments

1. Project contributes to the balance of housing, retail, commercial, civic, cultural or other uses to complement its surroundings.
2. Project includes facilities that provide community green space and/or opportunities for recreation.

Integrated Transportation

1. Project location, density and design are integrated with existing or planned public transportation systems.
2. Project incorporates pedestrian and bicycle-friendly features, including safe and attractive lighting, sidewalks and crosswalks, bikeways, urban tree plantings, outdoor dining and entertainment, and traffic calming measures where appropriate.

Sustainability of Rural Areas: Rural Community Center and Rural Lands classifications. Refer to the State's Plan of Conservation and Development for description of these Area classifications.

Vibrant Community Centers

1. Project restores historic structures important to community character and/or incorporates design in keeping with historic community characteristics.
2. Project can be developed at a scale that does not require the introduction of public sewer infrastructure, except in areas where increased density exists or when increased density is appropriate and should be encouraged.
3. Project re-uses former mills and other underutilized facilities for housing, commercial/office, or mixed uses, while protecting and addressing any existing environmental concerns.

Maintain Rural Character

1. Project will protect lands that are targeted for protection, preservation and/or acquisition of specific, regionally important, at-risk open space, farmland and forest

lands, and will provide public recreational opportunities on these protected lands, where appropriate.

6. Fair Housing and Equal Opportunity - Instructions

General Instructions: Do not leave any questions unanswered. Points will not be awarded if questions are not answered or non-responsive or marked N/A.

6.1 Complete only if this is a Housing Project

6.1a - If the proposed project will serve a type of housing or create a type of housing that is underrepresented in the benefit area, check the box or boxes that apply. In addition, provide the percentage which currently exists in the benefit area and the anticipated percentage after the project is completed. In this context, the word "underrepresented" means any type of housing that comprises less than 51% of the housing stock in the benefit area. For example, if the benefit area's housing stock is 80% homeownership and 20% rental, rental housing stock would be underrepresented in the benefit area.

6.1b - If the proposed project will serve a household type or create housing for a household type that is under-represented in the benefit area, identify the type(s) of households by checking the appropriate box or boxes. In this context, the word "underrepresented" means any household type that comprises less than 51% of all household types in the benefit area. "Large family" means any household of more than 4 persons that includes children under the age of 18 living with a parent or guardian or person standing the place of a parent or guardian. "Special needs" means any household that includes a member or members who meet the definition of handicapped as found at 24 C.F.R. §100.201. "Elderly" means any household whose head is a person over the age of 55. "Other" types of households who may be underrepresented in the benefit area are households protected from discrimination by the state and federal fair housing laws such as housing for grandparents parenting children, supportive housing for people with disabilities, or homeless households.

6.1c - Based on application question 1.8, indicate the income range(s) in the benefit area served by the activity as well as the predominant income in the project. Points will be awarded if the project serves an income level that is underrepresented in the benefit area. In this context, the word "underrepresented" means any income level that comprises less than 51% of all income levels in the benefit area.

6.2 Non-housing Applicants Must Complete

6.2a - Activities are to promote diversity and economic integration in the municipality. Check all boxes that apply.

6.3 ALL Applicants Must Complete

6.3a – Analysis of Impediments (AI) to Fair Housing. The State of Connecticut's Analysis of Impediments (AI) to Fair Housing was submitted to HUD in order to access federal funds. If the activity addresses elements of the State's Analysis of Impediments to Fair Housing, check all that

apply. Before answering the question, please consult the State's AI to obtain further clarification of the choices offered. The AI can be found on the web at the following address: **http://www.ct.gov/ecd/lib/ecd/housing_plans/analysis_of_impediments_10-2006.pdf**

6.3b – **Fair Housing Action Plan.** A Fair Housing Action Plan (FHAP) is a federal requirement for all municipal applicants seeking federal funding. Refer to the Handbook for guidance and the Fair Housing Action Plan form. The Fair Housing Action Plan must mirror the form included in the Handbook and must include the "Income Needed for Housing" calculation forms. No points will be awarded without both the Fair Housing Action Plan which mirrors the correct form and the "Fair Housing Action Plan - Calculation Forms". The Fair Housing Action Plan must be signed and dated by the current administrator of the municipality. Be sure to include an Affirmative Fair Housing Marketing Plan and Tenant Selection Methodology if funds will be used for housing related activities. Attach and label the Fair Housing Action Plan as Exhibit 6.3b-1. Attach and label the Fair Housing Action Plan - Calculation Forms as Exhibit 6.3b-2.

6.3c – **Section 3 Plan -** As required by Section 3 of the Housing and Urban Development Act of 1968, as amended, provide a current (current means signed by the current administration), Section 3 Plan (Equal Opportunity Plan), which includes written procedures to describe how good faith efforts will be directed by the town to provide training and employment opportunities to Section 3 residents. The Section 3 Plan requirement applies to recipients of federal funds for which the grant amount exceeds $200,000. In addition, if work is being performed that exceeds $100,000, the contractor/subcontractor is also required to have a Section 3 Plan. See the Handbook for further information on Section 3 requirements and guidance on how to complete a Section 3 Plan. The Section 3 Plan must be signed and dated by the current administrator of the municipality. Attach and label as 6.3c.

6.3d – **Affirmative Action Policy Statement -** In order to ensure that recipients of federal funds comply with applicable Affirmative Action laws, applicants are required to complete an Affirmative Action Policy Statement. See Handbook for guidelines and a sample Affirmative Action Policy Statement. The Affirmative Action Policy Statement must be signed and dated by the current administrator of the municipality. Attach and label as 6.3d.

6.3e – Affirmative Action Plan - Bonus Points.
An Affirmative Action Plan is a voluntary requirement for public agencies, but both the State and Federal government strongly encourage the completion of an Affirmative Action Plan. Bonus points will be awarded to municipalities who submit an Affirmative Action Plan. See the Handbook for a list of websites that will provide a format and guidance on how to prepare an Affirmative Action Plan. The Affirmative Action Plan must be signed and dated by the current administrator of the municipality. Attach and label as Exhibit 6.3e.

6.3f – **ADA/Section 504 -** Based on the requirements of the Title II of the Americans with Disabilities Act (ADA) of 1990, both an ADA/504 Notice and Grievance Procedure must be implemented by a recipient of federal funds. See the Handbook for guidance on how to complete the ADA Notice and Grievance Procedure. The ADA/Section 504 Notice and Grievance Procedure must be signed and dated by the current administrator of the municipality. Attach and label ADA/504 Notice as Exhibit 6.3f-1 and ADA/504 Grievance Procedure as Exhibit 6.3f-2.

6.3g – ADA/Section 504 Self-Evaluation and Transition Plan - Bonus Points.

In 1988, to promote compliance with Section 504 of the Rehabilitation Act of 1973, recipients of federal funds were required to review all of their services, programs and activities to identify any physical barriers or policies, practices or procedures that may limit or exclude participation by people with disabilities. Municipalities were then expected to produce a transition plan that included steps to address of the barriers identified. However, since many of the plans were conducted so long ago, applicants are encouraged to conduct an updated review of all facilities, policies, practices, and procedures. See the Handbook for the forms which must be filled out to complete Section 504/ADA Self-Evaluation for physical facilities and a Self-Evaluation of a town's rules, policies and procedures. Attach the facilities self-evaluation as Exhibit 6.3g-1. Attach the policies, programs or procedures self-evaluation as Exhibit 6.3g-2. Although it is not a requirement, applicants that have a Section 504/ADA transition plan that has been updated and reaffirmed by the municipality within the last 3 years will receive bonus points. See the Department of Justice ADA Guide for Small Times in the Handbook for instructions on how to develop a Section 504/ADA Transition Plan. Attach a copy of Section 504/ADA transition plan as Exhibit 6.3g-3.

6.4 Complete If Past Grantee Only

6.4a - As part of the Fair Housing Action Plan, municipalities are required to select at least three action steps based on the community category under which the municipality falls. These action steps must be implemented within a 3-year period beginning with the date of contract execution. A completed Fair Housing Action Plan Schedule form (which can be found as an Exhibit in the Handbook) **must** be used in order to receive points. The form should list all local Fair Housing Action Steps that the Municipality has completed within the last three years. The list can also include action steps that are currently underway. Attach and label the Fair Housing Action Plan Schedule as 6.4a.

6.4b - Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to recipients of federal funds for activities such as housing rehabilitation, housing construction, and other public construction, which the grant amount exceeds $200,000. In addition, contracts in excess of $100,000 must also meet requirements of Section 3. See the Handbook for further information on Section 3 requirements. Complete the chart in the application by listing the number of proposed contracts, dollar amounts and numerical hiring/training goals over the past 3 years in accordance with your existing Section 3 Plan. Then, list the actual accomplishments by year. If you failed to meet the goals stated in your current Section 3 Plan, check the appropriate box or boxes indicating that you have demonstrated a good faith effort with the requirements of Section 3.

6.4c - Complete the chart in the application by listing the number of contracts and subcontracts awarded to certified minority-owned firms and women's business enterprises, and the dollar amounts over the past 3 years. "Certified" means receiving certification from the Connecticut Department of Administrative Services (DAS), the federal Small Business Administration (SBA), or other state or federal governmental agency. If contracts or subcontracts have not been awarded to certified small and minority firms and women's business enterprises, the applicant should check the appropriate box or boxes describing good faith efforts to comply have been demonstrated. See Handbook for more information on Small and minority owned firms and women's business enterprise.

6.5 Complete If New Applicant Only

6.5a - Indicate if the municipality is a new grantee. As stated in the application, a new grantee is defined as a municipality who has not applied for a Small Cities grant over the past consecutive 3

years.

6.5b - Identify on the Local Past Fair Housing Initiatives Schedule form (which can be found as an Exhibit in the Handbook) past projects, initiatives or actions taken by the municipality over the past 3 years to promote the principles of fair housing and equal opportunity. A completed Past Fair Housing Initiatives Schedule form must be used in order to receive points. The focus of the municipality's response should be on its record of performance in carrying out its responsibilities to promote racial and economic integration, seeking beneficiaries from all racial and ethnic groups including persons with physical and mental disabilities, families with children, and seeking a broad range of income-eligible beneficiaries. Attach and label the Past Fair Housing Initiatives Schedule as Exhibit 6.5b.

7.0 Consistent with consolidated plan – complete assessment goals then include a narrative describing how the program is consistent.

8.0 Construction

This section is intended to indicate an activities' "Readiness to Proceed". Please indicate the status of project design, anticipated time to complete design and bid, status and duration of local approval processes, estimated construction cost and Procurement process. Check all that apply and submit all supporting information indicated.

8.1 Energy Star – For Projects and Programs

HUD is promoting and encouraging the incorporation of Energy Star requirements in all Federally funded programs. Describe efforts to incorporate Energy Star in the project or program.

9.0 Programs: Residential Rehab, Façade Improvement

Provide a narrative describing the processes, requirements and procedures used in the implementation of the Program. Each of the processes and factors A – G must be addressed.

10.0 DECD Training – Indicate if town staff has attended any CDBG training in the past year. Identify the training and the date.

EXHIBITS

CITIZEN PARTICIPATION REQUIREMENTS

Each applicant will be required to hold at least one Public Hearing to offer citizens an opportunity to comment on the municipality's proposed program and the community's housing and community needs. A legal Notice of the Public Hearing must be **published at least twice** in a newspaper of general circulation in the municipality, the first notice being not less **than two weeks** prior to the date of the Public Hearing. The advertisement of all public hearings must include a statement of asking individuals with disabilities who may need special accommodations to contact the grantee

and make the specific request. The town must provide an opportunity for persons with disabilities who may need special accommodation to attend the hearing. The notice must include the name of the ADA Coordinator, address and telephone number.

The applicant must also take appropriate affirmative actions to make the scheduling of the Public Hearing known to citizens, including low and moderate income residents who may have needs or be affected by the proposed program but who might not be expected to be aware of the hearing through newspaper notices. Evidence of these affirmative efforts must be a part of the applicant's proposal.

In addition to the required Public Hearing, the New Community Development Act of 1987 requires each applicant to include citizens and citizen groups in the development phase of their proposal and to include low/moderate income people in decisions regarding the definition of and most appropriate solutions for their specific needs.

Minimum citizen participation requirements are outlined below.
Applicants must attach evidence that all required citizen participation requirements have been met concerning this grant application. At a minimum, this section must also include:

1) Notice of the public hearing must be published at least twice (on different days) in a daily newspaper of general circulation in the municipality. Weekly's and Monthly's can be done, but in addition to the daily if desired.

2) The first notice must be published no less than two weeks prior to the date of the public hearing.

3) Hold at least one public hearing to obtain a comment on the proposal. Hearings must be scheduled during a time when citizens are generally available to attend. Morning, early afternoon or weekend sessions are unacceptable.

4) Originals of the two Notices must be included as part of the application submitted to DECD, along with an Affidavit of Publication from either the newspaper or the municipality's clerk.

5) A narrative describing how the applicant complied with the requirements and should indicate <u>what the community</u> did such as; listing the local organizations contacted for application input,

6) Describe the means utilized to identify the needs of the non-English speaking population

In addition to the required notices, applicants must also make every effort to inform those who might not be reached through the newspaper notice that the public hearing is to be held. Such efforts might include the distribution of leaflets, notices to local organizations, clubs, and churches, and/or personal contact. These efforts should be focused in the neighborhoods affected by the proposed project.

CITIZEN PARTICIPATION PLAN

In addition to these requirements, Sec. 508 of the new Housing and Community Development Act of 1987 says that a grant under the CDBG program may be made only if the grantee certifies that it is following a written, detailed citizen participation plan which:

1. solicits input on local community development needs and proposed activities;

2. promotes public comment on the Proposed Application and Community Development activities;

3. provides special technical assistance to groups representative of LNH persons;

4. identifies the needs of non-English speaking residents;

5. provides for a timely appropriate and effective written answer to complaints and grievances; and

6. provides citizens with reasonable and timely access to information.

7. Provide for comments on the communities performance hearings that will cover all existing programs (it is acceptable to hold performance hearing at the same time as the regular public hearing for the new projects)

8. Provides information on the projects that will require a Program Income Reuse Plan, and the town must adopt a review and approval process

A written citizen participation plan that contains all of these components is required in an application. Also note that the required certifications are included in the "Local Assurances". The "Local Assurances" must also be submitted with the application.

SAMPLE PUBLIC NOTICE

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Town/City of _____will conduct a public hearing by the Town/City Council on Tuesday, January 4, 20__, at 8:00 p.m. at the Town/City Hall Conference Room, _____ Street, to the discuss the Fiscal Year 20__ Community Development Block Grant program and to solicit citizen input.

Maximum award limits include a total of $750,000 per Fiscal Year for Public Facilities, $700,000 per Fiscal Year for Public Housing Modernization, $500,000 per Fiscal Year for Infrastructure and $300,000 per Fiscal Year for Housing Rehabilitation Program

Major activity categories are Housing - New Construction, Housing Acquisition, Housing-Rehabilitation, Community Facilities/Public Services, and Economic Development. Projects funded with CDBG allocations must carry out at least one of three National Objectives, as follows: benefit to low- and moderate-income persons, elimination of slums and blight, or meeting urgent community development needs.

The Community Development/Housing Department on behalf of the Town/City of _____ anticipates applying for the maximum grant amount of $300,000 under the Housing Rehabilitation category for the rehabilitation of various homes within the Town/City. In addition, the Town/City will create a revolving loan fund with program income (principal and interest) generated from the grant for a housing rehabilitation loan program.

The purpose of the public hearing will be to give citizens an opportunity to comment on the Town/City's proposal, discuss housing and community development needs, comment on the community's existing program and provide their comments and approval of the Program Income Reuse Plan.

If you would like to attend the public hearing and require special assistance or if you are non-English speaking and require an interpreter please contact the Town's ADA coordinator at (telephone #) to make accommodations.

The Town/City promotes fair housing and makes all programs available to low - and moderate-income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status, or handicap.

SAMPLE

AFFIDAVIT OF PUBLICATION

I, _____, Clerk of the
(Name of Undersigned)

_____,
(Town or City)

DO HEREBY CERTIFY: The attached to be a true copy of a Notice of Public Hearing to be given on_____, 20__, as it appeared in newspaper(s) of general circulation; and that the advertisement was inserted in the regular editions on dates as follows:

_____

_____

_____

ATTEST:

_____
(Clerk)

(SEAL)

CERTIFIED RESOLUTION

The governing body of the municipality must pass a resolution allowing the town to apply for a grant, as well as authorizing the chief elected/executive officer to act as the municipality's authorized representative.

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
STATE OF CONNECTICUT
(AN EQUAL OPPORTUNITY EMPLOYER)

Certified Resolution of the Governing Body

I, _____, _____, certify that below is a true and correct copy of a _____

(Name of Official) (Title of Official)

resolution duly adopted by _____
(Name of the Municipality)

at a meeting of its _____
(Governing Body)

duly convened on _____ and which has not been
(Meeting Date)

rescinded or modified in any way whatsoever and is at present in full force and effect.

_____ _____
(Date) (Signature and Title of Official)
SEAL

WHEREAS, federal monies are available under the Title I of the Housing and Community Development Act of 1974, 42 U.S.C § 5301, et. seq., as amended, also known as Public Law 93-383, and administered by the State of Connecticut, Department of Economic and Community Development as the Connecticut Small Cities Community Development Block Grant Program; and

WHEREAS, pursuant to Chapter 127c, and Part VI of Chapter 130 of Connecticut General Statutes, the Commissioner of the State of Connecticut Department of Economic and Community Development is authorized disburse such federal monies to local municipalities; and

WHEREAS, it is desirable and in the public interest that the Municipality make an application to the State for $ _____ in order to undertake a Small Cities Community Development Program and to execute an Assistance Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE

_____
(Governing Body)

1. That it is cognizant of the conditions and prerequisites for the state financial assistance imposed by

_____
(State Statutory Reference)

2. That the filing of an application for state financial assistance by

_____
(Municipality)

in an amount not to exceed $ _____ is hereby approved and that

_____
(Title and Name of Authorized Official)

is directed to execute and file such application with the Connecticut Department of Economic and Community Development, to provide such additional information, to execute such other documents as may be required, to execute an Assistance Agreement with the State of Connecticut for state financial assistance if such an agreement is offered, to execute any amendments, decisions, and revisions thereto, and to act as the authorized representative of

_____
(Municipality)

3. <u>That it adopts or has adopted as its policy to support the following nondiscrimination agreements and warranties provided in subsection (a)(1) of Connecticut General Statutes sections 4a-60 and 4a-60a, respectively, as amended by Public Act 07-142, and for which purposes the "contractor" is and "contract" is</u>

said Assistance Agreement: (Name of Municipality)

The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved.

The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation.

LOCAL ASSURANCES

The Local Assurances must be signed by the person authorized in the certified resolution. These assurances guarantee that the applicant will comply with all federal requirements if they receive a grant.

LOCAL ASSURANCES

The applicant hereby assures and certifies that:

(a) It possesses the legal authority to apply for the grant, and to execute the proposed program.

(b) Its governing body has duly adopted or passed as an official act, a resolution, motion or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act as the connection with the application and to provide such additional information as may be required.

(c) It has submitted, for comment, a copy of its application to its Regional Planning Agency.

(d) It is following a detailed citizen participation plan that:

(1) provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;

(2) provides citizens with reasonable and timely access to local meetings, information,

and records relating to the state's and the municipality's proposed method of distribution, as required by regulations of the Secretary, and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended;

(3) provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

(4) provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodations for the handicapped;

(5) provides for a timely written answer to complaints and grievances, within 15 days where practicable; and

(6) identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate and has in a timely manner:

(7) furnished citizens information concerning the amount of funds available for proposed community development and housing activities and the range of activities that

may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income and the plans of the municipality for minimizing displacement of persons as a result of activities assisted with such funds and to assist persons actually displaced as a result of such activities;

(8) published a proposed application in such manner to afford citizens an opportunity to examine its content and to submit comments on the proposed activities and on the community development plan of the municipality;

(9) held one or more public hearings to obtain the views of citizens on community development and housing needs;

(10) made the final application available to the public.

(e) It has developed a community development plan that identifies community development needs and specifies both short and long term community development objectives that have been developed in accordance with the primary objective and requirements of Title I of the Housing and Community Development Act of 1974, as amended.

(f) It will provide access to records on past use of Small Cities Community Development Block Grant funds.

(g) The Small Cities Community Development Project has been developed so as to give maximum feasible priority to activities which will benefit low and moderate income families or aid in the prevention or elimination of slums or blight. (This certification will not preclude the municipality from submitting application where the applicant certifies and the Commissioner of Economic and Community Development determines, that all or part of the Small Cities Community Development Activities are designed to meet other community development needs having a particular urgency as specifically explained in the application.)

(h) It will comply with:

(1) Title VI of the Civil Rights Act of 1964 (P. L. 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no persons in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits.

(2) Title VIII of the Civil Rights Act of 1968 (P. L. 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing; and will take action to affirmatively further fair housing in the safe or rental of housing, the financing of housing, and the provision of brokerage services.

(3) Section 109 of the Housing and Community Development Act of 1974, which

provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, or be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under this part.

(4) Executive Order 11063 which provides that no person shall on the basis of race, color, religion, sex or national origin be discriminated against in the sale or rental of housing built with Federal assistance, and will take affirmative steps to further fair housing.

(5) Executive Order 11246, and the regulations issued pursuant (24 CFR Part 130 and 41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal of federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.

(6) It will comply with the requirements of Connecticut Executive Order No. Three of Governor Thomas J. Meskill which states that a state contract can be canceled, terminated or suspended by the State Labor Commissioner if the Labor Commissioner determines that contract provisions concerning nondiscrimination have not been complied with.

(7) It will comply with the requirements of Connecticut Executive Order No. Seventeen of Governor Thomas J. Meskill which states that a state contract can be canceled terminated or suspended by the State Labor Commissioner or the Commissioner of Housing if an agency assisted through the contract fails to list all employment opportunities with the Connecticut State Employment Service.

(8) It will comply with the requirements of the Age Discrimination Act of 1975, as amended, which provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving Federal funds.

(9) It will comply with the Rehabilitation Act of 1973, Section 504 as amended, which provides that no otherwise qualified individual shall, solely by reason of his or her handicap be:

- Excluded from participation (including employment)
- Denied program benefits
- Subjected to discrimination under any program or activity receiving Federal funds

(10) It will comply with the requirements of the Armstrong/Walker "Excessive Force" Amendment (P.L. 101-144) as found in Section 519 of the Department of Veteran Affairs and Housing and Urban Development, and independent Agencies Appropriation Act of 1990, which provides that law enforcement agencies within its jurisdiction will prohibit the use of excessive force against any individuals engaged in nonviolent civil rights demonstrations.

(i) It will require that, to the greatest extent feasible, opportunities for training and employment be given to lower-income residents of the project area, and contract for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project by adopting a Plan in accordance with Section 3 of the Housing and Urban Development Act of 1968.

(j) It is following a residential antidisplacement and relocation assistance plan and that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under570.496a(a) and HUD implementing regulations at 24 CFR 42; the requirements in 570.496a(b) governing the residential antidisplacement and relocation assistance plan under section 104(d) of the Housing and Community Development Act of 1974; the relocation requirements of 570.496a(c) governing displacement subject to section 104(k) of the Act; and the relocation requirements of 570.496a(d) governing optional relocation assistance under section 105(a)(11) of the Act.

(1) It will comply with the other provisions of the Act and with other applicable laws.

(k) It will comply with Section 110 of the Housing and Community Development Act and the regulations issued pursuant to 24 CFR, Part 570, Section 570.496 (c), regarding the payment of prevailing wage rates.

(l) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with the requirements of 24 CFR, and Section 104(f) of Title I of the Housing and Community Development Act.

(m) It will comply with Section 121 of Title I of the Housing and Community Development Act by:

(1) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR, Part 800.8) by the proposed activity, and

(2) complying with all requirements established by the Connecticut Department of Economic and Community Development to avoid or mitigate adverse effects upon such properties.

(n) It will not attempt to recover any capital costs of public improvements assisted in whole or in part with Community Development Block Grant funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

(1) CDBG funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such improvement that are financed from revenue sources other than Title I funds or;

(2) for purposes assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low-income, the municipality certifies to DECD that it lacks sufficient Title I funds to comply with the requirements of clause (1).

(o) It will comply with the requirements of the State of Connecticut Lead-Based Statute (Public Act 87-394) which prohibits the use of lead-based paint in residential structures and governs the removal of lead based paint in all residential structures in Connecticut.

(p) It will comply with all other provisions of the Housing and Community Development Act of 1987 and with other applicable laws and statutes.

_____, 20____ _____

DATE AUTHORIZED SIGNATURE & TITLE

FOR JOINT COMMUNITY APPLICATION COOPERATION AGREEMENT

CONNECTICUT SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

This agreement entered into on the _____day of_____,20____by

and between_____ and_____.
WITNESSETH:

WHEREAS,_____ (has, have) identified need in the municipality(ies) (to provide decent housing and related conditions) (to expand economic opportunities) (to correct serious deficiencies in community facilities), and

WHEREAS,_____ contemplates submitting (on behalf of) (jointly with) _____ an application for (single purpose, comprehensive) Block Grant funds under the Small Cities Program of the Connecticut Department of Economic and Community Development for the purpose of meeting such needs, and

WHEREAS,_____ and _____ understand that _____ will act as the applicant and will have the ultimate responsibility to assume all obligations under terms of the grant including assuring compliance with all applicable laws and program regulations and performance of all work in accordance with the contract.

WHEREAS, it is understood that _____ and DECD have access to all participants' community development block grant records and authority to monitor all activities.

NOW, THEREFORE, pursuant_____ and _____ agree to cooperate in the submission of an application for such Block Grant Funds, and agree to cooperate in implementation of the submitted Small Cities Program, as approved by the Department of Economic and Community Development.

Nothing contained in this agreement shall deprive any municipality of any power or zoning, development control or other lawful authority which it presently possesses.

ADOPTED on this _____ day of _____, 20 _____.

ATTEST: _____
(Clerk)

The above Cooperation Agreement has been authorized by the governing body of _____ Connecticut, dated _____.

On behalf of _____:

_____
(Name, Title)

(SEAL)

REPEATED FOR EACH PARTY TO THE AGREEMENT

4.3

Site & Building Report

Version 2009

DEVELOPMENT NAME: **APPLICANT:**

SECTION 1 - GENERAL INFORMATION

Site Name (if any): _____
Address: _____
Town/City: _____ State: _____ Zip: _____

Type of Housing Proposed: _____**# of Units:** _____

SECTION 2 - PROPERTY INFORMATION

Present Owner: _____
Telephone Number: _____ Fein No #: _____ SSN (if individual):_____
Address: _____
Town/City: _____State: _____Zip: _____

Present Lessee: _____
Telephone Number: _____ Fein No #: _____ SSN (if individual):_____
Address: _____
Town/City: _____State: _____Zip:_____

Option Holder:
_____
Telephone Number: _____ Fein No#: _____ SSN (if individual):_____
Address: _____
Town/City: _____State: _____Zip: _____

Acreage: _____ Shape: _____ Dimensions: _____ Frontage: _____

Size of Open Space: _____Buildable Space Size:_____

Easements: _____Liens: _____ R.O.W.: _____

Present Zoning:_____ Required Zoning:_____

Assessors Map: _____ Section: _____ Parcel: _____ Lot: _____

Adjacent Property Use _____

North:_____

South:_____

East: _____

West: _____

SECTION 3 – PROPERTY ASSESSMENT

For the chart below, check one box for each factor/condition

Site Conditions:

Conditions	**Factors**			
Access	☐No Road	☐Minor Road	☐Major Road	☐Highway
Agricultural Soils	☐None	☐Local	☐State	☐PRIME
Floodplain	☐None	☐100 yrs	☐100-500yrs	☐500+yrs
Wetlands (swamps, marshes)	☐ None	☐1-25%	☐26-50%	☐>50%
Slope - Family	☐0%	☐1 - 10%	☐11-15%	☐>15%
Slope - Elderly	☐0%	☐1-5%	☐6-10%	☐>10%
Water Supply	☐Watershed Protected	☐Within 1000' of well	☐Private Dense	☐Wells Sparse
Access to Utilities - Public Water	☐Not Available	☐Within 500'	☐Within 200'	☐At Site
Access to Utilities - Sanitary Sewers	☐Not Available	☐Within 500'	☐Within 200'	☐At Site
Access to Utilities - Storm Sewers	☐Not Available	☐Within 500'	☐Within 200'	☐At Site
Access to Utilities Electric	☐Not Available	☐Within 500'	☐Within 200'	☐At Site
Access to Utilities Gas Line	Not Available	Within 500'	Within200'	At Site

Do ledge or rock outcroppings appear on the site? ☐ Yes ☐ No

Does the municipality require underground utilities? ☐Yes ☐ No

Will utilities need to be brought to site? ☐Yes ☐ No

Will road(s) need to be provided for the project?
If "Yes, will it be a public or private road? ☐ Public ☐ Private
Is the site located in a Historical District? ☐Yes ☐ No

SECTION 4 - BUILDING INFORMATION

Total number of existing buildings on site: _____
Age of building(s) on site: _____

Building Type (check all that apply):
☐ Free Standing/Detached ☐ Townhouse ☐ Duplex ☐ Multi-Unit
☐ Semi-attached ☐ Walk-up ☐ Elevator ☐ Other

If Other,
Describe_____
Number of stories: _____ Type of Construction:_____

What is the total square footage of the buildings:_____t.s.f.
Residential: _____ s.f.
Commercial: _____ s.f.
Other: _____ s.f.

Are buildings currently occupied? ☐Yes ☐No
Describe: _____

If NO, how long has it been vacant? Months/Years: _____

Are any sites' structures of historical significance? (50 years or older) ☐Yes ☐No
If Yes, describe:
_____

Has the federal, state, or local Historical Commission determined that the building has historical significance? ☐Yes ☐No

Has SHPO been notified of impending rehab? ☐Yes ☐No

SECTION 5 - BUILDING(S) ASSESSMENT

Indicate the age of the following conditions and check one box to describe its current condition. If there are multiple buildings, provide a chart for each building.

Existing Conditions	Age	Good	Fair	Poor
Roof	☐	☐	☐	
Exterior	☐	☐	☐	
Interior	☐	☐	☐	
Windows	☐	☐	☐	
Mechanical Systems	☐	☐	☐	
Insulation	☐	☐	☐	

Electrical Systems	☐	☐	☐
Floor	☐	☐	☐
Structural Systems	☐	☐	☐

SECTION 6 – SITE & BUILDING ENVIRONMENTAL INFORMATION

Attach a copy of the completed Phase I ESA for this property. ESA= Environmental Site Assessment

Did the Phase I ESA recommend a Phase II ESA? ☐Yes ☐No

If no, the Phase I ESA did not recommend a Phase II ESA, PROCEED TO SECTION 7.

If a Phase II ESA was recommended, has the Phase II ESA been done? ☐Yes ☐No

If yes, the recommended Phase II ESA has been done, attach a copy, PROCEED TO SECTION 7.

If no, the recommended Phase II ESA has not been done, PROCEED TO SECTION 7.

*If a Phase I ESA has not been done, a qualified professional must complete Section 6.

Has soil/water testing/investigations been done for the site? ☐Yes ☐No

Has hazardous material testing been done for the property/building? ☐Yes ☐No

What were/are the past and current uses of the property? (Check all that apply)

` ☐ Undeveloped ☐ ` Industrial ☐`Commercial ☐`Residential ☐`Other

Describe Uses: _____

What was the most recent business activity at the site?

_____

Is Lead-based paint evident? ☐Yes ☐No

Are any potentially asbestos-containing materials evident? (Check all that apply)

`☐Sprayed-on fireproofing ☐`Pipe insulation wrap ☐`Ceiling tiles ☐`Floor tiles

`☐Acoustical plaster ☐`Other

Describe Other:

_____

Are there now, or have there ever been, any underground or aboveground storage tanks on the property? ☐Yes ☐No

If "Yes"

Describe:_____

Are there transformers or capacitors on the property, which may contain PCBs? ☐Yes ☐No

If "Yes"

Describe:_____

Were any chemicals or fuels handled at the site? ☐Yes ☐No

If "Yes" Describe:

_____

Are there any obvious physical signs of contamination on or around the property? (√ all that apply)

`☐Stained soil or concrete ☐`Vegetation damage ☐` Foul or unusual orders ☐`Oily sheens or discoloration of surface water `☐Other

Describe: _____

Are there groundwater wells on the property? ☐ Yes ☐ No

Is the groundwater in the immediate area used as a source of drinking water? ☐Yes ☐ No

Are there any property (roads, pipelines) easements w/potential environmental implications

Is any environmental litigation, regulatory citations, or enforcement actions pending? ☐Yes ☐ No
Are there any adverse press reports or complaints on file concerning the property ☐ Yes ☐ No
Is the property, or any of the adjacent properties, on a federal, state, or local list of hazardous waste or contaminated sites? ☐ Yes ☐ No
Could activities at adjacent businesses/properties pose potential environmental risks? ☐ Yes ☐ No
Is the property near any floodplain, wetland or sensitive ecological area? ☐ Yes ☐ No
A Phase I ESA is recommended for this property? ☐ Yes ☐ No

Qualified Professionals Names: (Print)
_____Title:_____

Signature: _____ Date: _____

Company Name: _____Phone # _____

SECTION 7 – SUPPORTING DATA

The following materials and maps need to be attached to this document:

- Directions to the site from a major highway.
- An 8 1/2" x 11" section of the 1:24,OOO scale U. S. Geological Survey map showing the proposed site.
- A 1" = 500" (min.) to 1" = 200' (max.) street map of approximately a 3/4 mile radius around the site with Public and Community Facilities located.
- A plot plan from the Assessor's office showing boundaries and dimensions, adjacent lots and streets.
- Evidence of existing zoning and eligible uses or applicable zoning regulations/ordinances.
- Information from the City or Town Engineer's office vis-a-vis grades, farmlands, sub-soils, ledge, flood plains, wetlands, topography, or other unusual site conditions,
- Soils and utility maps for the site.
- Boring or test pit reports made on the site or adjacent sites.
- Site and building (interior & exterior) photographs. Include a minimum of six for both interior and exterior.

SCREENING CRITERIA FOR DEVELOPMENT PROJECTS

PLANNING CONSISTENCY

1 Project is consistent with State C&D Plan (text and locational guide map)

2 Project is consistent with regional plan of conservation and development (if applicable)

3 Project is consistent with municipal plan of conservation and development and local zoning (if applicable)

4 Affected municipality has a current plan of conservation and development, in accordance with CGS § 8-23

5 Other

REGIONAL DEVELOPMENT EMPHASIS

1 Project entails inter-municipal collaborations, as authorized under CGS § 32-224(f) (per 2008 Supplement to CGS)

2 Project is supported by the affected Regional Planning Organization and the Metropolitan Planning Organization (if applicable)

3 Project is part of the Comprehensive Economic Development Strategy (CEDS) program

4 Other

SITE CHARACTERISTICS

1 Project avoids development of raw lands and emphasizes re-use and infill, especially within brownfield sites

2 Utility infrastructure with adequate capacity is either currently available or planned for site

3 Project avoids significant impacts to natural resources and critical habitat

4 Project avoids floodplains/flood zones

5 Project avoids negative impacts on historic and cultural resources

6 Other

TRANSIT-ORIENTED DEVELOPMENT[1] CHARACTERISTICS

1 Project location is accessible to existing or currently planned public transportation facilities

2 Project includes provisions to enhance multi-modal connections to public transportation facilities

3 Project promotes walkable communities

4 Other

MIXED-USE DEVELOPMENT

1 Project includes a variety of uses or provides a niche infill use to enhance pedestrian activity, especially between residential, commercial, and employment locations

2 Project promotes density at a scale that is appropriate for the for the type of community

3 Project entails architectural and design criteria that reflect desired community character

4 Project addresses potential need for local zoning modifications, such as an overlay zone, if proposed use(s) are currently not allowed

5 Project entails innovative parking management policies

6 Project provides affordable or workforce housing opportunities

7 Other

SUSTAINABLE CHARACTERISTICS

1 Project to use LEED[2] ASTM[3], Green Globes[4] or other comparable best management practices/standards for green building[5]

2 Project to use alternative energy (geothermal, solar, wind etc.)

3 Project to use Energy Star[6] rated products

4 Project to incorporate water conservation techniques

5 Project promotes conservation of land and natural resources

6 Other

FINANCIAL AND DEVELOPMENT CRITERIA

1 Project cost considers lost opportunity cost due to land use conversion

2 Sources and Uses of funds identified.

3 Project is ready to proceed

4 With project phasing, each phase is independent and useable

5 Project leverages past public investments made in the community

6 Private funding sources are not overleveraged by state sources, i.e. acceptable ROI

7 Other

GENERAL CRITERIA

1 Alternative site consideration

2 Project proponent has established a municipal and public outreach effort to build community consensus

3 Other

Notes:

1. "Transit-oriented development" means 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.

2. LEED (Leadership in Energy and Environmental Design) is a third-party certification program and a nationally accepted benchmark for the design, construction and operation of high performance green buildings. LEED gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance. LEED promotes a whole-building approach to sustainability by recognizing performance in five key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality.

3. ASTM (American Society for Testing and Materials) now ASTM International, is one of the largest voluntary standards development organizations in the world and a trusted source for technical standards for materials, products, systems, and services. Known for their high technical quality and market relevancy, ASTM International standards have an important role in the information infrastructure that guides design, manufacturing and trade in the global economy. ASTM and CIC (Convention Industry Council) have set up a task force to develop industry-wide accepted practices to create and enhance efficiencies and sustainable practices.

4. Green Globes Fit-up is both a guide and an assessment protocol for the design of commercial interiors. Using a confidential questionnaire, the program generates an on-line report. Green Globes helps to integrate green design principles in a fit-up that will be energy and resource efficient, and will provide a healthier and more productive environment.

5. Green building is the practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building's life-cycle from siting to design, construction, operation, maintenance, renovation and deconstruction. This practice expands and complements the classical building design concerns of economy, utility, durability, and comfort. Green building is also known as a sustainable or high performance building. The Environmental Protection Agency (EPA) has a number of programs that provide resources to help you learn more about the components of green building and how to incorporate these green building concepts into different types of buildings. (visit http://www.epa.gov/greenbuilding/index.htm for more information and guidance on green building practices).

6. EPA and U.S. Department of Energy's "Energy Star" program promotes products and practices to improve the energy efficiency of homes, buildings, and various building components and appliances.

Design Projects for Compliance with the Principles of Affirmative Action, Fair Housing, and Civil Rights

Project activities should be designed to include protected classes. As set forth in all relevant laws, individuals may not be excluded from participation in project-related activities on the basis of:

- Race
- Creed
- Color
- National origin
- Ancestry
- Sex
- Marital status
- Age
- Lawful source of income
- Familial status
- Physical or mental disability
- Sexual Orientation

Although the laws prohibit discrimination based on any of these factors, the specific population groups protected are:

- Minorities (defined as Blacks, Hispanics, Asians and Pacific Islanders, American Indians, and Alaskan Natives)
- Women/Female Head of Household
- Groups distinguished by age
- Persons with disabilities

The fair housing/civil rights requirements that will apply for any project that involves Small Cities Program funding are set forth in:

- Title VI: Civil Rights Act of 1964
- Title VII: Civil Rights Act of 1964, as amended
- Title VIII: Civil Rights Act of 1968, as amended
- Section 3: Housing and Community Development Act of 1968, as amended
- Americans with Disabilities Act
- Architectural Barriers Act
- Fair Housing Amendments Act of 1988, as amended
- Section 504: Rehabilitation Act of 1973, as amended
- Section 109: Housing and Community Development Act of 1974, as amended
- Age Discrimination Act of 1975
- Executive Order 11063
- Executive Order 11246

Project Design Factors

Other compliance areas, such as environmental regulations and labor standards, have adopted procedures that are effective after grant award. In the area of civil rights, however, nondiscrimination and affirmative action efforts taken outside of actual project implementation are also considered.

Activities funded through the Small Cities Program must be designed in accordance with fair housing/civil rights laws. The primary objective of the fair housing/civil rights laws that apply to the Program is to ensure that activities are conducted in a manner that will not cause discrimination on the basis of race, creed, color, national origin, ancestry, sex, marital status, age, lawful source of income, familial status, physical or mental disability, age, or sexual orientation. Affirmative action to redress past discriminatory practices is also targeted when Small Cities Program funds are involved. The applicant will be expected to make measurable efforts to fulfill these objectives and should address such efforts in its application for funding, as applicable.

In addition, applicants who receive Small Cities Program funds must affirmatively further fair housing. Provisions to affirmatively further fair housing are principal and long-standing components of the U.S. Department of Housing and Urban Development's (HUD) housing and community development programs. These provisions flow from the mandate of Section 808(e)(5) of the Fair Housing Act, which requires the Secretary of HUD to administer the Department's housing and urban development programs in a manner to affirmatively further fair housing. For further information see, HUD's Fair Housing Planning Guide at p. 1-1, **http://www.hud.gov/offices/fheo/images/fhpg.pdf**

The applicant will be expected to make measurable efforts to fulfill these objectives during the course of the Small Cities grant.

1. Design Projects that are Nondiscriminatory

The principals of nondiscrimination must be incorporated into the planning and design of all Small Cities activities. The applicant will be monitored to ensure that the municipalities do not engage in exclusionary or discriminatory practices.

Avoid giving subsidies for rehabilitation of properties owned by landlords who are known to discriminate. In a similar fashion, grants or loans for economic development activities should not be made to businessmen who have been known to discriminate in their employment practices.

Special care must be taken to ensure that public facilities or improvements are not designed to exclude anyone in the protected classes. Discrimination in public facilities might include denying or restricting access to facilities, services, or benefits; or might involve providing segregated facilities, services, benefits, or treatment. The only exception allowed would be

for construction or rehabilitation of elderly/senior(persons 55 years and older) centers, which by their nature, limit services to a certain age group; provided that other protected classes are not limited within the elderly demographic. Projects involving work on any other type of facility will only be funded if at least a portion of the services is opened to all citizens, including protected classes.

The maps required in your application must delineate areas where minorities and lower-income populations may be concentrated. Applicants should not steer street sidewalk, sewer improvements, economic development activities or residential rehabilitation or other eligible activities away from these sections unless the need for doing so can be clearly documented. For example, if a middle-income area has badly deteriorated streets, and the largely minority neighborhood's streets were recently repaired, work in the former neighborhood may be justified.

Applicants must provide documentation in the application to back-up that any infrastructure improvements would be implemented where they are most needed, and that all facilities will not discriminate.

2. Design Projects that Wherever Possible Incorporate the Principles of Affirmative Action

When planning for and selecting your Small Cities Program activities, applicants must give consideration to overcoming the effects or conditions that have limited or excluded participation by members of protected classes. In designing your activities, there are a number of affirmative methods the applicant can employ to redress past discrimination and to encourage inclusion in the future.

Public improvements can be targeted to areas or populations that have historically been ignored due to income, minority status or other factors. Examples of such efforts might be to install sidewalks in a minority neighborhood that has traditionally been overlooked, or to renovate public buildings to make them accessible to persons with disabilities. The applicant may want to design an economic development project that gives priority to those businesses that demonstrate a commitment to hiring members of protected classes. Target areas for residential rehabilitation might be chosen based upon minority population, rather than age of the housing stock alone. Although such locations are voluntary, applicants are expected to give them consideration. Activities of this kind will be considered among your fair housing/civil rights efforts. Include any documentation to indicate that your project has been designed to redress discrimination. This may include maps, studies, or correspondence, and should demonstrate your sensitivity to correcting and avoiding inequalities.

3. Affirmatively Further Fair Housing

Every applicant who receives a grant is required to affirmatively further fair housing even if they were awarded funding for a project that does not involve housing related activities. Nationwide, many grantees have not always known or understood what the obligation to

affirmatively further fair housing requires. As HUD itself stated in its Fair Housing Planning Guide:

"It should be a source of embarrassment that fair housing poster contests or other equally benign activity were ever deemed sufficient evidence of a community's efforts to affirmatively further fair housing. The Department believes that the principles embodied in the concept of "fair housing" are fundamental to healthy communities, and that communities must be encouraged and supported to include real, effective, fair housing strategies in their overall planning and development process, not only because it is the law, but because it is the right thing to do". - *Fair Housing Planning Guide at p. i.*

Municipalities meet the obligation to affirmatively further fair housing by taking the following steps:

a. Performing an analysis of the impediments to fair housing choice within their communities. Towns/Cities participating in the Small Cities program are not required to perform their own Analysis of Impediments but may use the Analysis performed by the State or by an adjacent entitlement community
b. Identification of fair housing action steps to overcome the impediments to fair housing. The *Local Fair Housing Strategy Matrix* found in the Handbook will assist you in identifying fair housing action steps
c. Completion of the fair housing actions steps chosen

In other words, municipalities must define the fair housing problems in their communities, develop the solutions, and implement those solutions. The application will be reviewed and evaluated based on fair housing action plans, past projects, actions and initiatives to promote fair housing. If awarded a Small Cities grant, your efforts to affirmatively further fair housing will be evaluated.

Please see the *Fair Housing Action Plan Guidelines* in the Handbook for more detailed information on how to develop and carry out a Fair Housing Action Plan.

EXHIBIT 6.3 B-1

SAMPLE FAIR HOUSING PLAN

TOWN OF <*TOWN NAME*>

I. <u>Policy Statement</u>

It shall be the policy and commitment of the Town of <TOWN NAME> to ensure that fair and equal housing opportunities are granted to all persons, in all housing opportunities and development activities funded by the town, regardless of race, color, religion, gender, sexual orientation, marital status, lawful source of income, familial status, national origin, ancestry, age or mental or physical disability. This shall be done through a program of education, an analysis of impediments, and designation of a Fair Housing Officer and development of a procedure for complaints of discrimination. This plan will incorporation the directives of state and federal laws and executive orders, including, but not limited to:

a. Title VI of the Civil Rights Act of 1964
b. The Fair Housing Act – Title VIII of the Civil Rights Action of 1968, as amended
c. Executive Order 11063, as amended by Executive Order 12259
d. Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended
e. Section 109 of Title I of the Housing and Community Development Act of 1974, as amended
f. Section 3 of the Housing and Community Development Act of 1968, as amended
g. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended
h. The Americans with Disabilities Act of 1990
i. The Age Discrimination Act of 1975, as amended
j. Executive Order 11246 (as amended by Executive Orders 12375 and 12086) Equal Opportunity Under HUD contracts and HUD-assisted Construction Contracts
k. Executive Order 12892, Leadership and Coordination of Fair Housing
l. Connecticut General Statues 46a-64c as amended

The Town of <***TOWN NAME***> commits to providing and promoting racial and economic integration in any housing development financially supported with DECD funding and will take affirmative steps to reach beneficiaries from all racial and ethnic groups as well as the physically or mentally handicapped and families with children and to reach a broad range of income eligible beneficiaries for appropriate and applicable housing opportunities.

II. Selection of Fair Housing Officer

In accordance with Title VIII, Civil Rights Act of 1968, as amended, the Fair Housing Officer below has been designated to handle fair housing complaints and activities

<Official's Name>
<Official's Title>
<Mailing Address>
<Mailing City, State, Zip>
<Phone number>

The Fair Housing Officer is responsible for the intake and processing of all housing complaints as well as implementation of the Fair Housing Plan activities and actions. While not expected to be an "expert" in Fair Housing Laws, at a minimum, the officer will be familiar with the complaint process and federal and state laws, which address Fair Housing. Records which show the date, time, nature of complaint and decisions made in the complaint process(es) will be fully documented. A separate file will maintain a record of all housing discrimination complaint and follow-up actions.

III. Complaint Process

Housing discrimination complaint forms such as Forms HUG903 and HUG903A (Spanish version) from HUD and from 907 from the State of Connecticut Commission on Human Rights and Opportunities, as well as a summary of actions which constitute housing discrimination, and instructions for completing and filing housing discrimination complaints will be made available to citizens at Town Hall, <***ADDRESS***>.

Forms will also be distributed to lenders, realtors, and at other public places such as the Library periodically.

The Fair Housing Officer will reasonably assist the complainant in submitting the complaint to the appropriate body by providing assistance in explaining the form and/or contacting the appropriate office and allowing the use of town phones for communication.

The individual(s) filing the complaint will then be advised of the option of filing directly with the Department of Housing and Urban Development (HUD), the Connecticut Commission on Human Rights and Opportunities (CHRO), or the Equal Employment Opportunity Commission or with all agencies simultaneously. The Fair Housing Officer will keep a record of the progress on the number of complaints filed, actions taken, and the statue of each complaint.

IV. DECD Determination

Following DECD guidelines, the town has calculated and determined its affordability status and community classification. Based on data obtained and provided by DECD, the town had determined that it is classified as <***COMMUNITY CLASSIFICATION***>.

V. Implementation and Action Steps

The town will take specific action steps and implementation activities over the next three-year period following the guidelines provided by DECD.

Action Steps 1-10
Minimum (1) selection
<LIST SELECTED ACTION STEPS BY NUMBER AND DESCRIPTION>

Action Steps 11-35
Minimum (2) selection
<LIST SELECTED ACTION STEPS BY NUMBER AND DESCRIPTION>

Additional Steps

The Town of <***TOWN NAME***> will adopt annually the Fair Housing Policy Statement and Resolution as an indication of its commitment to Fair Housing Month during the month of April.

The Town of < ***TOWN NAME*** > shall periodically prepare, solicit and provide public service announcements for local radio and/or TV stations in order to provide knowledgeable and information about Fair Housing.

The Town of < ***TOWN NAME*** > will display Fair Housing posters identifying the town's Fair Housing Officer, title, address and phone number in prominent locations. In addition, fair housing information will be distributed outside of traditional municipal locations including local realtors and banks.

All advertising of residential real estate owned by the Town of < ***TOWN NAME*** > for sale, rent or financing will contain the Fair Housing logo, equal opportunity slogan as a means of educating the home seeking public that the property is available to all persons regardless of race, color, religion, sex, mental or physical disability, sexual orientation, familial status, marital status, national origin, age, ancestry, or lawful source of income. All bid advertisements by town sponsored programs must include the phrase "Equal Opportunity/Affirmative Action Employer." The type of logo, statement or slogan will depend on the type of media being used (visual or auditory). All logos/statements must appear at the end of the advertisement.

VI. Analysis of Impediments

The town will cooperate and assist the state with its periodic Analysis of Impediments

and conduct a review of policies, practices and procedures that affect the location available and accessibility of housing.

VII. Timetable

<TOWN WILL DETERMINE A REASONABLE TIMETABLE TO CARRY OUT ACTION STEPS WITHIN THREE YEARS OF THE ADOPTION OF THIS PLAN>

VIII. Amendments

The <***TOWN OFFICIAL SUCH AS FIRST SELECTMAN OR MAYOR***> shall amend and revise this Plan as required to keep current with state/federal affirmative action and equal opportunity policies and procedures and local actions and activities to further the purposes of this Plan.

_____

<TOWN OFFICIAL NAME>
<TITLE>

_____

<DATE>

Exhibit 6.3 b – 2

FAIR HOUSING ACTION PLAN - CALCULATION FORMS

- **Calculation Forms:**
  - **Data Sources – Income Needed for Housing**
  - **Affordability Classification**
  - **Community Classification and Categorization**
  - **Action Steps**

- **Fair Housing Action Plan Guidelines**

- **Fair Housing Policy Statement Guidelines and Sample**

- **Form AA-5; Affirmative Fair Housing Marketing Plan**

- **Form AA-5 Instructions**

- **Fair Housing Regulations**

- **Equal Opportunity in Housing – Executive Order 11063**

Exhibit 6.3 b – 2

DATA SOURCES
Income Needed for Housing

The following data should be obtained and documented. The documentation must be submitted with your Fair Housing Action Plan. The data (and documentation) must be updated on an annual basis and the Fair Housing Action Plan revised (if necessary) according to the updated data.

1. Percentage of Ownership Stock

DECD's Town Profiles at http://www.cerc.com/townprofiles.html **Use the "% Single Unit" (for single family homes) listed under "Housing."**

2. Median Price Home

DECD's Town Profiles at **http://www.cerc.com/townprofiles.html** Use the "Median Price" listed under "Housing."

3. Percentage of Rental Stock

Subtract the percentage of ownership stock (see item 1 above) from one hundred percent (100%). This percentage may be used as the percentage of rental stock.

4. Median Rent

HUD's Schedule of Fair Market Rents for the Section 8 Program. Use the three (3) bedroom fair market rent (FMR) for a four (4) person family. The FMR includes all utility costs. The FMR for your community can be found at **http://www.huduser.org/datasets/fmr/fmr2008f/FY2008_FMR_SCHEDULE B.pdf**

5. Actual Mill Rate

DECD's Town Profiles **http://www.cerc.com/townprofiles.html** Use the "Actual Mill Rate" listed under "Government." Convert the rate listed to a decimal (e.g., convert 15.79 to .01579) before using it to calculate taxes.

6. Monthly Home Insurance Cost

How to calculate the monthly home insurance costs. Go to www.realtor.com **and find three "typical two-story, three-bedroom homes" in your town. Add the 3 square footage amounts and divide the sum by 3 to get the average of the 3 square footage amounts. Then call 3 insurance companies to get quotes for a "typical two-story,**

three-bedroom home" for the square footage calculated above, OR Go to http://www.netquote.com/SiteMap/GeoHomeMap-Connecticut.html **and get 5 quotes. Divide insurance cost by 12 to get the monthly home insurance cost.**

7. Monthly Principal and Interest Payment

Calculating the monthly principal and interest payment. Multiply the median home price by 5% to determine the typical downpayment (see "Town Profile" for median price). Subtract the down payment from the median home price to determine the principal amount of the mortgage. Go to www.bankrate.com **to find the average annual percentage rate for a 30-year fixed mortgage. Go to** www.mortgage-calc.com/ **and input the principal amount of the mortgage, the annual percentage rate, and a 30-year mortgage term to get the monthly principal and interest payment**

8. Monthly Private Mortgage Insurance (PMI) Cost

Calculating monthly private mortgage insurance (PMI) costs. Determine the principal amount of the mortgage. Multiply the principal amount of the mortgage from slide 12 by .01* to determine the total cost of PMI. Divide the above by 12 to get the monthly cost of PMI

9. Monthly Utility Costs

Use the current state-wide Section 8 program utility allowance for a 3-bedroom single family home using oil heat and hot water, electric cooking and lighting and includes allowances for a range, refrigerator and trash collection (Contact local housing authority for the current utility allowance).

10. Regional Median Income

HUD's Income Limits for the Section 8 Program. Follow this link to find the Regional Median Income based on family of (4)
http://www.huduser.org/Datasets/IL/IL08/ct_fy2008.pdf

11. State Median Household Income

To find the state median income for 2008 go to:
http://www.huduser.org/datasets/il/il08/FY08_StateIncomeLimits.pdf

Exhibit 6.3 b – 2

CALCULATIONS
Income Needed for Housing

I. Income Needed to Rent at Median Rent

Multiply the Fair Market Rent for a 3 BR Unit by 12 and divide the product by 30%.

($_____ x 12) / 30% = $_____

II. Income Needed to Purchase a Median Price HOME

Add the following five (5) amounts:

Monthly Property Taxes $_____

Multiply the "median price" (item 2 of the "Data Sources") of a home in your community by seventy percent (70%) and multiply the resulting amount by the "actual mill rate." This is the <u>annual</u> amount of the property taxes for the home. Divide the annual amount by twelve (12) to get the <u>monthly</u> property taxes for the home.

Monthly Home Insurance Cost $_____

Determined in accordance with item 6 of the "Data Sources."

Monthly Principal and Interest Payment $_____

Determined in accordance with item 7 of the "Data Sources."

Monthly Private Mortgage Insurance (PMI) Cost $_____

Determined in accordance with item 8 of the "Data Sources."

Monthly Utility Costs $_____

Enter the current State-wide Section 8 Program's utility allowance for a three-bedroom single family home that uses oil heat & hot water, electric cooking and lighting, and includes allowances for a range & refrigerator and trash collection.

Total Monthly Property Taxes, Home Insurance Cost, Principal & Interest Payment, Private Mortgage Insurance Cost, and Utility Costs **$ _____**

Multiply the "Total Monthly Property Taxes, Home Insurance Cost, Principal & Interest Payment, Private Mortgage Insurance Cost, and Utility Costs" by 12 and divide the product by twenty-eight percent (28%).

($_____ x 12) / 28% = $_____

Exhibit 6.3 b – 2

AFFORDABILITY CLASSIFICATION

1. Calculate "Income Needed for Housing" (INH)

(% of ownership stock X income needed to purchase a median price home in the community) + (% of rental stock X income needed to rent at median rent) = INH

(_____% X $_____) + (_____% X $_____) = $_____

% of owner stock	income needed to purchase median price home	% of rental stock	income needed to rent at the median rent	Income Needed for Housing

2. Enter the <u>lower</u> of the State or Regional Median Income: $_____

State Median Income = $_____

Regional Median Income = $_____

3. Determine the following amounts:

(a) 120% of the lower of the State or Regional Median Income $_____
(120% multiplied by the amount from #2 above)

(b) 80% of the lower of the State or Regional Median Income $_____
(80% multiplied by the amount from #2 above)

4. Check the appropriate "Affordability Classification"

___ Limited Affordability Community $_____ is greater than $_____
INH from #1 above — 120% of #3(a) above

___ Moderate Affordability Community $_____ is between $_____ and _____
INH from #1 above — 80% of #3(b) above) — 120% of #3(a) above

___ Substantial Affordability Community $_____ is less than $_____
INH from #1 above — 80% of #3(b) above

Exhibit 6.3 b - 2

COMMUNITY CLASSIFICATION AND CATEGORIZATION

Community Classification

Based on the definitions provided for the "Matrix for Local Fair Housing Action," (page 12 of the "Fair Housing Action Plan Guidelines"), select one (1) of the following four (4) "Community Classifications" for your community:

_____ Urban

_____ First Tier Suburb

_____ Second Tier Suburb

_____ Rural

Community Categorization

Based on the "Affordability Classification" selected in accordance with Number 6 of the "Fair Housing Action Plan Guidelines" and the "Community Classification" selected above, select the "Community Categorization" from the "Matrix for Local Fair Housing Action" that applies to your community. This "Community Categorization" must be selected from one of the fourteen categories listed in Number 7 of the "Fair Housing Action Plan Guidelines."

Community Categorization: _____

_____

Exhibit 6.3 b – 2

ACTION STEPS

Action Steps

Based on your "Community Classification" and "Community Categorization," locate the "block" of action steps in the "Local Fair Housing Matrix" that applies to your community. Since each community is required to select a minimum of three (3) of these action steps in accordance with the instructions in Number 8 of the "Fair Housing Action Plan Guidelines," select a minimum of your three (3) action steps as follows:

a. **From the action steps numbered 1 through 10 that apply to your community, select one (1) of the action steps:**

   Action Step (numbered from 1 to 10)

   #_____

b. **From the remaining action steps that apply to your community, select two (2) of the action steps:**

   Action Steps (numbered from 11 to 35)

   #_____ #_____

Please note that in addition to the above chosen action steps, there are Additional Steps **specified in the Fair Housing Action Plan Guidelines that all towns are obligated to do.**

Exhibit 6.3 b – 2

State of Connecticut
Fair Housing Action Plan Guidelines
To Create A Fair Housing Action Plan:

Guidelines and Implementation Steps1

Towns must certify that they will affirmatively further fair housing in housing programs by creating a Fair Housing Action Plan. The following guidelines must be used in the development of this Plan.

In this section are two documents you will need to develop your Fair Housing Action Plan. One is the Local Fair Housing Action Steps document, which list seven broad categories with specific action steps each that a local community can take to promote fair housing. A total of 35 action steps are listed. The other document is the Matrix for Local Fair Housing Action, which includes the Local Fair Housing Strategy Matrix. The action steps listed in the Local Fair Housing Action Steps document correspond to the numbers on the matrix.

Each action step to be taken by the town must include the name of the person responsible for carrying out the action described and the time frame for completion. The necessary records must be maintained to substantiate your compliance with the actions taken.

The Fair Housing Action Plan must include:

1. An Affirmative Fair Housing Marketing Plan

The AFHM Plan requires each town to carry out an affirmative program to attract prospective buyers or tenants of all majority and minority groups in the housing market area. The AFHM Plan must identify those groups of persons normally not likely to apply for the housing without special outreach efforts, because of existing neighborhood racial or ethnic patterns, location of housing in the Primary Metropolitan Statistical Area, price or other factor. It must include affirmative marketing strategies to inform members of these groups of the available housing and make them feel welcome to apply. Twenty percent (20%) of the total number of units to be constructed and/or rehabilitated must be targeted to the groups identified in the Plan as "least likely to apply". The Plan must include a commitment to provide fair housing training on an annual basis for the Fair Housing Officer.

The affirmative marketing strategies must be consistent with the requirements of the Department's Fair Housing Regulations and Affirmative Fair Housing Marketing and Selection Procedures Manual.

---

1 The Department of Housing and Urban Development (HUD) model guide Fair Housing for HOME Participants is now available in PDF form on the HOME Program webpage: http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/200510.pdf

2. A Fair Housing Policy Statement

The Fair Housing Policy Statement must be consistent with the requirements of Section 8-37ee-311 of the Affirmative Fair Housing Marketing and Selection Procedures Manual. It must also include the name, title, address, and phone number of the person assigned fair housing responsibilities.

3. A Discrimination Complaint Procedure

The Discrimination Complaint Procedure must provide for the expeditious resolution of complaints to ensure that legal options for filing complaints with enforcement agencies are not restricted.

This section must include a progress report on the number of complaints filed with the applicant, actions taken and the status of each complaint.

4. Tenant Selection Methodology

The Tenant Selection Methodology and the Affirmative Fair Housing Marketing Plan determine who shall have the opportunity to apply for state assisted housing and who shall ultimately be selected. The Tenant Selection Methodology must be consistent with the requirements of Sections 8-37ee-303, 304 and 305 of the Fair Housing Marketing and Selection Procedures Manual.

5. Income Needed for Housing (INH) - Calculate as follows:

INH = (% of ownership stock X income needed to purchase median price home in town) + (% of rental stock X income needed to rent at median rent)

Using the INH, identify your community as one of the following:
Limited Affordability Community: if INH is greater than 120% of the lower of State or regional median income;
Moderate Affordability Community: if INH is between 80% and 120% of the lower of State or regional median income; or
Substantial Affordability Community: if the INH is less than 80% of the lower of State or regional median income.

6. Community Classification

Based on the definitions provided in the Matrix for Local Fair Housing Action, classify your community as one of the following: Urban, First Tier suburb, Second Tier suburb or Rural. The matrix provides a list of action steps for a community to select from in the development of its Fair Housing Plan.

7. Community Categorization

Based on the steps indicated in 5 and 6 above, categorize your community as one of the following fourteen categories: Urban-Limited Affordability Community, Urban-Moderate Affordability Community, Urban-Substantial Affordability Community, First Tier-Limited Affordability community, First Tier-Moderate Affordability Community, First Tier-Substantial Affordability Community, Second Tier-Limited Affordability Community, Second Tier-Moderate Affordability Community, Second Tier-Substantial Affordability Community, Rural-Limited Affordability Community, Rural-Moderate Affordability Community, Rural-Substantial Affordability Community.

8. Action Steps

Refer to numbers 5, 6 and 7 to complete this section.

Based on the category your community falls under in number 7, select for inclusion in your Fair Housing Action Plan a minimum of three (3) of the action steps listed in the Local Fair Housing Strategy Matrix.

The action steps selected in compliance with this section must be implemented within a period of three years, beginning with the date of contract execution.

Refer to the Local Fair Housing Action Steps document for a description of each numbered action step. From action steps one (1) through ten (10), you must select only one (1) action. The other two (2) must be selected from the remaining action steps.

Local Fair Housing Strategy Matrix

The nature of a community obviously has an effect on the type of activities which can appropriately and effectively be employed to promote fair housing. Factors such as the towns current housing infrastructure, the size and expertise of the towns professional staff, access to transportation, and the relative affordability of the towns housing stock, all help determine what are realistic strategies for a town to pursue.
However, the types of steps that local communities can take to encourage equal housing choice generally fall into seven broad categories. These categories are listed below. Under each category is a list of specific actions which a community could take to encourage greater housing choice. The numbers on the list coincide with the numbers provided in the Local Fair Housing Strategy Matrix. By using the list of possible Action Steps and the Matrix a community can develop a fair housing strategy which includes several action steps appropriate for a town of its type.

Each of the seven categories is followed by a list of guidelines. The purpose of the guidelines is to provide you with specific activities you may select from to meet the objectives of the category.

Training

This category must describe the activities to be undertaken by the town to ensure and facilitate the training of the Fair Housing Officer, town staff involved in housing related activities and the distribution of fair housing information.

1. Contract for direct training of town staff assigned to fair housing enforcement and complaint processing.
2. Contract for direct training of housing authority staff on fair housing laws.
3. Identify appropriate training seminars for town fair housing and social services staff to attend.
4. Gather information from organizations and agencies involved with fair housing such as DECD, CHRO, CHFA, DSS, DMHAS, HUD and private not-for-profits and distribute to all town staff which have direct contact with the public regarding housing, community development, social services or public safety matters.

Guidelines:

- Designate a Fair Housing Officer.
- Describe the responsibilities and authority of the Fair Housing Officer.
- Describe the Town's efforts to provide on an annual basis fair housing training to the Fair Housing Officer and other staff involved in housing related activities and social services.
- Describe how the Town will gather and distribute fair housing information to all its staff with direct contact with the public regarding housing, community development, social services or public safety matters.

Outreach

5. Conduct regular (at least once a year) fair housing seminars for community residents, landlords, real estate professionals and lenders.
6. Prepare and distribute materials which outline fair housing rights and responsibilities and the town's complaint and/or referral process.
7. Identify and distribute fair housing materials prepared by others to community residents, landlords, real estate professionals and lenders.

Guidelines:
The outreach program should inform and educate the public about the town's commitment to fair housing, the town's Fair Housing Program, federal and state fair housing laws and the public's rights under these laws.

- Conduct regular fair housing seminars for community residents, landlords, real estate professionals, lenders and town's staff.
- Describe methods to be utilized by the town to inform the public of its fair housing program, i.e., broadcasting town's fair housing program and policy statement on local access TV, showing of the video "HUD Opens Doors," publication of news articles, educational symposia, duplicating existing fair housing printed materials for distribution, conducting outreach and providing information on fair housing through printed and electronic media, providing outreach to persons with disabilities and/or their support organizations and service providers, etc. Materials should be provided in languages other that English and in Braille if necessary.2
- Describe materials to be distributed to the public regarding their fair housing rights under the Fair Housing Act and any substantially equivalent state and local fair housing laws, in addition to the town's complaint and referral process.
- Describe the tangible and measurable impact the outreach program is expected to have on the community in general and on any identified target area in particular.
- Describe the relationship of the proposed activities to other on-going or proposed efforts to improve the economic, social or living environment in a specific area.

2 Video is available by calling the Fair Housing Clearing House at 1-800-343-3442.

- Describe the method to be utilized to educate the public about the procedure for filing claims with HUD.
- Describe outreach activities specific to homeownership designed to improve access to homeownership for racial/ethnic minorities by addressing multiple barriers to fair housing choice and educational and outreach aimed at reducing racial and other housing segregation.
- Describe method to disseminate educational information and provide technical assistance to support compliance with the housing adaptability and accessibility guidelines contained in the Fair Housing Amendment Act of 1988.

Complaint Processing and Monitoring

8. Assign a specific staff person to coordinate fair housing activities.
9. Develop a formal process for referring fair housing complaints to CHRO, HUD or others for investigation and follow-up.
10. Conduct initial fair housing investigation and conciliation services; make outside referrals when necessary.
11. Pass a local ordinance similar to federal fair housing laws. Then prepare and submit an application to HUD for substantial equivalency status and funding.
12. Conduct testing and monitoring of local real estate agents, landlords and lenders.

Guidelines:
This category must describe the steps to be taken by the town to address fair housing complaints and may include an application to HUD for substantial equivalency status and funding for administrative and operational cost of implementing a complaint resolution system.

- Develop and pass a fair housing law or ordinance that is substantially equivalent to the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988).
- Designate a Fair Housing Officer and describe his/her responsibilities and authority.
- Develop an internal discrimination procedure to address fair housing complaints received by the town for initial investigation. Establish a procedure for referring other complaints to CHRO, HUD and/or other equivalent agency.
- Describe actions to provide complaint investigation training to the Fair Housing Officer.
- Describe steps to be taken by the town to prepare and submit an application to HUD for substantial equivalency status and funding for administrative and operational cost of implementing a complaint resolution system.
- Develop and/or participate in a testing program for real estate agents, landlords and lenders.
- Develop and/or participate in a program to monitor real estate agents, landlords and lenders compliance with state and federal fair housing laws.

Infrastructure Development

13. Provide model codes for urban, suburban and rural categories.
14. Review local building and zone codes, removal of overly restrictive occupancy standards, family definitions, and density requirements.
15. Develop a formal procedure for inspecting and monitoring new construction and substantial rehabilitation for compliance with the fair housing laws, the Americans with Disabilities Act and related laws.
16. Expand access to mass transportation by developing van pools and ride sharing programs.
17. Promote inclusionary zoning through the expansion of multi-family zones.
18. Encourage the development of alternative ownership through models such as limited equity cooperatives, mutual housing, land trusts and/or turn-key projects.

Guidelines:
The objective of this category is to expand housing opportunities through the promotion of inclusionary zoning.

- Establish a committee to provide model codes for different housing types in your town.
- Establish a committee to review local building and zoning codes for the identification of restrictive standards, followed by an Action Plan.
- Provide transportation programs (van pools, ride sharing) to improve access to jobs in other areas.
- Establish inclusionary zoning through the expansion of multi-family zones.
- Promote and encourage the development of alternative homeownership programs.

Local Financing of Housing

19. Donate town land for development of lower cost multi-family housing.
20. Create a local land trust to expand the supply of affordable homeownership options.
21. Support local not-for-profits and housing partnerships in efforts to develop additional affordable housing.
22. Use the local housing authority as a vehicle for creation of affordable family rental housing.
23. Directly appropriate local funds for development of lower cost, particularly family, housing.
24. Waive impact and permit fees for affordable housing developments.
25. Seek state and federal funding for multi-family housing development.

Guidelines:
The objective of this category is for the town to fund and support affordable rental housing, first-time homeownership programs and affirmatively market to promote racial integration to groups with low homeownership rates.

- Conduct a needs assessment to determine type(s) of program(s) needed.

- Provide a detail description of the type(s) of program(s) identified.
- Determine type of financial assistance needed to implement program(s) identified in the needs assessment.
- Contact local banks and community based organizations that may be interested in participating in such program(s). Consider other sources of funds such as the Connecticut Housing Finance Authority, the Federal Community Development Block Grant Program, the Federal HOME Program and the Federal Home Loan Bank Board Affordable Housing Program and local foundations.
- Describe steps to be taken by the town to market the first-time homebuyer program(s) and/or affordable rental program to promote racial integration. Include steps to be taken to reach resident groups with low homeownership rates. Include local and regional media outlets.

Counseling and Other Services to Promote Diversity

26. Create or expand Section 8 and other mobility counseling programs.
27. Affirmatively market Section 8, RAP, and other rental subsidy programs through dissemination of information to local landlords.
28. Conduct a local rent survey to determine if Section 8 exception rents are necessary in town.
29. Apply to HUD for Section 8 subsidies through the local housing authority.
30. Eliminate local residency preferences within subsidized housing within the town.
31. Develop a consistent tenant selection methodology that clearly defines the criteria by which each applicant will be judged and does not exclude any protected class.

Guidelines:
The objective of this section is to promote racial integration through the use of the Section 8 Program and other rental assistance programs.

- Develop a mobility counseling program. The establishment of the program must be disseminated to the public.
- Provide mobility counseling to Section 8, RAP recipients and other low-income, inner-city families to facilitate and ensure their access to affordable housing and reduce the concentration of inner-city poverty.
- Provide transportation assistance program(s) to improve residents' access to jobs in other areas.
- Provide education, affirmative marketing strategies and outreach programs to landlords regarding the Section 8 and RAP Programs in an effort to increase the access to affordable housing opportunities for low-income and inner-city families throughout the metropolitan area.
- Develop and/or actively participate in in-place-based initiatives such as empowerment zones and traditional community development activities in an attempt to bring resources and opportunities to distressed areas.
- Develop affirmative marketing strategies for rental subsidy programs, landlords, housing authorities and tenants, with the elimination of local residency preferences.

- Develop strategies to affirmatively market the Section 8 and RAP programs.

<u>Encouragement of Private Activity</u>

32. Encourage local lenders to adopt "second look" policies before rejecting mortgage applications.
33. Conduct regular monitoring of bank lending practices within the town.
34. Work with local landlords, real estate agents and lenders to develop affirmative marketing strategies which encourage applications from people least likely to apply based on current town demographics.
35. Encourage area lenders to develop training and monitoring programs, including self-testing of lending practices.

Guidelines:
The objective of this section is to encourage lenders to adopt nontraditional strategies and engage in activities that foster the development of affordable housing.

- Encourage local lenders to adopt Second Look Policies. Work with local lenders to develop and/or adopt guidelines to be used to determine and improve the credit worthiness of nontraditional borrowers.
- Encourage and work with local lenders to establish and carry out nontraditional steps and/or activities in order to comply with their CRA responsibilities.
- Develop and implement policies to monitor banks' commitment to reinvest in the community.
- Work with local lenders in the development of an affirmative marketing program to disseminate information regarding their adoption of Second Look Policies.
- Work with local lenders in the development and dissemination of a training program, aimed at families that may be able to take advantage of favorable terms being offered to first-time homebuyers, to prepare them for the process of searching for a home and negotiating a purchase price.
- Work with local lenders in the development of training and monitoring programs for staff to ensure that the goals of the programs in this section are being carried out successfully.

This list does not include every fair housing activity that a community could, or should undertake. However, when used with the matrix below, it is a good starting point for increasing community awareness, ensuring that clear procedures exist for addressing fair housing complaints, expanding the types of housing choice within a community, and generally providing all people with the opportunity to live in the community of their choice without discrimination.

Matrix for Local Fair Housing Action

Definitions

Urban

- Highly developed infrastructure for housing development (lights, sewers, roads, etc.) throughout the town.
- Substantial supply of rental housing units.
- Large percentage of town comprised of multi-family zones.
- Access to mass transportation throughout the town.
- Limited supply of undeveloped land.
- Full-time town staff with several people dedicated to housing, community development and/or social service functions.

1st Tier Suburb

- Well developed infrastructure for housing development (lights, sewers, roads, etc.) throughout the town.
- Predominance of smaller lot single family housing zones.
- Several multi-family zones throughout town.
- Regular access to mass transportation on major streets.
- Full-time town staff with one or more people dedicated to housing, community development and/or social service functions. These people may be within the Housing Authority.

2nd Tier Suburb

- Limited infrastructure for housing development (lights, sewers, roads, etc.) may only be lacking in much of the town.
- Predominance of large lot single family housing zones.
- Few, if any, multi-family zones in the town.
- Limited access to mass transportation (limited hour commuter buses or van services only).
- Small municipal staff with housing, community development and/or social service functions shared.
- No local housing authority or one which provides limited services (i.e. elderly or Section 8 only).

Rural

- Extremely limited infrastructure for housing development. Most of the town lacks lights, sewers, roads, etc. Predominance of large lot single family housing zones.
- Few, if any, multi-family zones in the town.
- No regular service mass transportation services.
- Very small municipal staff, none are dedicated to housing, community development or social service functions.

Limited Affordability Community

Town where income needed for housing is greater than 120% of the lower of state or regional median income.

Moderate Affordability Community
Town where income needed for housing is between 80% and 120% of the lower of state or regional median income.

Substantial Affordability Community
Town where income needed for housing is less than 80% of the lower of state or regional median income.

Income Needed for Housing
INH = (% of ownership stock X income needed to purchase median price home in town) + (% rental stock X income needed to rent at median rent).

Local Fair Housing Strategy Matrix

	Urban	First Tier	Second Tier	Rural
Limited Affordability Community	Primary Objective: Increase Affordability Possible Action Steps: 1, 2, 3, 5, 6, 8, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, 26, 33, 34	Primary Objectives: Increase Affordability, Promote Rental Possible Action Steps: 2, 3, 4, 5, 6, 8, 10, 12, 13, 14, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31	Primary Objectives: Increase Affordability, Promote Rental Possible Action Steps: 2, 3, 4, 7, 8, 9, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 34	Primary Objectives: Increase Affordability, Promote Variety in Housing Stock Possible Action Steps: 2, 4, 7, 8, 9, 13, 14, 16, 18, 19, 20, 21, 22, 23, 24, 30, 32, 35
Moderate Affordability Community	Primary Objective: Increase Affordable Ownership Options Possible Action Steps: 1, 3, 5, 6, 8, 11, 12, 13, 14, 21, 23, 26,32, 33, 34, 35	Primary Objective: Affirmative Marketing Possible Action Steps: 2, 3, 5, 6, 7, 8, 10, 12, 13, 14, 21, 22, 23 25, 27, 28, 29, 30, 31, 34	Primary Objective: Affirmative Marketing Possible Action Steps: 2, 3, 4, 7, 8, 9, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 34	Primary Objectives: Increase Affordable Ownership Options, Address Transportation Needs Possible Action Steps: 4, 7, 8, 9, 13, 14, 16, 18, 19, 20, 21, 24, 30, 32
Substantial Affordability Community	Primary Objective: Promote Ownership Possible Action Steps: 1, 3, 5, 6, 8, 11,12, 13, 14, 15, 21, 22, 23, 25, 27, 29, 30, 34	Primary Objectives: Maintain Variety in Housing Stock, Affirmative Marketing Possible Action Steps: 2, 3, 5, 6, 7, 8, 10, 12, 13, 14, 15, 21, 22, ,23 25, 27, 29, 30, 31, 34	Primary Objectives: Increase Rental, Affirmative Marketing Possible Action Steps: 2, 3, 4, 7, 8, 9,13, 14, 16, 17, 19, 21, 22, 23, 24, 25, 27, 29, 30, 31, 34	Primary Objectives: Promote Ownership, Address Transportation Needs Possible Action Steps: 4, 7, 8, 9, 13, 14, 16, 18, 19, 20, 21, 24, 30, 32, 33, 34, 35

Exhibit 6.3 b – 2

FAIR HOUSING POLICY STATEMENT GUIDELINES

All elements should be included in the Fair Housing Policy Statement:

- The Fair Housing Policy Statement must include the town's commitment to promote Fair Housing choice, and not to discriminate against any person as prohibited in General Statutes 46a-64c as amended

- Protected classes listed include: race, creed, color national origin, ancestry, sex, marital status, age, lawful source of income, familial status, physical or mental disability or sexual orientation. The provisions of 46a-64c should be specifically included in the pledge

- Identifies the person assigned Fair Housing responsibilities by name, position, address, telephone and email
- It is signed and dated by Board President, CEO or other comparable party

- Includes a Discrimination Complaint Procedure section, which includes a progress report on the number of complaints filed, if any, actions taken and status of each complaint

- States how the policy shall be disseminated and displayed

- It is revised as needed

Exhibit 6.3 b - 2

[Use Town/City Letterhead]

Fair Housing Policy Statement Sample

It is the policy of the [Town/City] to promote fair housing opportunities and to encourage racial and economic integration in all its programs and housing development activities.

Programs funded and administered by this [Town/City] must comply with the provisions of Section 46a-64c of the C.G.S., and with related state and federal laws and regulations that prohibit discriminatory housing practices.

The [Town/City] or any of sub-recipient of the [Town/City] will carry out an affirmative marketing program to attract prospective buyers or tenants of all majority or minority groups, without consideration of race, color, religion, sex, national origin, ancestry, creed, sexual orientation, marital status, lawful source of income, disability, age or because the individual has children in all programs and housing development activities funded or administered by the [Town/City].

The municipality's [Name of office responsible for fair housing] is responsible for the enforcement and implementation of this policy. The [Title of person responsible for fair housing] may be reached at [phone number] or [email address].

Complaints pertaining to discrimination in any program funded or administered by this [Town/City], may be filed with the [Name of Office responsible for fair housing]. The municipality's Grievance Procedure will be utilized in these cases.

Complaints also may be filed with the Commission on Human Rights and Opportunity, Special Enforcement Unit, 21 Grand Street, Hartford, CT 06106, Telephone (860) 541-3403.

A copy of this policy statement will be given annually to all [Town/City] employees and they are expected to fully comply with it. In addition, a copy will be posted throughout the [Town/City].

Revised [date revised]

_____ _____

Date First Selectman/Mayor/Title

THIS STATEMENT IS AVAILABLE IN LARGE PRINT OR ON AUDIO TAPE by contacting [Name, Address, Phone Number].

***FORM AA5*-Affirmative Fair Housing Marketing Plan**

Applicant Name: _____

Project Name: _____

1. INTRODUCTION

Each applicant shall carry out an Affirmative Marketing Program to attract buyers or tenants of all minority and non-minority groups to the housing that the applicant is providing. These groups include White (Non-Hispanic) and members of minority groups: Blacks (Non-Hispanic), American Indians/Alaskan Natives, Hispanics and Asian/Pacific Islanders in the Metropolitan Statistical Area (MSA) or housing market area who may be subject to housing discrimination. At least 20 percent of the units must be targeted to the group(s) identified as "least likely to apply." Groups "least likely to apply" include people with disabilities.

2. APPLICATION AND PROJECT IDENTIFICATION

A. Applicants:	**B.** Project or Application Number:
Name:	Number of Units:
Address (City, State & Zip Code):	Price or Rental Range of Units: From $ To $
Telephone #:	
C. Project: Name:	**D.** Approximate Starting Dates: Advertising Occupancy
Address (City, State and Zip Code):	**E.** Name of Managing/Sales Agent:
County: Census Tract:	Address (Include City, State, Zip Code):
	F. For Multifamily Housing Only [ ] Elderly [ ] Non-Elderly

3. TYPE OF AFFIRMATIVE MARKETING PLAN

[ ] Project Plan: [ ] Single family scattered site units
[ ] Minority Area [ ] White (non-minority area)
[ ] Mixed Area (with % of minority residents).

4. DIRECTION OF MARKETING ACTIVITY

Indicate below which group(s) in the housing market area are least likely to apply for the housing because of its location and other factors without special outreach efforts.
[ ]White (non-Hispanic) [ ] Black Non-Hispanic [ ]American Indian or Alaskan native
[ ] Hispanic [ ] Asian or Pacific Islander
[ ] People with disabilities, (Family Housing only, See Instructions).

5. MARKETING PROGRAM:

A. COMMERICAL MEDIA

Check the media to be use to advertise the availability of this housing.
[ ] Newspaper(s)/Publication(s) [ ] Radio [ ] TV [ ] Billboard(s) [ ] Other (specify)

NAME OF NEWSPAPER RADIO OR TV STATION (1)	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE (2)	SIZE/DURATION OF ADVERTISING (3)	MEDIA TARGETED TO PEOPLE WITH DISABILITIES (4)

B. BROCHURE, SIGNS, AND FAIR HOUSING POSTER:

(1) Will brochures, leaflets, or handouts be used to advertise? Yes or No.
If yes, attach a copy or submit when available.

(2) For project site sign; indicate sign size ____ x ____.
Attach a photograph or project sign or submit when available.

(3) Fair Housing Poster must be conspicuously displayed whenever sales/rentals and showing take place. Where will they be displayed? [ ] Sales/Rental Office(s); [ ] Real Estate Office(s); [ ] Model Unit(s); [ ] Other_____

C. COMMUNITY CONTACTS

To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the groups/organizations listed below that are located in the housing market area of SMSA. If more space is needed, attach an additional sheet. Notify DECD of any changes in this list. Attach a copy of correspondence to be mailed to these groups/organizations. (Provide all requested information).

Name of Group/ Contacted Organization (1)	Group Identification (2)	Approximate Date of Contact or Proposed Contact (3)	Person or to be Contacted (4)

Address and Telephone # (5)	Method of Contacts (6)	Indicate the Specific Function/Group Organization will undertake in implementing the marketing programs. (7)

6. FUTURE MARKETING ACTIVITIES
Check the block(s) that best describe future marketing activities to fill vacancies as they occur after the project has been initially occupied. [ ] Newspaper/Publications [ ] Radio [ ] TV [ ] Brochures/Leaflets/Handouts [ ] Site signs [ ] Community Contact [ ] Others (Specify) _____
7. ANTICIPATED OCCUPANCY/RESULTS
(State in number of units the racial/ethnic mix of occupants anticipated as a result of the implementation of this affirmative marketing plan. [ ] White (Non-Hispanic) [ ] Black (Non-Hispanic) [ ] Hispanic [ ] American Indian or Alaskan Native [ ] Asian or Pacific Islander [ ] People with Disabilities
8. EXPERIENCE AND STAFF INSTRUCTIONS
A. Indicate any experience in marketing housing to the group(s) identified as least likely to apply. [ ] Yes or [ ] No B. Indicate training to be provided to staff on federal, state, and local fair housing laws and regulations, as well as this AFHM Plan. Attach a copy of the instructions to staff regarding fair housing.
9. ADDITIONAL CONSIDERATIONS
A. Submit a Fair Housing Policy Statement. B. Submit your procedures for accepting and screening applications and the process by which you create and manage your waiting list. See Section 8-37ee-305-306 C.G.S. C. Submit an Affirmative Action Policy Statement. D. Submit an ADA Grievance Procedure. E. Submit an ADA Notice.
10. By signing this form, the applicant agrees, after appropriate consultation with DECD to change any part of the plan covering a multifamily project to assure continued compliance with Affirmative Fair Housing Marketing Regulations.
Signature of Person Submitting Plan:
Name (Type or Print):
Title and Company:
Date:

****FOR DECD USE ONLY****	
Approved By:	Disapproved By:
Signature:	Signature
Name:	Name:
Title:	Title
Date:	Date:

FORM AA5 Instructions
For DECD Affirmative Fair Housing Marketing Plan

Part 1-Introduction

The Affirmative Fair Housing Marketing Plan requires that each applicant carry out an affirmative program to attract prospective buyers or tenants of all majority and minority groups in the housing market area regardless of race, color, religion, sex, national origin, ancestry, sexual orientation, creed, marital status, lawful source of income, learning disability, mental or physical disability, including but not limited to blindness, age, or because the individual has children. The applicant shall describe on this form the activities it proposes to carry out during advance marketing, where applicable, and the initial sales or rent-up period. The Affirmative Marketing program should also assure that any group(s) of person normally NOT likely to apply for the housing without special outreach efforts (because of existing neighborhood racial or ethnic patterns, location of housing in the Primary Metropolitan Statistical Area, price or other factors), know about the housing, feel welcome to apply and have the opportunity to buy or rent. At least 20% of the units must be targeted to the group(s) identified as "least likely to apply."

In addition to the specific advertising activities, please describe activities relating to instructions and or training that is provided to staff on fair housing.

Marketing activities are required throughout the life of the mortgage, assistance agreement or regulatory agreement - whichever is longer. The Plan must be available for public inspection.

Part 2-Application and Project Identification

Parts A, B, and F are self-explanatory. With respect to Part C, the applicant may obtain Census Tract location information from local planning agencies, public libraries, and other sources of Census Data. Relevant demographic data must be submitted. With respect to Part D, specify approximate starting date of marketing activities to the groups targeted for special outreach and the anticipated date of initial occupancy. Part E is to be completed only if the applicant is not going to implement the plan on its own.

Part 3-Type of Affirmative Marketing Plan

Applicants for multifamily and subdivision projects that are 5 or more units, must submit a Project Plan which describes the marketing program for the particular project or subdivision. Scattered site builders are to submit individual annual plans based on the racial composition each census tract where the housing will be built. For example, if a builder plans to construct units in minority and non-minority census tracts, separate plans shall be submitted.

Part 4-Direction of Marketing Activity

Considering factors such as price, public transportation routes, etc the racial/ethnic characteristics of the neighborhood in which the housing is (or is to be) located, and the population within the housing market area, the applicant should indicate which group(s) are "least likely to apply" without special outreach.

Part 5-Marketing Program

The applicant shall describe the marketing program to be used to attract all segments of the eligible population, especially those groups designated in Part 4 of the Plan as "least likely to apply." The applicant shall state: the type of media to be used: the name of newspapers; call letters of radio or TV stations; the identity of the circulation or audience of the media identified in the Plan, e.g., White (Non-Hispanic), Black (Non-Hispanic), Hispanic, Asian-American/Pacific Islander, American Indian/Alaskan Native, persons with disability and the size or duration of newspaper advertising or length and frequency of broadcast advertising. Community contacts should include individuals or organizations that are well known in the project area or the locality and that can inform person within groups considered "least likely to apply." Such contacts may include, but need not be limited to: neighborhood, minority and women's agencies, and individuals who are connected with these organizations and/or are well known in the community.

All advertisements must include the U.S. Department of Housing and Urban Development approved Fair Housing logo or slogan or statement and all advertising depicting persons shall depict persons of majority and minority groups. Similar posters must be placed at the project site and rental offices.

Applicants must submit a Notification of Intent to begin marketing to the DECD, no later than 90 days prior to engaging in sales or rental of marketing activities.

Reporting Requirements:

Three reports regarding racial and economic integration shall be submitted to the DECD prior to final occupancy. One after the period for submission of applications, one after pre-screening, and one after final selection.

Recipients are required to collect racial and economic data from tenants and persons on the waiting list. This information must be reported to DECD annually, before October thirty-first for the year ending the preceding September thirtieth. The data shall include information for households entering the development and in occupancy during the previous September thirtieth.

DECD will determine whether or not the recipient has made a good faith effort in trying to reach members of groups identified as least likely to apply. In such cases where these efforts are determined to be insufficient, additional outreach efforts will be required. Such additional outreach efforts may delay the occupancy of units.

Marketing must include the dissemination of information to the largest city located in the nearest Primary Metropolitan Statistical Area, Regional Planning Area and any other area likely to contain high percentages of members of the group identified as least likely to apply and where public transportation or public highways/job availability make it likely that members of these groups will wish to move.

The Plan must identify the timeframe, duration or appear where they are most likely to be read or seen.

Advertisements in newspapers must be displayed or appear where they are most likely to be read or seen - not only in the classified section.

The applicant shall send a notification to all housing market area community resource contacts at the start of construction. This notification shall include: (i) basic information concerning the Project

(e.g., number of units, approximate date of occupancy, income levels to be served), (ii) information that they are being contacted because they may be interested in participating in the applicant affirmative marketing efforts, and (iii) advice that they will be contacted later concerning their desire to participate in this effort. The notice shall also provide the name of a person to contact for further information. The applicant shall send a second notification to its community resource contacts at approximately 50 percent of completion of construction. This notification shall contain: (i) an update on the notification provided in the first notification, (ii) a proposed report on the Project, and (iii) a narrative concerning the Project (e.g., rent levels amenities, availability of transportation).

Six weeks before the estimated beginning of rent-up or sales, the applicant shall send a third notification to all community resource that have been identified as possibly helpful in the affirmative marketing efforts (not necessarily limited to those contacts that have played an active role). This notification shall include: (i) a copy of any sales or rent-up brochure for the Project, (ii) the precise dates for sales or rent-up, (iii) a brief description of how an applicant may apply for the housing and (iv) a name of a person to contact for further information. A description of the selection criteria and selection process must also be included in this letter.

The applicant must solicit eligible buyers or tenants who may be referred to them by the Department or other organizations.

Where relevant, information may be provided in both English and Spanish.

The Marketing Plan shall provide for follow up from outreach agencies to determine the effectiveness of referrals (via letter).

Part 6-Future Marketing Activities Self-*explanatory*

Part 7-Anticipated Occupancy Results

Anticipated occupancy results are a measure of the effectiveness of the implementation of the plan. If the applicant elects to use indicators of effectiveness that differ from those described in this plan, such indicators shall be described at the bottom of the second page. Such indicators should be used to assess the effectiveness of specific aspects of the affirmative marketing program to attract to the housing persons targeted for special outreach, e.g., media advertising, use of minority-owned media, community contacts, etc.

The description should include a brief statement of the method to be used (e.g., survey of applicant, tenant questionnaire or the like).

Part 8-Experience and Staff Instructions

a. Indicate whether the applicant has previous experience in marketing housing to group(s) identified as “least likely to apply” for the housing.

b. Describe the instruction and training given to sales/rental staff. This guidance to staff must include information regarding federal, state, and local fair housing laws and this AFHM Plan. Copies of any written materials should be submitted with the plan, if such materials are available.

The applicant must develop and maintain a nondiscriminatory affirmative action statement, which

must be posted and disseminated to staff engaged in the sale or rental or properties.

Part 9-Additional Considerations

In this section, housing providers must provide an Affirmative Fair Housing Policy Statement, Affirmative Action Statement, Tenant Grievance Procedure, ADA Grievance Procedure, ADA Notice and Tenant Selection Methodology.

Selection Methodology:

Applicants may use a point system or random selection. Applicants must use the Department of Economic and Community Development approved selection methodology if they are using a point system. (See attached regulations)
In addition, describe other efforts not mentioned previously which are planned to attract persons in those groups already identified in part 4 of the plan as "least likely to apply" for the housing or in groups not previously identified in the plan. Such efforts may include outreach activities to female-headed households.

Part 10-Self-Explanatory

The housing provider's authorized agent signs the AFHM plan at the bottom and dates it. Both the Applicant for the funds and the housing provider assume full responsibility for its implementation. The department may at any time monitor the implementation of the plan and request modifications in its format or content, where the department deems necessary.

Part 11- Other Requirements.

Application Process:

The application period for all prospective applicants shall extend for at least 90 days prior to initial occupancy. An application deadline must be established.

The application form must be submitted to DECD for review.

Anyone seeking to apply must be able to do so, and assistance must be provided to anyone who requests help with completing the form.

Applications must be stamped, and each person must be given a receipt with the date and time the application was received.

Tenant selection shall occur at least 30 days before occupancy.

Records:

Initial affirmative marketing plan records, including the implementation of the plan, must be maintained for at least three years. Thereafter this Plan must remain in full force and effect throughout the remainder of the affordability period of the housing for which it was designed. Revisions to the plan may be made with DECD approval.

FAIR HOUSING REGULATIONS

TABLE OF CONTENTS

Fair Housing Regulations

Definitions . . . .
8-37ee- 1
Description . . . .
8-37ee- 2

Part I
Affirmative Fair Housing Marketing Requirements

Characteristics of affirmative fair marketing programs . . . .
8-37ee- 3
The affirmative fair housing marketing plan. . . . .
8-37ee- 4
Notice of housing opportunities . . . .
8-37ee- 5

Part 2
Affirmative Fair Housing Marketing Compliance

Procedures .....
8-37ee- 6
Requisite approvals, notifications, and reports .....
8-37ee- 7
Compliance meeting .....
8-37ee- 8
Compliance reviews 8-37ee- 9
Hearings . . . .
8-37ee- 10
Filing of testimony and exhibits 8-37ee- 11
Uncontested disposition . . . .
8-37ee- 12
Delegation of powers . . . .
8-37ee- 13
Record . . . .
8-37ee- 14
Final decision . . . .
8-37ee- 15
Petition for reconsideration of final decision 8-37ee- 16
Compliance for existing state assisted units 8-37ee- 17
Reserved 8-37ee-18-8-37ee-299

TABLE OF CONTENT

Affirmative Fair Housing Marketing and Selection Procedures Manual

General information . . . .
8-37ee-300
Definitions. . . . .
8-37ee-301
Affirmative fair housing marketing process 8-37ee-302
Application process . . . . . .
8-37ee-303
Selection process . . . . . .
8-37ee-304
Selection methodology . . . . . .
8-37ee-305
Insufficient number of least likely to apply applicants 8-37ee-306
Post occupancy requirements . . . . . .
8-37ee-307
Reserved. . . . . .
8-37ee-308
Recipient training . . . .
8-37ee-309
Affirmative marketing for other grantees . . . .
8-37ee-310
Fair housing policy statement and publicity . . . . . .
8-37ee-311
Modification of requirements . . . . . .
8-37ee-312
Reporting requirements . . . .
8-37ee-313
Fair housing compliance for existing state assisted units 8-37ee-314

Fair Housing Regulations

Sec. 8-37ee-1. Definitions

The following definitions apply to Section 8-37ee-1 through Section 8-37ee-17 of the Regulations of Connecticut State Agencies:

(1) "Commissioner" means the Commissioner of the State of Connecticut Department of Housing.

(2) "Compliance Meeting" means a meeting held by the department for those recipients who fail to comply with their approved affirmative fair housing marketing plan.

(3) "Department" means the State of Connecticut Department of Housing.

(4) "Family" means a household consisting of one or more persons.

(5) "Income Group" means one of the following household groups, adjusted by family size and based on the appropriate area median income established by the United States Department of Housing and Urban Development: (1) households with incomes twenty-five per cent (25%) or less of the area median income; (2) households with incomes more than twenty five per cent (25%) but not more than fifty percent (50%) of the area, median income; (3) households with incomes more than fifty per cent (50%) but not more than eighty percent (80%) of the area median income; (4) households with incomes more than eighty per cent of the area median income but not more than one hundred percent (100%) of the area median income; and (5) households with incomes more than one hundred per cent of the area median income.

(6) "Least Likely to Apply" means those persons who, in the main, do not live in the area of the development because of racial or ethnic patterns, perceived community attitudes, price or other factor, and thus need additional outreach to inform them of their opportunity to live in the development. With regards to race, in predominantly white areas, these shall be minority groups; in predominantly minority areas, these shall be white groups.

(7) "Minority" means those persons identified in Section 8-37ee-1 (h) subsections (b) through (g).

(8) "Primary Metropolitan Statistical Area or Metropolitan Statistical Area" means areas as defined by the United States Department of Housing and Urban Development. These areas are: Bridgeport-Milford, Bristol, Danbury, Hartford, Middletown, New Britain, New Haven-Meriden, New London-Norwich, Norwalk, Stamford, and Waterbury.

(9) "Race or Ethnic Group" means (a) White (not of Hispanic origin) persons with origins in Europe, North Africa, and the Middle East such as Canadians, Italians, Arabs, and so forth; (b) Black (not of Hispanic origin) persons with origins in Africa such as Black Puerto Ricans, Jamaicans, Nigerians, Haitians, and so forth and who may identify themselves as "Black" or "Negro" or "African-American;" (c) American Indian persons with origins in American Indian tribes such as Canadian Indians, Spanish American

Indians, and French-American Indians; (d) Eskimo persons with origins in North America such as Arctic Slop and Yupik; (e) Aleut persons with origins in the Americas such as Alutiqs and Egegiks; (f) Asian or Pacific Islander persons with origins in Asia and the Pacific Islands including Chinese, Filipinos, Japanese, Asian Indians, Koreans, Vietnamese, Samoans, Hawaiians, and so forth; (g) Hispanic persons with origins in Spain, Central or South America, Mexico, the Dominican Republic or Puerto Rico who may identify themselves as "Spanish," Hispanic," "Latino," "Mexican" or others.

(10) "Recipient" means a person, organization or individual who applies or may receive state financial assistance from the department.

(11) "Resident" means a person who lives or works in the town where the development is located. Durational residency requirements are not permitted.

(Effective February 2, 1994)

Sec. 8-37ee-2. Description

(a) The department is legislatively mandated under Section 8-37ee of the Connecticut General Statutes and the Connecticut Fair Housing Act, 46a-64b et seq. to promote fair housing choice and racial and economic integration in all housing funded in whole or in part by the department. Further, owners of state assisted housing are responsible for including in their Affirmative Fair Housing Marketing Plan provisions for the recruitment of an applicant pool that includes residents of municipalities of relatively high populations of those that would be least likely to apply. The goal of the department is to promote integrated housing by means of standards for Affirmative Fair Housing Marketing and Occupant Selection Criteria. At least twenty percent (20%a) of the units shall be promoted to the group identified as "least likely to apply."

(b) Affirmative Fair Housing Marketing and Occupant Selection Criteria determine both who shall have the opportunity to apply for state assisted housing and who shall ultimately be selected for such housing. Because the state is providing financing for the rehabilitation or construction of decent, safe, and attractive housing at a very low cost to the occupant, it is incumbent upon all owners to assure that broad based marketing as well as equitable and responsible occupant selection procedures be implemented.

(c) The affirmative fair housing marketing requirements set forth in Section 837ee-1 through Section 8-37ee-17 of this regulation shall apply to all recipients where department funding is used for the development or rehabilitation of:

(1) Subdivisions or multifamily developments of five or more lots or units; or
(2) Scattered site dwelling units, where the recipient's participation in department programs has exceeded, or shall thereby exceed, the development or rehabilitation of five such dwelling units during the year.

(d) Municipalitys shall be required to comply with all rules and orders that may be promulgated, from time to time, by the Commissioner and consistent with the Connecticut General Statutes for the development and management of projects.

(e) The Commissioner may waive any nonstatutory requirements imposed by Section 8-37ee-1 to Section 8-37ee-17, inclusive, of these regulations. Requests for a waiver shall be in writing, addressed to the Commissioner. Such waiver may only be granted with sufficient evidence that:

(1) the literal enforcement of such provisions provide for exceptional difficulty or unusual hardship not caused by the recipient;
(2) the benefit to be gained by waiver of the provisions is clearly outweighed by the detriment which shall result from enforcement;
(3) the waiver is in harmony with conserving public health, safety and welfare; and
(4) the waiver is in the best interest of the state.

(Effective February 2, 1994)

Part 1

Affirmative Fair Housing Marketing Requirements

Sec. 8-37ee-3. Characteristics of affirmative fair marketing programs

Each recipient shall meet the following requirements or, if he contracts marketing responsibility to another party, be responsible for that party's carrying out the requirements:

(1) Carry out an affirmative program to attract buyers or tenants of all minority and majority groups to the housing for initial or ongoing sale or rental. An affirmative marketing program shall be in effect for each multifamily development throughout the life of the mortgage, assistance agreement or regulatory agreement, whichever is longer. The program shall include a carefully documented assessment of what groups are in need of affirmative marketing and a clearly articulated affirmative marketing policy and outreach effort. Such effort shall typically involve publicizing to those least likely to apply, the availability of housing opportunities through the type of media customarily utilized by the recipient, including minority publications or other minority outlets which are available in the housing market area. All advertising shall include the U.S. Department of Housing and Urban Development approved fair housing logo or slogan or statement and all advertising depicting persons shall depict persons of majority and minority groups.

(2) Maintain a nondiscriminatory policy in recruiting for staff engaged in the sale or rental of properties.

(3) Instruct all employees and agents, in writing and orally, in the policy of nondiscrimination and fair housing.

(4) Specifically solicit eligible buyers or tenants who may be referred to the recipient by the department or other organizations.

(5) Prominently display in all offices in which sale or rental activity pertaining to the project occurs, the U.S. Department of Housing and Urban Development approved Fair Housing Poster and include in any printed material used in connection with sales and rentals, the U.S. Department of Housing and Urban Development approved fair housing logo or slogan or statement.

(6) Post in a conspicuous position on all department project sites a sign displaying prominently either the U.S. Department of Housing and Urban Development approved Equal Housing Opportunity logo or slogan or statement.

(Effective February 2, 1994)

See. 8-37ee-4. The affirmative fair housing marketing plan

Each recipient to which section 8-37ee-1 through 8-37ee-17 of these regulations apply shall provide, on a form and in the manner prescribed by the department in its affirmative fair housing marketing and selection procedures manual, information indicating his affirmative fair housing marketing plan to comply with the requirements set forth in Section 8-37ee-1 above. The plan, once approved by the department, shall be available for public inspection at the sales or rental office of the recipient.

(Effective February 2, 1994)

Sec. 8-37ee-5. Notice of housing opportunities

The department shall prepare quarterly a list of all projects covered by section 8-37ee-1 through 8-37ee-17 of these regulations on which commitments have been issued during the preceding ninety days. The department shall maintain a roster of interested organizations and individuals, including public agencies responsible for providing relocation assistance and local housing agencies, desiring to receive the quarterly list and shall provide the list to them.

(Effective February 2, 1994)

Part 2

Affirmative Fair Housing Marketing Compliance

Sec. 8-37ee-6. Procedures

(a) The purpose of this Part is to establish a process to implement the department's affirmative fair housing marketing requirements set forth in Part 1, section 8-37ee1 through 8-37ee-5 of these regulations, by developing a comprehensive procedure which provides all recipients subject to these requirements advance information as to departmental procedures to assure compliance.

(b) Compliance procedures consist of: approval of the affirmative fair housing marketing plan and selection procedures, approval of any modifications to the plan and procedures, pre-marketing conference if necessary, reports during the application and selection period, compliance review, if necessary, and initiation of sanctions.

(Effective February 2, 1994)

Sec. 8-37ee-7. Requisite approvals, notifications, and reports

(a) The affirmative fair housing marketing plan and selection procedures shall be approved by the affirmative action office of the department prior to final approval of the recipient's application.

(b) Any modifications made to the plan and procedures subsequent to final approval shall also be approved by the affirmative action office.

(c) Recipients shall submit a Notification of Intent to Begin Marketing to the department, no later than 90 days prior to engaging in sales or rental marketing activities. Upon receipt of the Notification of Intent to Begin Marketing from the recipient, the department's affirmative action office shall review any previously approved plan and, if necessary, may schedule a preoccupancy conference at the department.

(d) Such conference shall be held prior to initiation of sales or rental marketing activities. At the preoccupancy conference, the previously approved plan shall be reviewed with the recipient to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the affirmative fair housing marketing regulation and the plan.

(e) Three reports regarding racial and economic make up of housing shall be made to the affirmative action office before final occupancy: one after the period for submission of applications; one after pre-screening; and one after final selection. These may be done by telephone with written follow-ups for verification. If the affirmative action office finds at any stage that there are insufficient "least likely to apply" candidates due to a lack of good faith affirmative fair marketing efforts, then the affirmative action office shall reserve the right to require additional outreach until such time as a sufficient effort has been expended or a sufficient number of applicants are available. Such additional outreach may delay the occupancy of units. The affirmative action office may further require a compliance meeting, as specified in Section 8-37ee-8, below.

(f) Recipients shall be required to collect racial and economic data from tenants and persons on waiting lists. The data collected shall analyze income groups and races served, and shall be reported to the Commissioner annually, before October thirty-first for the year ending the preceding September thirtieth. The analysis shall also include data for all households entering the housing development or project during the year ending the preceding September thirtieth and in occupancy the preceding September thirtieth.

(Effective February 2, 1994)

Sec. 8-37ee-8. Compliance meeting

(a) If a recipient fails to comply with the affirmative fair housing marketing requirements or it appears that the goals of the plan may not be achieved or that the implementation of the plan should be modified, the department's affirmative action office may schedule a meeting with the recipient.

(b) The purpose of the meeting is to review the recipient's compliance with the affirmative fair housing marketing requirements and the implementation of the plan and to indicate any changes or modifications which may be required in its plan.

(c) A notice of the compliance meeting shall be sent to the last known address of the recipient, by certified mail, or through personal service. The notice shall advise the recipient of the

right to respond within seven (7) days to the matters identified as subjects of the meeting and to submit information and relevant data evidencing compliance with the affirmative fair housing marketing regulations and the plan.

(d) The recipient shall be requested in writing to provide, prior to or at the compliance meeting, specific documents, records and other information relevant to compliance including but not limited to:

(1) copies of all advertising in the Metropolitan Statistical Area (MSA) or housing market area, as appropriate, including newspaper, radio and television advertising;
(2) photo of any sale or rental sign at the site of construction;
(3) copies of brochures and other printed material used in connection with sales or rental;
(4) evidence of outreach to community organizations and any other evidence of affirmative outreach to groups which are least likely to apply for the subject housing;
(5) evidence of instructions to employees with respect to company policy of nondiscrimination in housing;
(6) description of training conducted with staff;
(7) evidence of nondiscriminatory hiring and recruiting policies for staff engaged in the sale or rental activities;
(8) copies of applications and waiting lists of prospective buyers and renters maintained by the recipient;
(9) copies of sign-in lists maintained on site for prospective buyers and renters who are shown the housing;
(10) copies of the selection and screening criteria;
(11) copies of relevant sales or lease agreements; and
(12) any other information which documents efforts to comply with the plan.

(e) Based on the evidence, the department shall notify the recipient within (10) ten days of the meeting whether or not the recipient is in compliance with the affirmative fair housing marketing regulations or plan, or if the matters raised at the compliance meeting can not be resolved.

(f) If the evidence indicates an apparent failure to comply, the department shall conduct a comprehensive compliance review.

(g) If the recipient fails to attend the meeting scheduled, the department shall notify the recipient no later than ten days after the date of the scheduled meeting, in writing by certified mail, return receipt requested, and shall advise the recipient as to whether a comprehensive compliance review shall be conducted or to recommend the imposition of sanctions.

(Effective February 2, 1994)

Sec. 8-37ee-9. Compliance reviews

(a) All compliance reviews shall be conducted by the department's affirmative action office.

(b) Even in the absence of a complaint or other information indicating noncompliance, the department may conduct periodic compliance reviews throughout the life of the project.

(c) The purpose of a compliance review is to determine whether the recipient is in compliance with the department's requirements and the approved affirmative fair housing marketing plan. The recipient shall be given at least five days notice of the time set for any compliance review and the place or places for such review.

(d) The compliance review shall cover the following areas:

(1) sales and rental practices, including practices in soliciting buyers and tenants, determining eligibility, selecting and rejecting buyers and renters and in concluding sales and rental transactions;
(2) activities to attract minority and majority buyers and renters, including the use of advertising media, brochures, pamphlets, fair housing poster; and
(3) data relating to size and location of units, services provided, sales and/or rental price ranges and other matters relating to the marketing of the units.

(e) Following the compliance review, a report shall be prepared finding whether the project is in compliance or noncompliance. Whenever a finding of noncompliance is made, the report shall list specifically the violations found. The recipient shall be sent a copy of the report by certified mail, return receipt requested.

(Effective February 2, 1994)

Sec. 8-37ee-10. Hearings

Should a hearing be requested it shall be conducted in accordance with the following:

(1) Designation of Patties
In issuing the notice of hearing, the Commissioner shall designate as patties any persons known to the Commissioner whose legal rights, duties or privileges are being determined in the contested case and any person whose participation as a party is deemed by the Commissioner to be necessary to the proper disposition of such proceeding. Subsequent to the issuance of the notice of hearing, no other person before the Commissioner shall have standing as a party within the definition of section 4-166 (5) of the General Statutes, except upon the express order of the Commissioner.

(2) Participation by Persons Other Than Parties

(A) At any time prior to the Commencement of oral testimony in any hearing on a contested case, any person may request that the Commissioner permit that person to participate in the hearing. Any person not a party that is so permitted to participate in the hearing shall be identified as an intervenor for purposes of section 8-37ee-10 and shall participate in those portions of the contested case that the Commissioner shall expressly authorize.
(B) No grant or leave to participate in the hearing as an intervenor or in any other manner shall be deemed to be an admission by the Commissioner that the person he/she had permitted to participate is a party in interest that may be aggrieved by any final decision, order or ruling of the Commissioner, unless such grant of leave to participate expressly so states. An intervenor is a party of record for the limited purposes described in section 4-183 of the General Statute.

(3) Representation of Patties and Intervenors
Each person authorized to participate in a contested case as a patty or as an intervenor shall file a written notice of appearance with the Commissioner. Such appearance may be filed in behalf of parties and intervenors by an attorney, an agent or other duly authorized representative subject to the rules here-in-above stated. The filing of a written appearance may be excused on behalf of the Commissioner.

(4) Commencement of Hearing
When a hearing is required by law as to any person, the contested case shall commence on the date of filing of the request or petition.

(5) Place of Hearing
All hearings shall be held at the department, 505 Hudson Street, Hartford, 06106, unless a different place is designated by statute or by the direction of the Commissioner.

(6) Notice of Hearing

(A) Except when the Commissioner shall otherwise direct, the Commissioner shall give written notice of a hearing in any pending matter to all persons designated as parties, to all persons permitted to participate as intervenors, to all persons otherwise required by statute to be notified and to such other persons as have filed with the department their written request for notice of hearing in the particular matter. Written notice shall be given to such additional persons as the Commissioner shall direct. The Commissioner may give such public notice of the hearing as the Commissioner shall deem appropriate within the provisions of Section 1-21 of the General Statutes.

(7) General Provisions

(A) Purpose of Hearing-The purpose of any hearing the Commissioner conducts under chapter 54 of the General Statutes shall be to provide to all parties an opportunity to prevent evidence and argument on all issues to be considered by the Commissioner.
(B) Order of Presentation-In hearing on requests and petitions, the party shall open and close the presentation of any part of the matter shall be the person making the request or petitioner.
(C) Limiting the Number of Witnesses-To avoid unnecessary cumulative evidence, the Commissioner may limit the number of witnesses or the time for testimony upon a particular issue in the course of any hearing.
(D) Written Testimony-The Commissioner may permit any party to offer testimony in written form. Such written testimony shall be received in evidence with the same force end effect as though it were stated orally by the witness who has given evidence, provided that each such witness shall be present at the hearing at which testimony is offered, shall adopt the written testimony under oath, and shall be available for cross-examination as directed by the Commissioner. Prior to its admission, such written testimony shall be subject to objections by parties.

(8) Witnesses and Testimony

(A) Powers - The Commissioner shall have the power to administer oaths, take testimony under oath relative to the matter of inquiry or investigation, subpoena witnesses and require the production or records, physical evidence, papers and documents.

(B) Superior Court - If any person disobeys the subpoena or, having appeared, refuses to answer any questions put to him/her or to produce any records, physical evidence, papers and documents requested by the Commissioner, the department may apply to the superior court in accordance with section 4-177b of the General Statutes.

(9) The following rules of evidence shall be followed in the admission of testimony and exhibits in all hearings held under section 4-178 of the General Statutes.

(A) General- any oral or documentary evidence may be received but the Commissioner shall, as a matter of policy, exclude irrelevant, immaterial or unduly repetitious evidence. The Commissioner shall give effect to the rules of privilege recognized by law in Connecticut where appropriate to the conduct of the hearing. Subject to these requirements any testimony may be received in written form as herein provided.

(B) Documentary Evidence- Documentary evidence shall be submitted in original form, but may be received in the form of copies or excerpts at the discretion of the Commissioner. Upon request by any party an opportunity shall be granted to compare the copy with the original if available, which shall be produced for this purpose by the person offering such copy as evidence.

(C) Cross-examination - Cross-examination may be conducted as the Commissioner shall find to be required for a full and true disclosure of the facts.

(D) Facts Noticed, Records - The commissioner may take administrative notice of judicially cognizable facts, including the records and the prior decisions and orders of the department.

(E) Facts Noticed, Scope and Procedure-The Commissioner may take administrative notice of generally recognized technical or scientific facts within the department's specialized knowledge. Parties shall be afforded an opportunity to contest the material so noticed by being notified before or during the hearing or by an appropriate reference in preliminary reports or otherwise of the material noticed. The Commissioner shall nevertheless employ the department's experience, technical competence and specialized knowledge in evaluating the evidence presented at the hearing for the purpose of making his finding of facts and arriving at a final decision.

(Effective February 2, 1994)

Sec. 8-37ee-11. Filing of testimony and exhibits

Upon the order of the Commissioner before, during or after the hearing any party shall prepare and file exhibits and testimony. Any additional exhibits and testimony shall be deemed to be an offer of evidence and shall be subject to such comment, reply and contest as due process shall require.

(Effective February 2, 1994)

Sec. 8-37ee-12. Uncontested disposition

Unless precluded by law any request or petition may be resolved by stipulation, agreed settlement, consent-order or default, subject to the order of the Commissioner. Upon such disposition, a copy of the order of the Commissioner shall be served one each party.

(Effective February 2, 1994)

Sec. 8-37ee-13. Delegation of powers

The Commissioner may designate any employee of the department to serve as hearing officer at a contested case hearing and to render a final decision or proposed final decision.

(Effective February 2, 1994)

Sec. 8-37ee-14. Record

The record before the Commissioner in a contested case shall include (1) all motions, requests of action, petitions, pleadings, notices of hearing and intermediate rulings; (2) the evidence received and considered by the Commissioner; and (3) questions and offers of proof, objections and the rulings thereon during the hearing.

(Effective February 2, 1994)

Sec. 8-37ee-15. Final decision

(a) The Commissioner shall render a final decision within ninety (90) days following the close of evidence or the due date for the filing of briefs, whichever is later, in such proceedings. All decisions and orders of the Commissioner concluding a contested case shall be in writing and shall include findings of fact and conclusions of law. The Commissioner shall serve a copy of the final decision by certified mail on each party in the manner required by these rules of practice.

(b) If the Commissioner fails to comply with the provisions of subsection (a) above, in any contested case, any party thereto may apply to the superior court for an order requiring the Commissioner to render a final decision.

(Effective February 2, 1994)

Sec. 8-37ee-16. Petition for reconsideration of final decision

(a) Unless otherwise provided by law, a party in a contested case may, within fifteen (l5) days' after the personal delivery or mailing of the final decision, file with the department a petition for reconsideration on the grounds that (1) an error of fact or law should be corrected; (2) new evidence has been discovered which materially affects the merits of the case and which for good reasons was not presented in the hearing; or (3) other good cause for reconsideration has been shown.

(b) Within twenty-five (25) days of the filing of the petition, the department shall decide whether to reconsider the final decision. The failure of the department to make a decision within twenty-five (25) days of such filing shall constitute a denial of the petition.

(c) Within forty (40) days of the personal delivery or mailing of the final decision, the department, regardless of whether a petition for reconsideration has been filed, may decide to reconsider the final decision.

(d) If the department decides to reconsider the final decision, it shall proceed within thirty (30) days to conduct such additional proceedings as may be necessary to render a decision modifying, affirming or reversing the final decision.

(e) On a showing of changed conditions, the department may reverse or modify the final decision at any time, at the request of any person or on the department's own motion.

(f) The party or parties who were the subject of the original final decision or their successors, if known, and intervenors in the original case, shall be notified of the proceeding and shall be given the opportunity to participate in the proceeding. Any decision to reverse or modify the final decision shall make provision for the rights or privileges of any person who has been shown to have relied on such final decision.

(g) A person who has exhausted all administrative remedies available within the department and who is aggrieved by the final decision may appeal to the superior court as provided in section 4-183 of the General Statutes.

(Effective February 2, 1994)

Sec. 8-37ee-17. Compliance for existing state assisted units

Each owner of five or more state assisted housing units shall comply with these requirements within at least one year of the effective date of this regulation.

(Effective February 2, 1994)

Secs. 8-37ee-18-837ee-299. Reserved

Affirmative Fair Housing Marketing and Selection Procedures Manual

Sec. 8-37ee-300. General information

(a) This manual should be used in conjunction with the Fair Housing regulations under Section 8-37ee-I through Section 8-37ee-17 of the Regulations of Connecticut State Agencies, and the instructions accompanying the Affirmative Fair Housing Market Form included in this manual.

(b) The purpose of this manual is to assist recipients of state financial assistance from the department in understanding what shall be required of them, as well as to further implement the provisions of Section 8-37ee-1 through Section 8-37ee-17 of the Regulations of Connecticut State Agencies.

(c) The Affirmative Fair Housing Marketing Plan shall be submitted on the form, and in the manner, prescribed by the department. The plan shall include all of the techniques which recipients intend to employ to assure that marketing is broad-based and that prospective buyers and/or renters of varied income groups, including persons with physical disabilities would feel welcome to apply. At least twenty percent (20%) of the units shall be promoted to the "least likely to apply" group.

(Effective February 2, 1994)

Sec. 8-37ee301. Definitions

All terms defined in Section 8-37ee-1 of the Regulations of Connecticut State Agencies shall

have the meanings set forth there.

The following apply to Section 8-37ee-300 through Section 8-37ee-314 of the Regulations of Connecticut State Agencies:

(1) "Least likely to apply" means those persons who, in the main, do not live in the area of the development because of racial or ethnic patterns, perceived community attitudes, price or other factor, and thus need additional outreach to inform them of their opportunity to live in the development. In predominantly white areas, these shall be minority groups; in predominantly minority areas, these shall be white groups.
(2) "Recipient" means a person, organization or individual who applies or may receive state financial assistance from the department.
(3) "Resident" means a person, including an applicant, living or working in the municipality in which the housing is located. Durational residency requirements are not permitted.

Sec. 8-37ee-302. Affirmative fair housing marketing process

(a) Assessing Affirmative Marketing Needs
Recipient plans shall identify the group(s) "least likely to apply" to the housing through the submission of relevant demographic data. Data may be derived from the U.S. Census municipal sources, regional planning agencies, civil rights groups, fair housing officers, social service agencies, and like organizations. Source documentation shall be clearly identified.

(b) Affirmative Marketing Outreach

(1) Mechanisms - Recipients' plans shall determine and identify the most appropriate outreach mechanisms which should include: newspaper, radio, television, and other media advertisements as well as flyers and announcements to social service agencies and other organizations with the desire and capacity to inform potential applicants of the availability of housing. These mechanisms or organizations shall represent those most likely to be read, heard, seen by, or in contact with applicants least likely to apply.
(2) **Locale** - Recipients' plans shall provide for the dissemination of information at a minimum in (a) the largest city located in the nearest Primary Metropolitan Statistical Area or Areas or Metropolitan Statistical Area or Areas, (b) the regional planning area, and (c) any other areas which are likely to contain high minority populations and where public transportation or public highways and/or job availability make it likely that minorities might wish to move where the development is located.
(3) **Time frame** - Recipients' plans shall identify the time frame, duration, and frequency of the materials to be announced or distributed. At a minimum affirmative fair housing marketing shall begin prior to general marketing. There shall be at least three (3) documented efforts with updated materials as necessary: the first at the beginning of construction; the second at approximately 50 percent completion; and the final, six to eight weeks prior to completion.
(4) **Notice of Intent to Begin Marketing** - Recipients are required to give notice to the department no later than 90 days prior to engaging in sales or rental marketing activities.
(5) **Prominence** - Recipients' plans shall provide that any materials shall be prominently displayed or appear where they are most likely to be read or seen, e.g. not in the "legal

notices" section of the paper but in more prominent ads.

(6) Content - Recipients' plans shall identify the content of the materials to be used which at a minimum shall: (a) identify the location of the housing; (b) provide a narrative description of the housing; (c) identify when the application process shall begin and end; (d) be neutral in the sense of encouraging all potentially eligible applicants to apply; (e) include a contact person and telephone number; (f) display the fair housing logo and clearly state the owner's commitment to Fair Housing and non-discrimination; (g) where relevant, be provided in both English and Spanish; (h) where there is any advertising depicting persons depict persons of both sexes and persons of majority and minority groups; (i) describe the application and selection process as stated in Section 8-37ee-304 and Section 8-37ee-305 of these regulations; and Q) include the fair housing policy statement as stated in Section 8-37ee-311 below.

(Effective February 2, 1994)

(7) Community contacts - Recipients' plans shall identify community contacts which shall include individuals and organizations that are well known in the area who can reach and assist those least likely to apply. These may include church groups, housing counseling groups, legal services organizations, labor unions, minority and women's organizations, shelters, social service agencies, housing authorities, and town officials. Each of these entities shall receive appropriate materials as described in subsection (5) with additional instructions, if necessary.

(8) Counseling and application assistance - Recipients' plans shall provide that either the contact person or a housing counseling organization, fair housing officer, or other similar patty is trained in fair housing and its requirements and is ready and willing to assist all applicants including the least likely to apply with the application process.

(9) Follow-up - Recipients' plans shall provide for follow-up meetings or telephonic reports from the various outreach organizations listed in subsection (7) in order to evaluate the effectiveness of the affirmative marketing. Where organizations determine that few potential applicants are displaying an interest, alternative approaches should be considered.

(10) Public inspection - Recipient approved plans shall be available for public inspection.

(Effective February 2, 1994)

Sec. 8-37ee-303. Application process

(a) The application period shall extend for at least 90 days before initial occupancy. An application deadline shall be established when all applications shall be completed and returned. Applications received after the deadline shall not be considered unless there is:

(1) an insufficient number of initial applicants; and/or (2) the department determines that more affirmative marketing is necessary.

(b) Recipients shall use a standard application form furnished by the department included in this manual.

(c) Anyone seeking to apply shall be given the opportunity to do so.

(d) Anyone needing help in filling out the forms shall be assisted.

(e) Each application received shall be immediately dated and time stamped. Each applicant shall be given a receipt with the date and time on it.

(f) Each applicant shall have a control number assigned in chronological order.

(g) A file shall be opened for each applicant. The file shall remain confidential information.

(h) Selection shall occur at least thirty (30) days before scheduled occupancy to prevent vacancies.

(Effective February 2, 1994)

Sec. 8-37ee-304. Selection process

(a) Recipients should develop a written selection plan which covers the tenant selection process they intend to use. Such plan should include, at a minimum, the following:

(1) Procedures for accepting applications and screening applicants;
(2) Fair housing requirements;
(3) When applicants may be rejected; and
(4) Procedures for selecting applicants from the waiting list(s).

(b) At a minimum, the following factors shall be used to screen applicants:

(1) demonstrated ability to pay rent on time;
(2) housekeeping habits based on visits to the applicant's current residence;
(3) comments from former landlords; endorsement from at least two is preferred; and
(4) Credit checks may be obtained. These may be useful when no rental payment history is available. A lack of credit history, as opposed to a poor credit history, is not sufficient grounds to reject an applicant. Recipients should try to obtain all credit checks, landlord and personal references and so forth before the home visit and interview so that if negative information is received the applicant shall be given the opportunity to explain the circumstances.

(c) Recipients shall also prepare one Occupant Selection List which shall be subdivided by the number of units available and bedroom size. The following guidelines shall be used to determine minimum and maximum housing capacity:

Bedroom Size	Minimum	Maximum
00 (single room occupancy)	1	1
0 (efficiency unit)	1	1
1	1	2
2	2	4
3	3	6
4	5	8

(Effective February 2, 1994)

Sec. 8-37ee-305. Selection methodology

(a) For purposes of fairness and equity the department allows either a point system or a purely random lottery selection method. However, if there is a tie score under the point system method and there is a limited number of units available for persons with the same point score, the random selection method or first come, first serve (chronological order) shall be used in conjunction with the point system to select which applicant gets the unit.

(b) Point System Selection Method

(1) Point systems may be altered by the Commissioner to comply with fair housing goals. Where a program dictates other kinds of requirements, e.g. limited equity cooperatives may look for participants willing to put in sweat equity, points for such neutral categories may be added with the approval of the Commissioner.
Calculation of Points - The applicant receives the full point score or none; subjective practical scoring is not allowed. Where department program requirements mandate selection criteria such as age, income, etc., applicants shall first meet that standard. Where an applicant does not meet the program requirements, the applicant may be rejected without further analysis.

(2) The following is the Department's approved point system that recipients shall use.

POINT SYSTEM METHOD

(i) SUBSTANDARD HOUSING	**25 point maximum**
condemned or verified serious housing code violations	25 points
inadequate heating, plumbing, or cooking facilities	20 points
(ii) LIVING SITUATION	**25 point maximum**
living in documented physically or emotionally abusive situation	25 points
living in a shelter or transitional housing	25 points
living in temporary housing with others because of conditions beyond applicant's control (condemnation, foreclosure, fire, loss of job, etc.)	20 points
living in overcrowded conditions in own housing unit (e.g. 1.5 persons per room)	15 points

(iii)	**INCOME/RENT RATIO**	**15 point maximum**
	currently paying more than 50% of income for rent or housing	15 points
	currently paying between 31-50% of income for rent/housing	10 points
(iv)	**(OPTIONAL) RESIDENT OR LEAST LIKELY TO APPLY APPLICANT**	10 points

If this resident selection category is used, the 10 points shall be awarded to *both* residents and least likely to apply applicants. However, if the owner chooses, more points may be awarded to the least likely to apply applicants (e.g. 15, 20, 25 points, etc.).

(3) Points shall be added up for each applicant. The department recommends that the recipient create a pool of candidates with the highest score and which exceed the number of available units by bedroom size by at least three times. Applicants shall be selected by a lottery.

(4) If the number of applicants does not exceed the number of available units by bedroom size by at least three times applicants may be selected on a first come first serve basis.

(c) Random Selection Method – Lottery

If recipients select the random selection method the factors they shall use in determining selection shall include:

(1) Determining the income eligibility of all applicants;
(2) pre-screening/interviewing for credit worthiness and other reasonable common rental or ownership criteria; and for verification of applicant information.
(3) Putting all applicants with favorable interviews, that is, having no ground for disqualification based on subsection (e) of this section, back in the pool and choosing by a lottery system.

(d) Interview or Home Visit

(1) Ideally all applicants meeting income guidelines should be interviewed. When a large number of applicants apply, recipients may conduct interviews and/or home visits with only those who meet the minimum threshold point score, so long as the number of interviewees significantly exceeds the number of available units.
(2) The interview should be used for purposes of verifying and clarifying information in the application as well as exploring the ability and willingness of the applicant to meet financial commitments and to assume the other responsibilities of tenancy or ownership. Points should not be added or subtracted as a result of the home visit and interview unless information on the application was erroneous.

(e) Grounds for disqualification

(1) Applicants may be disqualified from final selection upon documentary verification of any of the following:. (A) the applicant or any member of the applicant's household has a history of disturbing neighbors, destroying property, or living or housekeeping habits which would substantially interfere with the health, safety, or peaceful enjoyment of other residents; (B) the applicant has a history of rental nonpayments within the past 12 months without reasonable justification (justification might be: substandard housing, loss of a job, etc.); (C) the applicant has knowingly falsified information in the application process; or (D) the applicant cannot demonstrate an ability to pay the base rent.

(2) Applicants deemed ineligible, for whatever reason(s), shall be notified in writing, before the final selection, of the reason(s) for rejection and their right to appeal within ten days of the rejection. Recipients should inform applicants that an appeal should be made immediately to assure their return to the applicant pool if they prevail. An impartial hearing officer shall be chosen by the recipient who shall issue a written opinion within five days of the hearing. All appeals should be heard within five days of the request.

(3) Applicants still aggrieved shall be informed of their right to appeal the decision of the hearing officer to the department's affirmative action office. Such appeal shall be made in writing, and brought within ten days of the adverse decision.

(4) Recipients shall keep the following materials on file for at least three years: (1) application; (2) initial rejection notice; (3) any applicant reply; (4) the recipient's final response; and (5) all interview and verified information on which the rejection was based.

(Effective February 2, 1994)

Sec. 8-37ee-306. Insufficient number of least likely to apply applicants

(a) If the Affirmative Action Office finds, at any stage, that there is an insufficient amount of least likely to apply candidates due to a lack of good faith affirmative fair marketing it shall have the right to require additional outreach until such time as a sufficient effort has been expended or a sufficient number of applicants is available. Such additional outreach may delay the occupancy of units.

(b) Where the department determines that good faith efforts have been made to recruit applicants who are least likely to apply and there is still an insufficient number of eligible applicants, recipients shall be given permission to rent or sell units to other eligible applicants.

(c) The department's determination of the owner's good faith efforts shall include, but not be limited to: substantiating that the outreach which it stated in its Affirmative Fair Housing Marketing Plan was actually completed; that such efforts met time and durational requirements; that the marketing approach was amended or enhanced when found deficient; and that there were particular local, regional, and/or market reasons for the failure of the Affirmative Fair Housing Marketing Plan to attract a sufficient pool of applicants who are least likely to apply. The owner shall develop and maintain adequate documentation in a manner prescribed by the department of its good faith efforts.

(Effective February 2, 1994)

Sec. 8-37ee-307. Post occupancy requirements

(a) Following the initial lease-up or sales, recipients shall continue to affirmatively market to those least likely to apply for the life of the mortgage, assistance agreement or regulatory agreement, whichever is longer. Recipients shall make every good faith effort to maintain a racially and economically integrated housing development.

(b) Recipients should schedule application periods as in the initial lease-up or sales at reasonable intervals. Such application periods shall have a deadline and new applicants shall be chosen as in the initial selection system. Prospective applicants - shall only be considered during this application period. Where point systems are used, new applicants with higher points may not displace previous waiting list applicants unless the waiting lists have been reviewed and updated.

(c) The department shall require annual updates on whether recipient affirmative fair marketing goals have been met and whether recipients have been able to sustain their goals. Upon review of the information the department may require remedial action where it is deemed necessary. Records of all affirmative fair marketing, tenant selection, and waiting lists should be retained for at least five years or as set forth in the Assistance or Regulatory Agreement with the Department.

(d) Recipients may be monitored on a yearly basis for compliance with the fair housing requirements stated herein and may be subject to random on site monitoring.

(Effective February 2, 1994)

Sec. 8-37ee-308. Reserved

Sec. 8-37ee-309. Recipient training

Prior to any disbursement of financial assistance recipients shall be required to attend a seminar on implementing the department's Fair Housing regulations. Recipients are encouraged to attend other fair housing forums and participate in fair housing events. All recipient employees and agents shall be informed, in writing, and orally, of fair housing requirements.

(Effective February 2, 1994)

Sec. 8-37ee-310. Affirmative marketing for other grantees

Recipients who are not producing housing shall affirmatively market their programs so that a broad range of majority and minority beneficiaries are encouraged to apply for whatever assistance is provided. Outreach should comply with the Affirmative Fair Housing Marketing Plan Guidelines.

(Effective February 2, 1994)

Sec. 8-37ee-311. Fair housing policy statement and publicity

(a) Any recipient, including but not limited to sponsors of housing, technical assistance

organizations, and subcontractors, shall adopt a fair housing statement prior to the receipt of department funds which shall include the following:

(1) Recipient's commitment to promote Fair Housing choice and not to discriminate against any person as prohibited in General Statutes 46a-64c as amended. Protected classes include: race, creed, color, national origin, ancestry, sex, marital status, age, lawful source of income, familial status, physical or mental disability, or sexual orientation. The provisions of 46a-64c should be specifically included in the pledge.
(2) Recipient's commitment to promote racial and economic integration in any housing developed or supported with department funds being sought or recipient's commitment to seek beneficiaries from all racial and ethnic groups as well as the physically and mentally handicapped and families with children, and to seek a broad range of income eligible beneficiaries, whichever provision is relevant to the kinds of services provided by the grantee.
(3) Identifies the person assigned Fair Housing responsibilities by name, position, address, and telephone.
(4) Includes a discrimination complaint procedure which shall be disseminated to applicants and posted.
(5) Is revised as needed.
(6) States how the policy shall be disseminated.
(7) Is signed by the Board President, CEO, or other comparable party.

(b) Before dissemination the policy shall be approved by the department. The policy shall be prominently posted in the recipient's offices and also on the site where building or rehabilitation is taking place.

(c) Recipients shall prominently display in all offices, in printed materials, and on housing sites fair housing posters and/or the fair housing logo which may be obtained from the department's affirmative action office.

(Effective February 2, 1994)

Sec. 8-37ee-312. Modification of requirements

(a) Where another program funding requires stricter fair housing requirements, upon approval of the department those shall be followed.

(b) Where federal sources are also funding the housing, federal fair housing requirements, as well as these shall be adhered to.

(c) Where the department is funding minor rehabilitation, these requirements may be adjusted as determined by the department.

(Effective February 2, 1994)

Sec. 8-37ee-313. Reporting requirements

(a) Three reports regarding racial and economic information shall be submitted to the Affirmative Action Office before final occupancy: one after the period for submission of applications; one after pre-screening; and one after final selection. These may be done by

telephone with written follow-ups for verification.

(b) Recipients shall be required to collect racial and economic data from tenants and persons on waiting lists. The data collected shall analyze income groups and races served, and shall be reported to the Commissioner annually, before October thirty-first for the year ending the preceding September thirtieth. The analysis shall also include data for all households entering the housing development or project during the year ending the preceding September thirtieth and in occupancy the preceding September thirtieth. This information shall be in report form (written) and in the manner prescribed by the department.

(Effective February 2, 1994)

Sec. 8-37ee-314. Fair housing compliance for existing state assisted units

(a) Each owner of five or more state assisted housing units shall develop an affirmative fair housing marketing plan for each such development as described in Section 8-37ee-302, and selection procedures as described in Section 8-37ee-304 of these regulations.

(b) Each owner of state assisted housing shall evaluate its waiting list for each development to determine whether or not the waiting list provides for racial and economic diversity as required by Public Act 91-362.

(c) If there are either insufficient families who are least likely to apply on the list or near the top of the list such that they might be housed within the next year, then the units shall be affirmatively fair marketed.

(d) Eligible applicants currently on the waiting list may not be removed from such list unless duly purged. However, once any additions are to be made to the list, all requirements of this manual shall apply to the new applicants.

(e) Owners of currently assisted state housing shall be expected to comply with all other requirements of this manual within a reasonable time after its effective date and, at a maximum, within one year of such date.

AFFIRMATIVE FAIR HOUSING MARKETING PLAN
TIME FRAMES/PHASES

For recipient's convenience, please find below, an outline of the Affirmative Fair Housing Marketing Plan time frames/phases.

PRE-APPLICATION/APPLICATION PHASE

(a) A pre-application briefing is held at the department before the application for funding is submitted.

(b) The affirmative fair housing marketing plan (plan) and selection procedures (procedures) are submitted with the funding application. They are reviewed and approved or returned for resubmission. They shall be approved before the final application is approved by the department.

(c) Any modifications made to the plan and/or procedures shall be submitted for approval.

MARKETING PHASE

(a) 90 days prior to affirmative fair housing marketing (which shall begin prior to general marketing), a Notification of Intent to Begin Marketing shall be submitted to the department.

(b) The plan and procedures are reviewed and a preoccupancy conference may be scheduled.

(c) Affirmative fair housing marketing begins at the start of construction.

(d) A second such marketing effort takes place at 50 percent completion.

(e) Final fair housing marketing occurs 6-8 weeks prior to completion.

(f) If inadequate numbers of "least likely to apply" candidates are applying, recipients should reassess outreach mechanisms.

APPLICATION PHASE

(a) The time for receipt of all applications shall extend for at least 90 days.

(b) Reports to the department regarding racial and economic make-up shall be submitted:

(1) after the application period ends
(2) after pre-screening is completed
(3) after final selection

POST OCCUPANCY PHASE

(a) Affirmative fair housing marketing and selection procedures shall be continued for the life of the project.

(b) Yearly updates on meeting and sustaining goals shall be required.

(c) The department may randomly monitor housing to assure continuing compliance.

(d) If at any time the department determines that there are insufficient "least likely to apply" applicants or occupants due to the lack of a good faith effort on the part of the recipient, further outreach and/or a Compliance Meeting may be required.

(Effective February 2, 1994)

Exhibit 6.3 c

SAMPLE

Section 3 Plan

MUNICIPALITY'S NAME: _____

NAME OF PROJECT	FUNDING SOURCE	FISCAL YEAR	AMOUNT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

The Plan will serve as the Section 3 Plan for the above developments in compliance with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended.

The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended (12. U.S.C. 1701u) (Section 3), is to ensure that training, employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and Local laws and regulations, be directed to the greatest extent possible to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns, which provide economic opportunities to low- and very low-income persons.

NUMERICAL GOALS FOR TRAINING AND EMPLOYMENT OPPORTUNITIES

The_____ (municipality's name) will, to the greatest extent feasible, when awarding contracts or providing training and/or employment opportunities for activities or projects subject to the requirements of Section 3, strive to comply with the goals established in this section.

The numerical goals established in this section represent minimum numerical targets.

Training and employment opportunities will be made available to Section 3 residents as follows:

(i) 10 percent of the aggregate number of new hires/training opportunities resulting from funds awarded for FY. Number of Section 3 jobs and/or training opportunities anticipated_____.

(ii) 20 percent of the aggregate number of new hires/training opportunities resulting from funds awarded for FY. Number of Section 3 jobs/training opportunities anticipated_____.

(iii) 30 percent of the aggregate number of new hires/training opportunities resulting from funds awarded for FY and continuing thereafter. Number of Section 3 jobs/training opportunities anticipated _____.

PREFERENCE FOR SECTION 3 RESIDENTS IN TRAINING AND EMPLOYMENT OPPORTUNITIES

In providing training and employment opportunities, generated from the expenditure of Section 3 activities to Section 3 residents, the following order of preference will be followed:

(i) First priority will be given to Section 3 residents from the service area or neighborhood in which the Section 3 covered project is located.

(ii) Second priority will be given to participants in HUD Youthbuild Programs.

(iii) Third priority will be given to homeless persons residing in the area or neighborhood in which the Section 3 covered project is located for housing constructed under the Stewart B. McKinney Homeless Assistance Act.

(iv) Other Section 3 residents.

NUMERICAL GOALS FOR CONTRACTING ACTIVITIES:

These goals apply to contract awards in excess of $100,000 in connection with a Section 3 eligible project, and it applies to municipalitys, contractors and subcontractors.

The_____ commits to award to Section 3 business concerns:

1. At least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and

2. At least 3 percent of the total dollar amount of all other Section 3 covered contracts.

PREFERENCE FOR SECTION 3 BUSINESS CONCERNS:

The following order of preference will be followed when providing contracting opportunities to Section 3 businesses:

(i) First priority will be given to Section 3 business concerns that provide economic opportunities for Section 3 residents in the service area or neighborhood in which the Section 3 covered project is located.

(**ii**) Second priority will be given to applicants selected to carry out HUD Youthbuild Programs.

(**iii**) Other Section 3 Residents.

In compliance with the Section 3 Plan requirements, the applicant must develop a list of strategies to be adopted for compliance with the stated employment, training and contracting goals. Contracts in excess of $100,000 must include the Section 3 Clause.

If federal and state funds are combined to fund an eligible Section 3 project, the combined amount is subject to the Section 3 requirements.

In compliance with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, we the undersigned have read and have received a copy of the Section 3 Plan for this project. We acknowledge being a party to this Plan and further pledge our commitment to adhere to the objectives set forth.

_____

Municipality's Chief Executive Officer

_____

Date

Section 3 Training/Employment Goals

Municipality's Name: _____

Contractor's Name: _____

Project Name: _____

	Total Employees Required	Number Filled	Section 3 Goal	Municipality's Vacancy (X)	Contractor's Vacancy (X)
Skilled					
Semi - Skilled					
Skilled Trainees					
Unskilled Trainees					
Semi-Skilled Trainees					
Professional & Admin					
Clerical					
Apprentices					
Other					

Section 3 Contracting Goals

Signature: _____ **Date:** _____

Contractor's Name: _____

Project Name: _____

Type of Work	Number of Contracts	Combined Dollar Value	Section 3 Goal Number and Value

SAMPLE

Contractor/Subcontractor Certification Regarding Section 3 and Segregated Facilities

_____ _____

COMPANY'S NAME **PROJECT NAME**

The undersigned hereby certifies that:

(a) Section 3 provisions are included in the Contract.

(b) The above stated company is a signatory to the municipality's Section 3 Plan.

(c) No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

_____

NAME AND TITLE OF SIGNER (PRINT OR TYPE)

_____ _____

SIGNATURE **DATE**

Section 3 Resident Certification

Section 3 of the Housing and Urban Development Act of 1968, as amended, requires recipients of community development funds to make a good faith effort to provide employment and training opportunities resulting from this project to low- and very low-income persons.

In order to demonstrate that you meet the definition of a low-or very low-income person, please provide one of the following:

1. Proof of residency in a public housing development;

2. A copy of your section 8 voucher certificate or voucher;

3. Evidence of your eligibility or participation in a federally-assisted program for low- and very low-income persons (e.g. Jobs, JTPA, Job Corps, etc);

4. Evidence of your eligibility or participation in a State or Local Assistance Program for low- or very low-income persons or receipt of AFDC;

5. Income tax records; or

6. Other.

I _____ (participant's name) certify that I meet the requirement stipulated in #_____above. I have provided the following document to demonstrate evidence of this_____.

_____

Participant's Signature

_____

Date

Section 3 Contractor Certification

Project Name: _____

Developer's Name: _____

I understand that my contract with_____ (name of municipality/contractor) is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended AND to the Section 3 Plan for this project.

I certify that the firm of _____ (company's name) is a bonafide Section 3 company, and that it meets the following definition of a Section 3 business (check one):

☐ **1.** 51% or more of the ownership of this company is owned by Section 3 residents, as defined by the municipality of this project.

☐ **2.** Currently, at least 30% of the employees of the company are Section 3 residents, as defined by the municipality of this project.

☐ **3.** At least 30% of the employees of the company were Section 3 residents, as defined by the municipality of this project, within three years of the date of first employment with this company.

☐ **4.** I commit to subcontract at least 25% of the total value of this contract to Section 3 subcontractors, as these companies are defined above, and to provide the necessary evidence to substantiate this.

_____

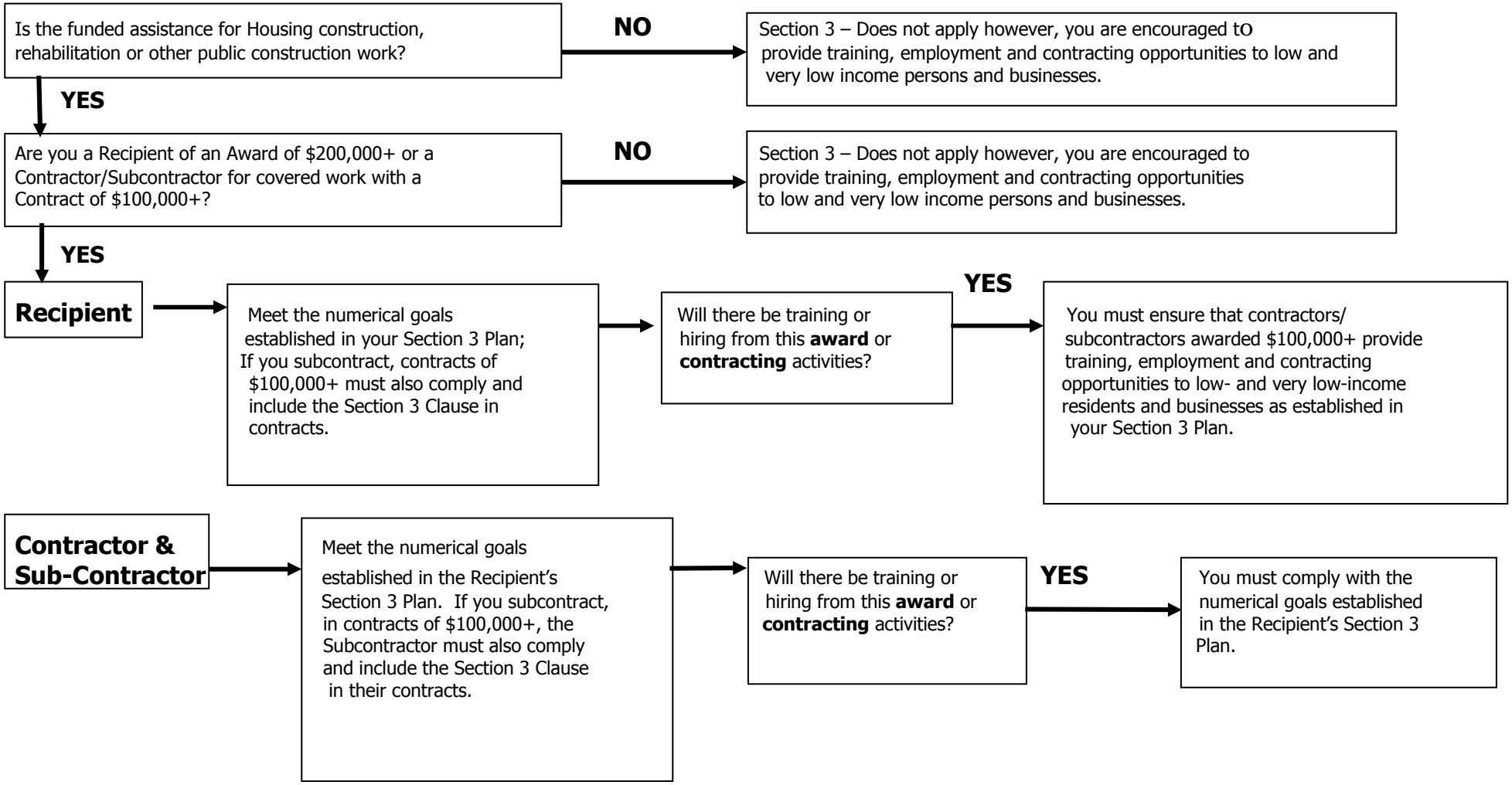
Signature of Chief Executive Officer

_____

Date

Section 3 Flow Chart

Use the following chart to determine if your project is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended.



If state or private funds are combined with federal funds to finance an eligible Section 3 project, the combined amount (Total Development Cost) is subject to the Section 3 requirements.

Section 3 Clause

All contracts subject to the Section 3 requirements will include the following clause:

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170lu (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for Housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with part 135 of the regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or worker's representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor when the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.

Examples of Efforts To Offer Training Employment Opportunities To Section 3 Residents

1. Entering into "first source" hiring agreements with organizations representing Section 3 residents.

2. Sponsoring a HUD-certified "Step-Up" employment and training program for Section 3 residents.

3. Establish training programs, which are consistent with the requirements of the Department of Labor for public and Indian housing residents, and other Section 3 residents in the building trades.

4. Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the applications process) to every occupied dwelling unit in the housing development or developments.

5. Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments.

6. Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.

7. Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by a housing authority or contractor representative or representatives at a location in the housing development.

8. Arranging assistance in conducting job interviews and completing job applications for residents of the housing developments or developments and in the neighborhood or service are in which a Section 3 project is located.

9. Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project where job applications may be delivered to and collected by a recipient or contractor representative or representatives.

10. Contracting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild programs participating for the Housing Authorities or contractor's training and employment positions.

11. Consulting with state and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the housing Authorities or contractor's training and employment positions.

12. Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

13. Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the Section 3 business concerns identified in part 135) that will undertake, on behalf of the housing authorities, other recipients or contractor, the efforts to match eligible and qualified Section 3 residents with the training and employment positions that the housing authorities or contractor intends to fill.

14. For a housing authority, employment of Section 3 residents directly on either a permanent or a temporary basis to perform work generated by Section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and 905.201(a) (6).)

15. Where there are more qualified Section 3 residents than there are positions to be filled, maintaining a file of eligible qualified Section 3 residents for future employment positions.

16. Undertaking job counseling, education and related programs in association with local educational institutions.

17. Undertaking such continued job training efforts as may be necessary to ensure the continued employment of Section 3 residents previously hired for employment opportunities.

18. After selection of bidders but prior to contract execution, incorporating into the contract negotiated provisions for a specific number of public housing or other Section 3 residents to be trained or employed on the Section 3 covered assistance.

19. Coordinating plans and implementation of economic development (e.g. job training and preparation, business development assistance for residents) with the planning for housing and community development.

Examples of Efforts To Award Contracts To Section 3 Business Concerns

UTILIZING PROCUREMENT PROCEDURES FOR SECTION 3 BUSINESS CONCERNS SIMILAR TO THOSE PROVIDED IN 24 CFR PART 905 FOR BUSINESS CONCERNS OWNED BY NATIVE AMERICANS (SEE SECTION III OF THIS APPENDIX).

1. In determining the responsibility of potential contractors, consider their record of Section 3 compliance as evidenced by past actions and their current plans for the pending contract.

2. Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying Section 3 businesses which may solicit bids or proposals for contracts for work in connection with Section 3 covered assistance.

3. Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information in the common area or other prominent areas of the housing development or developments owned and managed by the housing authorities.

4. For housing authorities, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying eligible business concerns.

5. Providing written notice to all known Section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the Section 3 business concerns to respond to the bid invitations or request for proposals.

6. Following up with Section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

7. Coordinating pre-bid meetings at which Section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

8. Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that Section 3 business concerns can take advantage of upcoming contracting opportunities, with such information being made available in language other than English where appropriate.

9. Advising Section 3 business concerns as to where they may seek assistance in overcoming limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

10. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns.

11. Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by Section 3 business concerns.

12. Contacting agencies, administering HUD Youthbuild programs, and notifying these agencies of the contracting opportunities.

13. Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation and radio advertising.

14. Developing a list of eligible Section 3 business concerns.

15. For housing authorities, participating in the "Contracting with Resident-Owned Business" program provided under 24 CFR part 963.

16. Establishing or sponsoring programs designed to assist residents of public or Indian housing in the creation and development of resident-owned businesses.

17. Establishing numerical goals (number of awards and dollar amount of contracts) for award of contracts to Section 3 business concerns.

18. Supporting businesses that provide economic opportunities to low-income persons by linking them to the support services available through the Small Business Administration (SBA), the Department of Commerce and comparable agencies at the state and local levels.

19. Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide low-income loans by providing working capital and other financial business needs.

20. Actively supporting joint ventures with Section 3 business concerns.

21. Actively supporting the development or maintenance of business incubators that assist Section 3 business concerns.

Examples Of Procurement Procedures That Provide For Preference To Section 3 Business Concerns

This section (Section III of the Regulations), provides specific procedures that may be followed by recipients and contractors (collectively, referred to as the "contracting party") for implementing the Section 3 contracting preference for each of the competitive procurement methods authorized in 24 CFR 85.36(d).

1. **Small Purchase Procedures** For Section 3 covered contracts aggregating no more than $25,000, the methods set forth in this paragraph or the more formal procedures set forth in paragraphs (2) and (3) of this section may be utilized.

   (i) Solicitation

   (A) Quotations may be solicited by telephone, letter or other informal procedure provided that the manner of solicitation provides for participation by a reasonable number of competitive sources. At the time of solicitation the parties must be informed of:

   The Section 3 covered contract to be awarded with sufficient specificity:

   - The time within which quotations must be submitted; and
   - The information that must be submitted with each quotation.

   (B) If the method described in paragraph (i) (A) is utilized, there must be an attempt to obtain quotations from a minimum of three qualified sources in order to promote competition. Fewer than three quotations are acceptable when the contracting party has attempted, but has been unable to obtain a sufficient number of competitive quotations. In unusual circumstances, the contracting party may accept the sole quotation received in response to a solicitation received in response to a solicitation provided the price is reasonable. In all cases, the contracting party shall document the circumstances when it has been unable to obtain at least three quotations.

   (ii) Award

   (A) Where the Section 3 covered contract is to be awarded based upon the lowest price, the contract shall be awarded to the qualified Section 3 business concern with the lowest responsive quotation, if it is reasonable and no more than 10 percent higher than the quotation of the lowest responsive quotation from any qualified source. If no responsive quotation by a qualified Section 3 business concern is within 10 percent of the lowest responsive quotation from any qualified source, the award shall be made to the source with the lowest quotation.

   (B) Where the Section 3 covered contract is to be awarded based on factors other than price, a request for quotations shall be issued by developing the particulars of the solicitation, including a rating system for the assignment of points to evaluate the merits of each quotation. The solicitation shall identify all factors to be considered, including price or cost. The rating system shall provide for a

range of 15 to 25 percent of the total number of available rating points to be set aside for the provision of preference for Section 3 business concerns. The purchase order shall be awarded to the responsible firm whose quotation is the most advantageous, considering price and all other factors specified in the rating system.

2. **Procurement by sealed bids** (Invitations for Bids). Preference in the award of Section 3 covered contracts that are awarded under a sealed bid (IFB) process may be provided as follows:

   (i) Bids shall be solicited from all businesses (Section 3 business concerns, and non-Section 3 business concerns). An award shall be made to the qualified Section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid:

   (A) is within the maximum total contract price established in the contracting party's budget for the specific project for which bids are being taken, and

   (B) is no more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

X = lesser of:

When the lowest responsive bid is:
Less than $100,000…….10% of that bid or $9,000

When the lowest responsive bid is:
At least $100,000, but less
than $200,000……9% of that bid, or $16, 000

At least $200,000 but less
than $300,000……8% of that bid, or $21,000

At least $300,000 but less
than $400,000……7% of that bid, or $24,000

At least $400,000 but less
than $500,000……6% of that bid, or $25,000

At least $500,000 but less
than $1 million……..5% of that bid, or $40,000

At least $1 million but less
than $2 million……4% of that bid, or $60,000

At least $2 million but less
than $4 million……3% of that bid, or $80,000

At least $4 million but less
than $7 million……2% of that bid, or $105,000

$7 million or more……1 1/2 % of the lowest responsive
bid, with no dollar limit.

(ii) If no responsive bid by a Section 3 business concern meets the requirements of paragraph (2) (I) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

3. **Procurement under the competitive proposals method of procurement (Request for Proposals RFP).** For contracts and subcontracts awarded under the competitive proposals method of procurement (24 CFR 85.36(d)(3)), a Request for Proposals (RFP) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

(i) One of the evaluation factors shall address both the preference for Section 3 business concerns and the acceptability of the strategy for meeting the greater extent feasible requirement (Section 3 strategy), as disclosed in proposals submitted by all business concerns (Section 3 and non-Section 3 business concerns). This factor shall provide for a range of 15 to 25 percent of the total number of available points to be set aside for the evaluation of these two components.

(ii) The component of this evaluation factor, designed to address the preference for Section 3 business concerns, must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.

(iii) With respect to the second component (the acceptability of the Section 3 strategy), the RFP shall require the disclosure of the contractor's Section 3 strategy to comply with the Section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable Section 3 strategy. The contract award shall be made to the responsible firm (either Section 3 or non-Section 3 business concern) whose proposal is determined most advantageous, considering price and all other factors specified in the RFP.

Good Faith Effort

At a minimum, the following tasks must be completed to demonstrate a good faith effort with the requirements of Section 3. The contracting party and each contractor of subcontractor seeking to establish a good faith effort as required should be filling all training positions with persons residing in the target area.

1. Send notices of job availability subcontracting opportunities subject to these requirements to recruitment sources, trace organizations and other community groups capable of referring eligible Section 3 applicants, including the Department of Labor.

2. Include in all solicitations and advertisements a statement to encourage eligible Section 3 residents to apply.

3. When using a newspaper of major circulation to request bids/quotes or to advertise employment opportunities to also advertise in minority-owned newspapers.

4. Maintain a list of all residents from the target area who have applied either on their own or by referral from any service, and employ such persons, if otherwise eligible and if a trainee position exits. (If the contractor has no vacancies, the applicant, if otherwise eligible, shall be listed for the first available vacancy). A list of eligible applicants will be maintained for future vacancies.

The contractor must certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed were not filled to circumvent the contractor's obligation under 24 CFR Part 135.

Definitions

As used in this part:

Applicant means any entity that makes an application for Section 3 covered assistance, and includes, but is not limited to, any state, unit of local government, public housing agency, Indian housing authority, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, municipality, limited dividend sponsor, builder, property manager, community housing development organizations (CHDO), resident management corporation, resident council, or cooperative association.

Assistant Secretary means the Assistant Secretary for Fair Housing and Equal Opportunity.

Business concern means a business entity formed in accordance with state law, and which is licensed under state, county or municipal law to engage in the type of business activity for which it was formed.

Contract See the definition of "Section 3 covered contract" in this section.

Contractor means any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.

Department or HUD means the Department of Housing and Urban Development, including its Field Offices to which authority has been delegated to perform functions under this part.

Employment opportunities generated by Section 3 covered assistance means all employment opportunities generated by the expenditure of Section 3 covered public and Indian housing assistance (i.e. operating assistance, development assistance and modernization assistance, as described in 135.3(a)(1)). With respect to Section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection with Section 3 covered projects (as described in 135.3(a)(2)), including management and administrative jobs connected with the Section 3 covered project. Management and administrative jobs include architectural, engineering or related professional services required to prepare plan, drawings, specification, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialist, payroll clerk, etc.

Housing Authority (HA) means, collectively, public housing agency and Indian housing authority.

Housing and community development assistance means any financial assistance provided or otherwise made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement, or contract, and includes community development funds in the form of community development block grants, and loans guaranteed under Section 108 of the Housing and Community Development Act of 1974, as amended. Housing and community development assistance does not include financial assistance provided through a contract of insurance or guaranty.

Housing development means low-income housing owned, developed, or operated by public housing agencies or Indian housing authorities in accordance with HUD's public and Indian housing program regulations codified in 24 CFR Chapter IX.

HUD Youthbuild programs means programs that receives assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C/. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individual and members of low-and very low-income families.

JTPA means the Job Training Partnership Act (29 U.S.C. 1579(a)).

Low-income person See the definition of "Section 3 resident" in this section.

Metropolitan Area means a metropolitan statistical area (MSA), as established by the Office of Management and Budget.

Neighborhood Area means:

For HUD housing programs, a geographical location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in ordinances, or other local documents as a neighborhood, village, or similar geographical designation.

New hires means full-time employees for permanent, temporary or seasonal employment opportunities.

Non-Metropolitan County means any county outside of a metropolitan area.

Other HUD Programs means HUD programs, other than public and Indian housing programs that provide housing and community development assistance for "Section 3 covered projects," as defined in this section.

Public Housing Agency (PHA) has the meaning given this term in 24 CFR part 941.

Public Housing Resident has the meaning given this term in 24 CFR part 963.

Recipient means any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any state, unit of local government, PHA, IHA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, municipality, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferees of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

Secretary means the Secretary of Housing and Urban Development.

Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 170lu).

Section 3 Business Concern means a business concern, as defined in this section -

1. That is 51 percent or more owned by Section 3 residents; or

2. Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or

3. That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraph (1) or (2) in this definition of "Section 3 business concern."

Section 3 Clause means the contract provisions set forth in 135.38.

Section 3 Covered Activity means any activity that is funded by Section 3 covered assistance public and Indian housing assistance.

Section 3 Covered Assistance means:

1. Public and Indian housing development assistance provided pursuant to section 5 of the 1937 Act;

2. Public and Indian housing operating assistance provided pursuant to section 9 of the 1937 Act;

3. Public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act;

4. Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:

   (i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);

   (ii) Housing construction; or

   (iii) Other public construction project (which includes other buildings or improvements, regardless of ownership).

Section 3 Covered Contract means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project. "Section 3 covered contracts" do not include contracts awarded under HUD's procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). "Section 3 covered contracts" also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of

the materials, the contract constitutes a Section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a Section 3 covered contract because the contract is for work (i.e. the installation of the furnace) and thus is covered by Section 3.

Section 3 Covered Project means the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership assisted with housing or community development assistance).

Section 3 Joint Venture means an association of business concerns, one of which qualifies as a Section 3 business concerns, one of which qualifies as a Section 3 business concern, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the business concerns combine their efforts, resources, and skills for joint profit, but not necessarily on a continuing or permanent basis for conducting business generally, and for which the Section 3 business concern:

(i) Is responsible for a clearly defined portion of the work to be performed

Section 3 Residents means:

1. A public housing resident; or

2. An individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended, and who is:

(i) A low-income person, as this term is defined in Section 3 (b) (2) of 1937 Act (42 U.S.C. 1437a(b) (2)). Section 3 (b) (2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or

(ii) A very low-income person, as this term is defined in Section 3(b) (2) of the 1937 Act (42 U.S.C. 1437a(b) (2). Section 3 (b) (2) of the 1937 Act (42 U.S.C. 1437 a(b) (2) defines this term to mean families (including single persons) whose income does not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low income family incomes.

3. A person seeking the training and employment preferences provided by Section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for the preference.

Section 8 Assistance means assistance provided under Section 8 of the 1937 Act (42 U.S.C. 1437f) pursuant to 24 CFR part 882, subpart G.

Service Area means the geographical area in which the persons benefiting from the Section 3 covered project reside. The service shall not extend beyond the unit of general local government in which the Section 3 covered assistance is expended. In HUD's Indian housing programs, the service area, for IHAs established by an Indian tribe as a result of the exercise of the tribe's sovereign power, is limited to the area of tribal jurisdiction.

Subcontractor means any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.

Very Low-Income Person See the definition of "Section 3 resident" in this section.

Youthbuild Programs See the definition of "HUD Youthbuild programs" in this section.

Contracting with Small and Minority Businesses, Women Business Enterprise and Labor Surplus Firms

It is national policy to award a fair share of contracts to small, women and minority business firms. Accordingly, affirmative steps must be taken to assure that small and minority/women businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

1. Including qualified small and minority/women businesses on solicitation lists.
2. Assuring that small and minority/women businesses are solicited whenever they are potential sources.
3. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority/women business participation.
4. Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce and the Community Services Administration as required.
5. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises,
6. If any subcontracts are to be let, requiring the prime contractor to take affirmative steps in 1 through 5 above.

Grantees shall take similar appropriate affirmative action in support of women's business enterprises.

Grantees are encouraged to procure goods and services from labor surplus areas.

Grantor agencies may impose additional regulations and requirements in the foregoing areas only to the extent specifically mandated by statute or presidential direction.

Definitions

Minority Business Enterprise

"Minority business enterprise" is a business in which minority group members own 51 percent or more of the company; or, in the case of a publicly-owned business, one in which minority-group members own at least 51 percent of its voting stock and control management and daily business operations. For this purpose, minority-group members are those groups of U.S. citizens found to be
disadvantaged by the Small Business Administration pursuant to **Section 8(d) of the Small Business Act**. Such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Indian tribes, Asian Pacific Americans, Native Hawaiian organizations, and other minorities.

Women Business Enterprise

A women-owned small business concern is a small business that is at least 51% owned by one or more women. In the case of publicly owned businesses, at least 51% of the stock is owned by one or more women and the management and daily operations of the business are controlled by one or more women.

Small Business
A business that is independently owned and operated and which is not dominant in its field of operation and in conformity with specific industry criteria defined by the Small Business Administration (SBA).

Small Disadvantaged Business
A Small Disadvantaged Business is a small business that is at least 51% owned and controlled by a socially and economically disadvantaged individual or individuals.

Racial and Ethnic Groups

The following are HUD defined recognized and ethnic categories:

White, Not Hispanic Origin - A person having origins in any of the original peoples of Europe, North Africa, or the Middle East, but not of Hispanic origin.

Black, Not Hispanic Origin - A person having origins in any of the black racial groups of Africa, but not of Hispanic origin.

Hispanic - A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.

Asian and Pacific Islander - A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

American Indian or Alaskan Native Origin - A person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal.

The State of Connecticut
Minority & Small Contractors' Set-Aside Program

The State of Connecticut's Supplier Diversity Program was established to ensure Connecticut small businesses an opportunity to bid on a portion of the State's purchases. The main objective of the program is to increase the number of small and minority business enterprises the Office of Supplier Diversity certifies throughout Connecticut.

For the purpose of this program, women-owned business enterprises and business enterprises owned by a person/s with a disability are included in this group.

Business Development Representatives are responsible for identifying and certifying small and minority businesses by conducting thorough and effective eligibility reviews while ensuring vendors receive prompt and responsive customer service.

Eligibility criteria are set forth in Section 4a-60g of the Connecticut General Statutes. The Department of Administrative Services, Office of Supplier Diversity maintains a list of certified small and minority business enterprises, which is available online.

For more information:

Visit the Web Site for Department of Administrative Services, **Office of Supplier Diversity**: **http://www.das.state.ct.us/Purchase/New_PurchHome/busopp_template.asp?F_ID=25**

Or

http://www.das.state.ct.us/Purchase/SetAside/sap_progin.htm

Exhibit 6.3 d

Affirmative Action Policy Statement Guideline

THIS GUIDELINE APPLIES TO ALL DEVELOPERS AND MUNICIPALITIES RECEIVING DECD FUNDS AND TO GENERAL CONTRACTORS RECEIVING LESS THAN $500,000 FOR HOUSING CONSTRUCTION AND/OR REHABILITATION

Applicants must develop and submit for review and approval an affirmative action policy statement. At a minimum the statement must:

- Acknowledge the purpose and need for affirmative action
- List all federal and state laws, regulations, guidelines and executive orders that prohibit or outlaw discrimination
- List all protected groups
- Pledge to use affirmative action at each step of the employment process
- Establish and adopt affirmative action and equal employment opportunity as immediate and necessary objectives
- Pledge the entity to affirmatively provide services and programs in a fair and impartial manner
- Recognize the hiring difficulties experienced by minorities, the physically disabled and by many older persons, and establish hiring and program goals for actions to overcome the present effects of past discrimination, if any, and to achieve the full and fair utilization of such persons in the workforce
- Identify the agency affirmative action person by name, position, address and telephone number
- The policy statement must be signed by the agency head, dated
- It must be revised every two years and posted
- It must be disseminated annually to all employees

SAMPLE

[USE TOWN/CITY LETTERHEAD]

AFFIRMATIVE ACTION POLICY STATEMENT

As [First Selectman/Mayor] of [Town/City], I recognize the need for Affirmative Action and I pledge my commitment to undertake positive actions to overcome the present effects of past practices or barriers to equal employment opportunity and to achieve the full and fair participation of minorities, women, people with disabilities, older persons, and all other protected groups found to be underutilized in the [Town/City]'s work force or affected by policies having an adverse impact. In the spirit of Executive Order 11, signed by Governor Ella Grasso November 21, 1975, and Executive Order 9, signed by Governor William A. O'Neill on January 3, 1984, I further state that this [Town/City] will comply with the anti-discrimination provisions of the state and federal laws and regulations listed at the end of this section.

I recognize the hiring difficulties experienced by minorities, people with disabilities and by many older persons and, where appropriate, I have set goals to overcome the present effects of past discrimination, if any, to achieve the full and fair utilization of such persons in the work force. I further pledge that the [Town/City] will affirmatively provide services and programs in a fair and impartial manner.

Where adverse impact is identified, the [Town/City] will: (1) review its personnel policies and procedures to ensure that barriers, which unnecessarily exclude protected classes and practices, which have an illegal discriminatory impact, are identified and eliminated; (2) explore alternative approaches to employ minorities and members of protected classes; (3) administer all terms, conditions, privileges and benefits of the employment process in an equitable manner; and (4) establish procedures for the extra effort that may be necessary to ensure that the recruitment and hiring of protected group members reflect their availability in the job market.

It is the policy of the [Town/City] to provide equal employment opportunities without consideration of race, color, religion, age, sex, marital status, national origin, genetic information, past/present history of mental disability, ancestry, mental retardation, learning or physical disabilities including but, not limited to blindness, sexual orientation, political belief or criminal record, unless the provisions of Section 46a-60(b), 46a-80(b) and 46a-81(b) of the Connecticut General Statutes are controlling or there is a bonafide occupational qualification excluding persons in one of the above protected groups. This policy applies to all aspects of the employer/employee relationship including, but not limited to, recruitment, hiring, referrals, classifying, advertising, training, upgrading, promotion, benefits, compensation, discipline, layoff and terminations.

The [Town/City] will implement, monitor and enforce this Affirmative Action Policy Statement in conjunction with the applicable federal and state laws, regulations and executive orders listed below: 13th, 14th and 15th Amendments of the United States Constitution, Civil Rights Act of 1866, 1870, 1871, Equal Pay Act of 1963, Title VI and VII of the 1964 United States Civil Rights Act, presidential Executive Orders 11246, amended by 11375, (Nondiscrimination under federal contracts), Act 1 Section 1 and 20 of the Connecticut Constitution, Governor Grasso's Executive Order Number 11, Governor O'Neill Executive Order Number 9, the Connecticut Fair Employment Practices Law (46a-63-64). Discrimination against Criminal Offenders (46a-80). Connecticut General Statutes, Connecticut Code of Fair Accommodations Law (46-63-64), definition of Blind (46a-51 (1), definition of Physically Disabled (46a-51 (15), definition of Mentally Retarded (46a-51 (13), cooperation with the Commission of Human Rights AND Opportunities (46a-77), Sexual Harassment (46-60-(a) Connecticut Credit Discrimination Law (360436 through 439), Title I of the State and the Local Fiscal Assistance Act of 1972 and the Americans with Disabilities Act of 1992.

This policy statement will be given annually to all [Town/City] employees and will also be posted throughout the [Town/City]. I also expect each supplier, union, consultant and other entity (s) with which we do business to comply with all applicable State and Federal Equal Opportunity laws and regulations. The [Town/City] will not knowingly do business with any entity debarred from participation in any federal or state program or found to be in violation of any state or federal anti-discrimination law.

I have assigned the responsibility to achieve the successful implementation of our goals and objectives to [name of contact], [title of contact], [phone number], [email address].

_____ _____

Date First Selectman/ Mayor/ Title

THIS STATEMENT IS AVAILABLE IN LARGE PRINT OR ON AUDIO TAPE FROM THE ADA-504 COORDINATOR BY CALLING _____.

Exhibit 6.3 e

Use these links below as the resources to prepare your Affirmative Action Plan and attach to the application as Exhibit 6.3e

Affirmative Action Plan Resources

- **Peopleclick AA Planner**
  http://www.peopleclick.com/AADesktop/2_aaplanner.asp

- **State of CT Department of Labor Workforce Analysis**
  http://www.ctdol.state.ct.us/lmi/affm/CTAffirmActionData-1stQtr2007.pdf

- **UCONN Requirements of Affirmative Action Plan**
  http://web.uconn.edu/wwwode/aaplanin.html

- **CT Department of Education Affirmative Action Plan Summary.doc**
  http://www.sde.ct.gov/sde/lib/sde/word_docs/affirmative/Affirmative_Action_Plan_Summary_2005.06.doc

- **City of Bridgeport Affirmative Action Plan**
  http://ci.bridgeport.ct.us/__documents/Grants%20Personnel/City%20of%20Bridgeport%20EEOP.pdf

- **City of Arlington Affirmative Action Plan**
  http://www.town.arlington.ma.us/Public_Documents/ArlingtonMA_BComm/affact/affactplan?textPage=1

Sample ADA Notice

(Public Entity) does not discriminate on the basis of disability in admission to, access to, or operation of its programs, services, or activities. (Public Entity) does not discriminate on the basis of disability in its hiring or employment practices.

This notice is provided by Title II of the Americans with Disabilities Act of 1990.

Questions, concerns, complaints, or requests for additional information regarding the ADA may be forwarded to (Public Entity's) designated ADA Compliance Coordinator.

Name:
_____

Title:
_____

Office Address:
_____

Phone Number:
Voice_____ TDD_____

Email Address:
_____

Days/Hours Available:

_____
_____

Individuals who need auxiliary aids for effective communication in programs and services of (Public Entity) are invited to make their needs and preferences known to the ADA Compliance Coordinator.

This notice is available upon request in large print, on audio tape, and in Braille, from the ADA Compliance Coordinator.

_____ _____
Date Municipality's Chief Executive Officer

Sample Municipal Grievance procedure

This Grievance Procedure is established to meet the requirements of the Americans with Disabilities Act. It may be used by anyone who wishes to file a complaint alleging discrimination on the basis of disability in employment practices and policies or the provision of services, activities, programs or benefits by (Name of Municipality).

The complaint should be in writing and contain information about the alleged discrimination such as name, address, phone number of complainant and location, date and description of the problem. Alternative means of filing complaints, such as personal interviews or a tape recording of the complaint will be made available for persons with disabilities upon request.

The complaint should be submitted by the grievant and/or his/designee as soon as possible but no later than 60 calendar days after the allege violation to:

(NAME OF ADA COORDINATOR)
(PHON NUMBER)
(ADDRESS)

Within 15 calendar days after receipt of the complaint, (Name of ADA coordinator) will meet with the complainant to discuss the complaint and possible resolutions. Within 15 calendar days after the meeting (Name of ADA coordinator) will respond in writing, and, where appropriate, in a format accessible to the complainant, such as large print, Braille or audio tape. The response will explain the position of (Name of Municipality) and after options for substantive resolution of the complaint.

If the response by (Name of ADA coordinator) does not satisfactorily resolve the issue, the complaint and/or his/her designee may appeal the decision of the ADA coordinator within 15 calendar days after receipt of the response to the mayor or his or her designee.

Within 15 calendar days after receipt of the appeal, the mayor or his or her designee will meet the complainant to discuss the complaint and possible resolutions. Within 15 calendar days after the meeting the mayor or his or her designee will respond in writing, and, where appropriate, in a format accessible to the complainant, with a final resolution of the complaint.

All written complaints received by (Name of ADA coordinator), appeals to the mayor or his or her designee, and responses from the ADA coordinator and mayor or his or her designee will be kept by (Name of Municipality) for at least three years.

_____ _____

Date Municipality's Chief Executive Officer

Exhibit 6.3g-1

Town of _____

Date: _____

Municipality's Chief Executive Office: _____

The Americans with Disabilities Act Checklist for Readily Achievable Barrier Removal

Checklist for Existing Facilities – Version 2.1

There is a PDF version of this document available on the web at http://adaptiveenvironments.org/neada/site/pub_307.

COMPLIANCE MATERIALS

To obtain additional copies of this checklist, contact your Disability and Business Technical Assistance Center. To be automatically connected to your regional center, call **1-800-949-4ADA**. *This* **checklist** *may be copied as*

SECTION 504
SELF-EVALUATION QUESTIONNAIRE

The following questions will help applicants complete self-evaluations. The questions are organized into five areas: 1) Program Policy and Procedures, 2) Employment, 3) Effective Communication, 4) Notice of Nondiscrimination, and 5) Grievance Procedure. Applicants should mark Yes or No for each question, and be prepared to provide written documentation to support these answers.

Program Policy and Procedures

1. Does your town or city have a written policy stating that it does not discriminate against people with disabilities? ☐ Yes ☐No

2. Does your staff know and understand about your commitment not to discriminate? ☐ Yes ☐No

3. Does your town or city provide training on 504/ADA, (including access issues, sensitivity and awareness) on different disability groups? ☐ Yes ☐No

4. Do you have a designated coordinator for the Section 504 Rehabilitation Act and the Americans With Disabilities Act (ADA) compliance requirements? ☐ Yes ☐No

5. Do you identify the persons with disabilities and other individuals who helped in your self-evaluation, and is their participation described? ☐ Yes ☐No

6. Do you briefly describe your town or city programs and services, including their purpose, scope, activities, and participants? ☐ Yes ☐No

7. Do you list and review the resource manuals that govern your programs, including laws, statutes, rules, policies, ordinances, and other guidelines? ☐ Yes ☐No

8. Do you describe any services provided by your agency to particular disability groups? ☐ Yes ☐No

9. Do you describe a separate or special program for individuals with disabilities? ☐ Yes ☐No

10. If yes to #9, do you have written procedures to ensure that these individuals may also participate in programs available to the public? ☐ Yes ☐No

11. In the following areas, do you describe any program eligibility, admission requirement, or licensing standards that an individual must meet before qualifying for a benefit or service provided by your town or city that may directly or indirectly affect individuals with disabilities. **For any item marked yes, describe the steps taken to modify your agency's policies, practices, and procedures.** ☐ Yes ☐No

a. Deny a qualified individual with a disability the opportunity to participate in or benefit from the aid, benefit, or service? ☐ Yes ☐No

b. Afford an opportunity for participation or benefit that is not equal to that afforded others? ☐ Yes ☐No

c. Provide a qualified individual with a disability with an aid, benefit, or service that is not as effective in affording equal opportunity to obtain the same result, gain the same benefit, or reach the same level of achievement as that provided to others? ☐ Yes ☐No

d. Provide different or separate aids, benefits, or services to individuals with disabilities unless necessary to make them as effective as those provided to others? ☐ Yes ☐No

e. Provide assistance or contract with a person or entity that discriminates based on disability? ☐ Yes ☐No

f. Deny a qualified individual with a disability the opportunity to participate as a member of planning or advisory boards? ☐ Yes ☐No

g. Limit the enjoyment of a qualified individual with a disability any right, privilege, advantage or opportunity enjoyed by other qualified individuals who receive your services? ☐ Yes ☐No

Employment

1. In the following areas, do you describe your policies, practices or procedures that are followed to ensure that there is no discrimination based on disabilities? ☐ Yes ☐No

a. Recruiting advertisements ☐ Yes ☐No

b. Processing of applications ☐ Yes ☐No

c. Employment testing ☐ Yes ☐No

d. Interviewing and orientation ☐ Yes ☐No

e. Promotion, transfer, demolition, lay-off, or reinstatement, including changes in compensation resulting from these actions ☐ Yes ☐No

f. Job assignments ☐ Yes ☐No

g. Job classifications, use of unpaid leave of vacation and sick leave, absence, or compensatory time ☐ Yes ☐No

h. Opportunities for and financial support of training opportunities, conferences, health and insurance benefits, agency-sponsored activities, including recreational or social programs ☐ Yes ☐No

2. Do you describe how you ensure that any employment-related criteria (including minimum qualifications and testing requirements) which would adversely affect the opportunities of individuals with disabilities are related to the job and are a business necessity? ☐ Yes ☐No

3. Do you describe how your town or city responds to a request for an accommodation in testing and interviews? ☐ Yes ☐No

4. Do you describe the steps taken to ensure that nondiscriminatory questions are asked in a hiring interview? ☐ Yes ☐No

5. Do you describe the steps that are taken to determine if an individual with a disability is capable of performing the essential functions of a particular job, with or without a reasonable accommodation? ☐ Yes ☐No

6. Do you describe the process the town or city uses to determine whether a request for a reasonable accommodation on the job can be granted or would cause undue hardship? ☐ Yes ☐No

7. Do you describe your town or city's policy and procedures for maintaining the confidentiality of employee medical information, voluntary self-identification of disability, and requests for accommodation? ☐ Yes ☐No

8. Do you describe the training or other measures taken to ensure that employees and supervisors do not subject individuals with disabilities to discrimination because of insensitivity or lack of knowledge? ☐ Yes ☐No

Effective Communication

1. Do you describe the steps taken by your agency to ensure that communications with applicants, participants, and members of the public with disabilities are as effective as communications with others? ☐ Yes ☐No

2. If any written materials are provided by you program or services, are the following alternatives provided?

a.	audio tape	☐ Yes	☐No
b.	Braille	☐ Yes	☐No
c.	reader	☐ Yes	☐No
d.	aide	☐ Yes	☐No
e.	mailed to home	☐ Yes	☐No
f.	large print	☐ Yes	☐No
g.	interpreter	☐ Yes	☐No
h.	other assistance	☐ Yes	☐No

3. Do you describe the auxiliary aids and services that will be provided to individuals with a disability? ☐ Yes ☐No

4. Do you describe how an individual with a disability may request assistance and express their preference for auxiliary aids and services? ☐ Yes ☐No

5. Do you describe how your town or city regularly advertises to the public that you will provide auxiliary aids and services for effective communication to participate in your programs and services? ☐ Yes ☐No

6. Do you describe how your town or city will ensure that meetings, hearings, and conferences will be accessible for individuals with communication disabilities? ☐ Yes ☐No

7. Do you describe how the town or city will provide auxiliary aids or services on request? ☐ Yes ☐No

8. Do you describe how your town or city will use TDD (telecommunication device for the disabled) or the state relay system to communicate with those who have impaired hearing or speech, including training of staff? ☐ Yes ☐No

9. Do you have a 911 emergency service? ☐ Yes ☐No

10. If yes to #9, is there a TDD connected to this service? ☐ Yes ☐No

11. If you use relay services, do you list the name of the company and type of services provided? ☐ Yes ☐No

12. Are your TDD or relay service phone numbers printed on agency brochures, notices, and letterhead listed in telephone directories? ☐ Yes ☐No

13. Does your town or city have an 800 number? ☐ Yes ☐No

14. If yes to # 13, do You describe how the town or city has made the 800 number usable by persons with hearing impairments? ☐ Yes ☐No

15. Do you let the public use your telephone? ☐ Yes ☐No

16. If yes to #15, is there at least one designated phone that is hearing-aid compatible? ☐ Yes ☐No

17. If your town or city determines that equally effective communication cannot be provided, do you have the following:

a. A statement included in your self-evaluation from the head of your agency or designee ☐ Yes ☐No

b. Reasons why the service, program or activity would be fundamentally altered or would result in undue financial and administrative burdens ☐ Yes ☐No

c. A description of what other provide the action will be taken to benefits or services to the maximum extent possible ☐ Yes ☐No

Notice of Nondiscrimination

1. Does your self-evaluation include a copy of your Notice of Nondiscrimination? ☐ Yes ☐No

2. Does your notice include the following information?

a. A statement that your entity does not discriminate under 504 or the ADA ☐ Yes ☐No

b. Your 504/ADA coordinator's name, address, telephone number, and office hours ☐ Yes ☐No

c. A statement that asks individuals to give at least three to five days advance notice to request auxiliary aids or other services ☐ Yes ☐No

d. A statement notifying availability of individuals about the alternative formats ☐ Yes ☐No

e. A statement that your town or city has a grievance procedure available to resolve complaints ☐ Yes ☐No

3. Do your written materials contain a notice that your town or city complies with Section 504/ADA and will offer accommodations for individuals with disabilities? ☐ Yes ☐No

4. Are you documenting methods on how you will make your notice available to the public on an ongoing basis? ☐ Yes ☐No

5. Are you publishing your policy of non-discrimination in the newspaper once a year? ☐ Yes ☐No

Grievance Procedure

1. Have individuals with disabilities used your services in the past? ☐ Yes ☐No

2. Have there been obvious difficulties or complaints about your services from individuals with disabilities? ☐ Yes ☐No

3. If yes to #2, do you document the problems and steps to resolve these concerns? ☐ Yes ☐No

4. Do you have written procedures on how to deal with those specific problems or complaints? ☐ Yes ☐No

5. Do you have written procedures on what to do if your town or city cannot accommodate a person with a disability? ☐ Yes ☐No

6. Does your self-evaluation include a copy of your grievance procedure? ☐ Yes ☐No

7. Does your plan include action steps to notify the public on an ongoing basis about your grievance procedure? ☐ Yes ☐No

8. Does your grievance procedure include a statement allowing a individual to submit a grievance in alternative formats? ☐ Yes ☐No

9. Does your grievance procedure include a time limit to file a complaint? ☐ Yes ☐No

10. Does you grievance procedure inform individuals of their right to file a complaint with a state or federal agency (and include the appropriate addresses)? ☐ Yes ☐No

_____ _____

Date **Municipality's Chief Executive Officer**

Exhibit 6.3 g - 3

ADA/Section 504 Transition Plan

See the Department of Justice ADA Guide for Small Towns for instructions on how to develop an ADA/Section 504 Transition Plan.

http://www.ada.gov/smtown.htm

U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of:

All Secretary's Representatives
All State/Area Coordinators
All CPD Office Directors
All FHEO Field Offices
All CDBG Grantees

Notice: CPD-05-10

Issued: November 3, 2005
Expires: November 3, 2006

SUBJECT: Accessibility for Persons with Disabilities to Non-Housing Programs funded by Community Development Block Grant Funds -- Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act, and the Architectural Barriers Act

I. Purpose

The purpose of this Notice is to remind recipients of Federal funds under the Community Development Block Grant (CDBG) Program of their obligation to comply with Section 504 of the Rehabilitation Act of 1973, HUD's implementing regulations (24 CFR Part 8), the Americans with Disabilities Act, (ADA) and its implementing regulations, (28 CFR Parts 35, 36), and the Architectural Barriers Act (ABA) and its implementing regulations (24 CFR Parts 40, 41) in connection with recipients' non-housing programs. This Notice describes key compliance elements for non-housing programs and facilities assisted under the CDBG programs. However, recipients should review the specific provisions of the ADA, Section 504, the ABA, and their implementing regulations in order to assure that their programs are administered in full compliance.

Applicability

This Notice applies to all non-housing programs and facilities assisted with Community Development Block Grant Funds (e.g. public facilities and public improvements, commercial buildings, office buildings, and other non-residential buildings) and facilities in which CDBG activities are undertaken (e.g., public services). A separate Notice is being issued concerning Federal accessibility requirements for housing programs assisted by recipients of CDBG and HOME program funds.

II. Section 504 of the Rehabilitation Act of 1973

Section 504 of the Rehabilitation Act of 1973, as amended, provides "No otherwise qualified

individual with a disability in the United States ... shall, solely by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance...". HUD's regulations implementing the Section 504 requirements can be found at 24 CFR Part 8.

Distribution: W-3-1

Part 8 requires that recipients ensure that their programs are accessible to and usable by persons with disabilities. Part 8 also prohibits recipients from employment discrimination based upon disability.

The Section 504 regulations define "recipient" as any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution organization, or other entity or any person to which Federal financial assistance is extended for any program or activity directly or through another recipient, including any successor, assignee, or transferee of a recipient, but excluding the ultimate beneficiary of the assistance (24 CFR 8.3). For the purposes of Part 8, recipients include States and localities that are grantees and subgrantees under the CDBG program, their subrecipients, community-based development organizations, businesses, and any other entity that receives CDBG assistance, but not low and moderate income beneficiaries of the program. CDBG grantees are responsible for establishing policies and practices that they will use to monitor compliance of all covered programs, activities, or work performed by their subrecipients, contractors, subcontractors, management agents, etc.

Non-housing Programs

New Construction – 24 CFR Part 8 requires that new non-housing facilities constructed by recipients of Federal financial assistance shall be designed and constructed to be readily accessible to and usable by persons with disabilities (24 CFR 8.21(a)).

Alterations to facilities -- Part 8 requires to the maximum extent feasible that recipients make alterations to existing non-housing facilities to ensure that such facilities are readily accessible to and usable by individuals with disabilities. An element of an existing non-housing facility need not be made accessible if doing so would impose undue financial and administrative burdens on the operation of the recipients program or activity (24 CFR 8.21 (b)).

Existing non-housing facilities - A recipient is obligated to operate each non-housing program or activity so that, when viewed in its entirety, the program or activity is readily accessible to and usable by persons with disabilities (24 CFR 8.21 (c)).

Recipients are not necessarily required to make each of their existing non-housing facilities accessible to and usable by persons with disabilities if when viewed in its entirety, the program or activity is readily accessible to and usable by persons with disabilities 24 CFR 8.21(c)(1)). Recipients are also not required to take any action that they can demonstrate would result in a fundamental alteration in the nature of its program or activity or cause an undue administrative

and financial burden. However, recipients are still required to take other actions that would not result in such alterations, but would nevertheless ensure that persons with disabilities receive the benefits and services of the program (24 CFR 8.21(c)(iii)).

Historic Preservation - Recipients are not required to take any actions that would result in a substantial impairment of significant historic features of an historic property. However, in such cases where a physical alteration is not required, the recipient is still obligated to use alternative means to achieve program accessibility, including using audio-visual materials and devices to depict those portions of a historic property that cannot be made accessible, assigning persons to guide persons with disabilities into or through portions of historic properties that cannot be made accessible, or otherwise adopting other innovative methods so that individuals with disabilities can still benefit from the program (24 CFR 8.21(c)(2)(ii)).

Accessibility Standards

Design, construction, or alteration of facilities in conformance with the Uniform Federal Accessibility Standards (UFAS) is deemed to comply with the accessibility requirements for non-housing facilities. Recipients may depart from particular technical and scoping requirements of UFAS where substantially equivalent or greater accessibility and usability is provided (24 CFR 8.32). For copies of UFAS, contact the HUD Distribution Center at 1-800-767-7468; hearing-impaired, or speech-impaired persons may access this number via TTY by calling the Federal Information Relay Service at 1-800-877-8339.
Where a property is subject to more than one law or accessibility standard, it is necessary to comply with all applicable requirements. In some cases, it may be possible to do this by complying with the stricter requirement; however, it is also important to ensure that meeting the stricter requirement also meets both the scoping and technical requirements of overlapping laws or standards.

Employment

Section 504 also prohibits discrimination based upon disability in employment (see 24 CFR Part 8, Subpart B).

III. The Americans With Disabilities Act of 1990

The Americans With Disabilities Act of 1990 (ADA) guarantees equal opportunities for persons with disabilities in employment, public accommodations, transportation, State and local government services, and telecommunications. Unlike Section 504 which applies only to programs and activities receiving Federal financial assistance, the ADA applies even if no Federal financial assistance is given.

The U.S. Department of Justice enforces Titles I, II, and III of the ADA. HUD shares enforcement responsibility with the Department of Justice for TitleII, and is designated the lead Federal agency for all programs, service and regulatory activities relating to state and local public housing and housing assistance and referral. The Equal Employment Opportunity Commission

investigates administrative complaints involving Title I. For further information regarding The U.S. Department of Justice enforcement of Title II of the ADA, please visit http://www.ADA.gov.

Title I prohibits discrimination in employment based upon disability. The regulations implementing Title I are found at 29 CFR Part 1630. The Equal Employment Opportunity Commission (EEOC) offers technical assistance on the ADA provisions applying to employment. These can be obtained at the EEOC web site www.eeoc.gov, or by calling 800-669-3362 (voice) and 800-800-3302 (TTY).
Title II prohibits discrimination based on disability by State and local governments. Title II essentially extended the Section 504 requirements to services, programs, and activities provided by States, local governments and other entities that do not receive Federal financial assistance from HUD or another Federal agency. CDBG grantees are covered by both Title II and Section 504. The Department of Justice Title II regulations are found at 28 CFR Part 35.

Title II also requires that facilities that are newly constructed or altered, by, on behalf of, or for use of a public entity, be designed and constructed in a manner that makes the facility readily accessible to and usable by persons with disabilities. (28 CFR 35.151 (a) & (b)) Facilities constructed or altered in conformance with either UFAS or the ADA Accessibility Guidelines for

Buildings and Facilities (ADAAG) (Appendix A to 28 CFR Part 36) shall be deemed to comply with the Title II Accessibility requirements, except that the elevator exemption contained at section 4.1.3(5) and section 4.1.6(1)(j) of ADAAG shall not apply. (28CFR 35.151(c))

Title II specifically requires that all newly constructed or altered streets, roads, and highways and pedestrian walkways must contain curb ramps or other sloped areas at any intersection having curbs or other barriers to entry from a street level or pedestrian walkway and that all newly constructed or altered street level pedestrian walkways must have curb ramps at intersections. Newly constructed or altered street level pedestrian walkways must contain curb ramps or other sloped areas at intersections to streets, roads, or highways. (28CFR 35.151(e))

The Title II regulations required that by January 26, 1993, public entities (State or local governments) conduct a self-evaluation to review their current policies and practices to identify and correct any requirements that were not consistent with the regulation. Public entities that employed more than 50 persons were required to maintain their self-evaluations on file and make it available for three years. If a public entity had already completed a self-evaluation under Section 504 of the Rehabilitation Act, then the ADA only required it to do a self-evaluation of those policies and practices that were not included in the previous self-evaluation. (28 CFR 35.105)

The Department of Justice offers technical assistance on Title II through its web page at **www.usdoj.gov/crt/ada/taprog.htm,** and through its ADA Information Line, at **202 514-0301 (voice and 202-514-0383 (TTY).** The Department of Justice's technical assistance materials include among others, the Title II Technical Assistance Manual with Yearly Supplements, the ADA guide for Small Towns, and an ADA Guide entitled The ADA and City Governments:

Common Problems.

Title III prohibits discrimination based upon disability in places of public accommodation (businesses and non-profit agencies that serve the public) and "commercial" facilities (other businesses). It applies regardless of whether the public accommodation or commercial facility is operated by a private or public entity, or by a for profit or not for profit business. The Department of Justice Title III regulations are found at 28 CFR Part 36. The Department of Justice also offers technical assistance concerning Title III through the web page cited above and the ADA Hotline cited above.
Justice also offers technical assistance concerning Title III through the web page cited above and the ADA Hotline cited above.

IV. The Architectural Barriers Act of 1968

The Architectural Barriers Act of 1968 (ABA) (42 U.S.C. 4151-4157) requires that certain buildings financed with Federal funds must be designed, constructed, or altered in accordance with standards that ensure accessibility for persons with physical disabilities. The ABA covers any building or facility financed in whole or in part with Federal funds, except privately-owned residential structures. Covered buildings and facilities designed, constructed, or altered with CDBG funds are subject to the ABA and must comply with the Uniform Federal Accessibility Standards (UFAS) (24 CFR 570.614). In practice, buildings built to meet the requirements of Section 504 and the ADA will conform to the requirements of the ABA.

Self Evaluations

The Section 504 regulations required recipients of Federal financial assistance to conduct a self-evaluation of their policies and practices to determine if they were consistent with the law's requirements. This self evaluation was to have been completed no later than July 11, 1989. Title II of the ADA imposed this requirement on all covered public entities. The ADA regulations required that ADA self evaluations be completed by January 26, 1993, although those public entities that had already performed a Section 504 self evaluation were only required to perform a self-evaluation on those policies and practices that had not been included in the Section 504 review.

The regulatory deadlines are long past. Nonetheless, recipients who have not completed a self-evaluation are encouraged to conduct a self-evaluation to be in compliance with this requirement under these regulatory provisions.

Involving persons with disabilities in the self-evaluation process is very beneficial. This will assure the most meaningful result for both the recipient and for persons with disabilities who participate in the recipient's programs and activities. It is important to involve persons and/or organizations representing persons with disabilities, and agencies or other experts who work regularly with accessibility standards.

Important steps in conducting a self-evaluation and implementing its results include the following:

- Evaluate current policies and practices and analyze them to determine if they adversely affect the full participation of individuals with disabilities in its programs, activities and services. Be mindful of the fact that a policy or practice may appear neutral on its face, but may have a discriminatory effect on individuals with disabilities.

- Modify any policies and practices that are not or may not be in compliance with the regulations at Section 504 or Title II and Title III of the ADA.

- Take appropriate corrective steps to remedy those policies and practices which either are discriminatory or have a discriminatory effect. Develop policies and procedures by which persons with disabilities may request a modification of a physical barrier or a rule or practice that has the effect of limiting or excluding a person with a disability from the benefits of the program.
- Document the self-evaluation process and activities. The Department recommends that all recipients keep the self-evaluation on file for at least three years, including records of the individuals and organizations consulted, areas examined and problems identified, and document modifications and remedial steps, as an aid to meeting the requirement at 24 CFR Part 8.55.

The Department also recommends that recipients periodically update the self-evaluation, particularly, for example, if there have been changes in the programs and services of the agency. In addition, public entities covered by Title II of the ADA should review any policies and practices that were not included in their Section 504 self-evaluation and should modify discriminatory policies and practices accordingly.

V. HUD Resources Available Concerning Section 504

Further information concerning compliance with Section 504 may be obtained through the HUD web page **(http://www.hud.gov/offices/fheo/disabilities/sect504.cfm).** Additional assistance and information may be obtained by contacting the local HUD Office of Community Planning and Development and the Office of Fair Housing and Equal Opportunity. Below is a list of the phone numbers for these offices.

	CPD	FHEO
Boston, MA	617 994-8357	617 994-8300
Hartford, CT	806 240-4800 x3059	860 240-4800
New York, NY	212 542-7401	212 264-1290
Buffalo, NY	716 551-5755 x5800	716 551-5755
Newark, NJ	973 622-7900 x3300	973 622-7900
Philadelphia, PA	215 656-0624 x3201	215 656-0663
Pittsburgh, PA	412 644-2999	412 644-6970
Baltimore, MD	410 962-2520 x3071	410 962-2520
Richmond, VA	804 771-2100 x3766	804 771-2100
Washington, DC	202 275-9200 x3l63	202 275-9200
Atlanta, GA	404 331-5001 x2449	404 331-5140
Birmingham, AL	205 731-2630 x1027	205 731-2630
South Florida	305 536-5678 x2257	305 536-5678 x2218
Jacksonville, FL	904 232-1777 x2077	904 232-1241
San Juan, PR	787 766-5201	787 766-5400
Louisville, KY	502 582-6163 x200	502 582-6163 x230
Jackson, MS	601 965-4700 x3140	601 965-4700 x2435
Knoxville, TN	865 545-4391 x125	865 545-4400
Greensboro, NC	336 547-4000	336 547-4050
Columbia, SC	803 765-5564	803 765-5938
Chicago, IL	312 353-1696 x2713	312 353-7776
Minneapolis, MN	612 370-3019 x2107	612 370-3185
Detroit, MI	313 226-7900 x8059	313 226-7900
Milwaukee, WI	414 297-3214 x8100	414 297-3214
Columbus, OH	614 469-5737 x8240	614 469-5737 x8170
Indianapolis, IN	317 226-6303 x6790	317 226-6303
Little Rock, AK	501 324-6375 x3300	501 324-6296
Oklahoma City, OK	405 609-8569	405 609-8435
Kansas City, KS	913 551-5485	913 551-6958
Omaha, NE	02 492-3147	402 492-3109
St. Louis, MO	314 539-6524	314 539-6583
New Orleans, LA	504 589-7214 x1047	504 589-7219
Fort Worth, TX	817 978-5934	817 978-5900
San Antonio, TX	210 475-6821	210 475-6885
Albuquerque, NM	505 346-7361	505 346-6463
Denver, CO	303 672-5414 xl326	303 672-5437
San Francisco, CA	415 489-6597	415 489-6602
Los Angeles, CA	213 894-8000 x3300	213 894-8000 x2600
Honolulu, HI	808 522-8180 x264	808 522-8175
Phoenix, AZ	602 379-7175	602 379-6699 x5261
Seattle, WA	206 220-5268	206 220-5170
Portland, OR	503 326-7018	503 326-2561
Manchester, NH	603 666-7510 x3017	617 994-8300
Anchorage, AK	907 677-9890	907 677-9837
Houston, TX	817 978-5934	713 718-3199

Exhibit 6.4 a

Department of Economic and Community Development
Small Cities Program

Fair Housing Plan Schedule
(For Past Grantees)

Grantee Name: _____ Grant Number: _____

Contact Person: _____ Phone Number: _____

Step #	Local Fair Housing Action Steps Descriptions	Date Started	Date Completed

_____ _____ _____

Name and Title of Chief Elected Official or Executive Officer | Signature | Date

Exhibit 6.5 b

Department of Economic and Community Development
Small Cities Program

Past Fair Housing Initiatives Schedule
(For New Applicants)

Grantee Name: _____ Grant Number: _____

Contact Person: _____ Phone Number: _____

Projects, Initiatives, Actions in the past three years up to present to Promote Fair Housing	Date Started	Date Completed or Target date to complete

_____ _____ _____

Name and Title of Chief Elected Official or Executive Officer | Signature | Date

CERTIFICATION BY APPLICANT

It is hereby represented by the applicant (undersigned) as an inducement to the Department of Economic and Community Development to consider the financial assistance requested herein, that to the best of my knowledge and belief no information or data contained in the application or in the attachments are in any way false or incorrect, that no material information has been omitted, including the financial statements and that the document has been duly authorized by the governing body of the applicant and the applicant will comply with all program requirements for any approved activity. The applicant agrees that banks, credit agencies, the Connecticut Department of Labor, the Connecticut Department of Revenue Services, the Connecticut Department of Environmental Protection, and other references are hereby authorized now, or any time in the future, to give the Department of Economic and Community Development any and all information in connection with matters referred to in this application. In addition, the applicant agrees that any funds that may be provided pursuant to this application will be utilized exclusively for the purposes represented in the application, as may be amended.

Certifying Representative:

1. Type Name and Title:_____

2. Signature:_____

3. Date:_____

PROGRAM INCOME PLAN

Program Income is income earned by the grantee from the use of CDBG funds. Program income can be:

1. Payments of principal and interest on loans made with CDBG funds;
2. Proceeds from the leases or sale of real property acquired with CDBG funds;
3. Interest earned on CDBG funds held in a revolving loan account; and
4. Interest earned on Program Income pending disposition of such Income.

Program Income must be used for the same activity from which it was derived. All CDBG regulations apply to its use and are guided by 24 CFR 570 and by the Assistance Agreement with the state. All towns are required to assure the Department of Economic and Community Development that their Program Income will be consistent with these requirements.

To ensure compliance with these requirements, a Program Income Plan must be submitted with each application. At a minimum, the Program Income Plan must:

- Identify which of the proposed activities could potentially produce program income.
- Total program income expected to be earned from each activity.
- The schedule for generation of program income.
- Proposed use of program income, including a description of how the use will comply with national objectives and eligibility criteria.

The Program Income Plan will be reviewed for compliance with these guidelines.

CERTIFICATION OF COMPLIANCE WITH THE REQUIREMENTS OF 24 CFR 570.606 AND THE RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

Grantees must certify that they will comply with the requirements of 24 CFR 570.606 with respect to displacement, relocation, acquisition, and replacement of housing. Grantees must also adopt, make public, and certify that they are following a Residential Antidisplacement and Relocation Assistance Plan.

A Guideform for complying with these requirements follows:

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
SMALL CITIES PROGRAM
GUIDEFORM

Certification of Compliance with the Requirements of 24 CFR 570.606 and the Residential AntiDisplacement and Relocation Assistance Plan Required by 24 CFR 42.325

This is to certify that the _____ will comply with the requirements of 24 CFR 570.606 with respect to the displacement, relocation, acquisition, and replacement of housing. The _____ will take the following actions to comply with these requirements:

Minimizing Displacement

Consistent with the goals and objectives of 24 CFR part 570, the _____ will take the following steps to minimize displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of activities assisted under that part:

(To be completed by the Grantee)

1) _____

2) _____

3) _____

The _____ will review all projects funded by its CDBG grant for potential displacement impact.

If a potential displacement impact is identified, the _____ will provide adequate funds and resources either through CDBG funds or other means to meet the requirements of 49 CFR, part 24 (URA) or 24 CFR, part 42 (Section 104 (d), as applicable. The provisions of 49 CFR, part 24 (URA) and 24 CFR, part 42 (Section 104 (d)) are further described and clarified in HUD Handbook 1378.

The _____ will maintain written documentation detailing its review of all projects undertaken with CDBG funds with respect to displacement and/or relocation and will set forth the reason for its determinations in accordance with this Plan.

The _____ will ensure that the initial rent charged for a unit that is rehabilitated with CDBG funds is limited to an amount that will prevent the tenant's monthly cost for rent and utilities from exceeding <u>the greater of</u>:

1. The tenant's monthly rent and estimated average monthly utility costs before the rehabilitation, or
2. Thirty percent (30%) of the tenant's average monthly gross household income.

The initial rent charged after the rehabilitation is completed must be limited to this amount for at least one (1) year or the end of the lease term, whichever is greater.

The _____ will also ensure that the rent charged for a unit that is rehabilitated with CDBG funds is limited to the appropriate Fair Market Rent (minus any applicable utility allowance) for at least five (5) years after the completion of rehabilitation.

These requirements will be incorporated into a written agreement between the owner of the residential rehabilitation units and the _____. The agreement will contain penalties for noncompliance.

Relocation Assistance for Displaced Persons

The _____ will provide relocation assistance to displaced persons in accordance with the provisions of 49 CFR, part 24 (URA) or 24 CFR, part 42 (Section 104 (d)), as applicable. The provisions of 24 CFR, part 42 (Section 104 (d)) apply only to the displacement of any lower income person as a direct result of the demolition of any housing unit or the conversion of occupied or vacant occupiable low/moderate-income housing to a use other than low/moderate-income housing. A lower income person who qualifies under 24 CFR, part 42 (Section 104 (d)) may choose to receive relocation assistance at either the URA or Section 104 (d) levels. The provisions of 49 CFR, part 24 (URA) and 24 CFR, part 42 (Section 104 (d)) are further described and clarified in HUD Handbook 1378.

One-for One Replacement of Lower-Income Dwelling Units

The _____ will replace all occupied and vacant occupiable lower-income dwelling units demolished or converted to a use other than lower-income housing as a direct result of activities assisted with funds provided under the Housing and Community of 1974, as amended, as described in 24 CFR 42.375.

The replacement units must initially be made available for occupancy at any time during the period beginning 1 year before the recipient makes public the information required below and ending 3 years after the commencement of the demolition or rehabilitation related to the conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the _____ will make public and submit in writing to the Department of Economic and Community Development the following information:

1) A description of the proposed assisted activity;

2) The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than lower-income dwelling units as a direct result of the assisted activity;

3) A time schedule for the commencement and completion of the demolition or conversion;

4) The location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data are not available at the time of the general submission, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwelling units by size shall be submitted and disclosed to the public as soon as it is available;

5) The source of funding and a time schedule for the provision of replacement dwelling units;

6) The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and

7) Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units) is consistent with the housing needs of lower-income households in the municipality's jurisdiction.

_____

(Signature of Authorized Official)

_____

(Title of Authorized Official)

_____

(Date)

REHABILITATION GUIDELINES

Rehabilitation is an eligible activity under several types of projects (residential rehabilitation, neighborhood or commercial revitalization, elimination of slums and blight and economic development). The most important considerations have to do with 1) special requirements under residential rehabilitation, 2) the issue of how benefit to low and moderate income people is measured under each type of activity and 3) how an appropriate program and set of rehabilitation guidelines may be designed for a given target area.

Under residential rehabilitation, for example, no building may be done unless a majority of the units are occupied after rehabilitation by low or moderate income people at affordable rents. A two-unit structure may now be done as long as at least one of the units is occupied after rehabilitation by low/moderate income persons. An agreement must be obtained from the owner that the benefit (i.e., affordable rents) will remain in place for at least five years from the date of completion of the work, or, in the case of vacant units, from the time of rent-up. Buildings should be selected with the above criteria in mind.

Facades and the commercial portion of mixed-use structures must be counted either as indirect area-wide benefit (under commercial or neighborhood revitalization), or done under elimination of slum and blight, unless the owners are of low or moderate income or if some direct employment of low and moderate income people results. No funds may be counted toward low and moderate income benefit if they are used for an activity that is carried out solely for the elimination of slum or blight or to meet community development needs having a particular urgency (discretionary grants). (These activities must also meet other benefit tests for any low/moderate benefit to be claimed.) Target areas need not be contiguous but a rationale must exist for choosing them and there must be a coordinated approach.

If proposed rehabilitation is extensive, contact DECD staff for guidelines distinguishing it from new construction, which is largely an ineligible activity.

Substantial reconstruction can now be funded as long as (a) the need for such could not be determined until rehabilitation had begun or (b) where the reconstruction is part of a neighborhood rehabilitation effort, the grantee must determine that the housing is not suitable for rehabilitation as well as demonstrate that the cost of substantial reconstruction will be less than the cost of new construction and less than the fair market value of the property after substantial rehabilitation.
What constitutes that the relative cost of substantial reconstruction "is significantly less than the cost of new construction" and must be demonstrated "to the satisfaction of the Secretary of HUD."

It is essential that considerable planning be done in advance in regard to program design and rehabilitation guidelines, and proposals should concretely reflect this -- not only to realistically anticipate costs and the numbers eligible to benefit but also to ensure a program that is appropriately designed for the housing stock and residents characteristic of a given target area. A survey should be done of buildings, code problems, owners and tenants in order to, to give a clear idea of what work is needed, what structures are eligible, what priorities will be set, what level of
rehabilitation may be done while keeping rents affordable, and whether owners and/or tenants are potentially eligible and interested in participating, etc. A target area of single-family elderly owner-occupants, for example, will require a different approach than one of larger multi-family investor-owned units or mixed use. A blighted area may require certain types of work to eliminate safety hazards and eyesores.

The type of financial assistance offered likewise should be appropriately designed and targeted. There are advantages and disadvantages associated with both loans and grants. A revolving loan program makes the money go farther and may benefit more people, but a program of grants or deferred loans may be more appropriate for lower income residents or elderly on fixed incomes. Some towns use a combined approach for flexibility, particularly if the target area contains a mix of buildings, applicants and problems, in order to ensure the best approach to each. DECD staff has resources available to assist with this prior to application.

Depending on how the program is designed, it will, in weighted measure, principally benefit either the municipality, the structures, and/or the residents. A municipality that chooses a revolving loan program administered through a bank using conventional lending criteria or a high leveraging ratio may find this a convenience and may appreciate the program income and expanded loan pool but may shortchange needs in the target neighborhood (e.g., in terms of flexibility and effectively serving low and moderate income residents). A given building may "ideally" need relatively extensive work for longer-term preservation of the building stock or to cosmetically enhance the neighborhood, yet that deeper level of rehabilitation would raise rents above the level of affordability. Each town must design its own program according to its own needs, keeping in the forefront the central objectives and requirements of the Small Cities Program.

It is also important to anticipate any potential displacement, as a Displacement Plan for the entire municipality then becomes a requirement. Relocation must be carried out under Federal Relocation Regulations (copies available from DECD) and relocation and temporary shelter costs paid for displaced residents, businesses, organizations, or farm operations. This can become very costly and needs to be anticipated in the proposed budget. Temporary relocation may be unavoidable if certain types of rehabilitation are needed; but permanent relocation is to be avoided.

In summary, each applicant should submit well thought out rehabilitation guidelines as part of its application. These guidelines should include a rationale for why its proposed program design is appropriate for the target neighborhoods chosen.

ARMSTRONG/WALKER "EXCESSIVE FORCE" CERTIFICATION

Program recipients are required to certify to the state that they have adopted and will enforce a policy to prohibit the use of excessive force by law enforcement agencies in their jurisdiction against any individuals engaged in nonviolent civil rights demonstrations. The legislative history of the provision indicates that it may be satisfied by any means that will stand a practicable test of use. The policy may be adopted by a local legislative act, such as an ordinance, or by a local administrative act, such as a written statement of policy by the local chief executive, an executive order, or regulation within the police department. The general local government need not adopt a new policy if it has and is enforcing a written policy that meets the requirements of Section 519.

A guideform for certification of compliance with the Armstrong/Walker "Excessive Force" Amendment (P.L. 101-144) as found in Section 519 of the Department of Veteran Affairs and Housing and Urban Development, and Independent Agencies Appropriation Act of 1990 follows.

ARMSTRONG/WALKER "EXCESSIVE FORCE" CERTIFICATION GUIDEFORM

The TOWN/CITY of _____ has adopted and will enforce a policy to prohibit the use of excessive force by law enforcement agencies within its jurisdiction. That policy prohibits the use of excessive force against any individuals engaged in nonviolent civil rights demonstrations.

Therefore, I certify that the above mentioned policy:

- will stand a practicable test of use;
- will be available for review by the Department of Economic and Community Development;
- will be enforced by the TOWN/CITY of _____; and
- is in compliance with the ARMSTRONG/WALKER "Excessive Force" Amendment (P.L. 101-144).

_____ _____

Signature Date

_____

Name and Title of Chief
Executive Officer

LIST OF APPENDICES

A. Geographic Areas

Appendix A

This chart identified the geographic area in which the municipality is located. The geographic area will determine which Income Limits, Fair Market Rents, and Utility Schedules apply to the proposal.

B. General Information Notice (G.I.N.)

Appendix B

This is a guideform for the General Information Notice (G.I.N.) which is used to inform tenants of their rights under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as awarded.

GUIDEFORM GENERAL INFORMATION NOTICE -- RESIDENTIAL TENANT
THAT WILL NOT BE DISPLACED

Grantee or Agency Letterhead

(date)

Dear _____:

On __(date)___, __(property owner)____ submitted an application to the (Grantee)__ for financial assistance to rehabilitate the building which you occupy at ____(address)_____.

This notice is to inform you that, if the assistance is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. (If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)

If the application is approved and federal assistance is provided for the rehabilitation, you will be able to lease and occupy your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) upon completion of the rehabilitation. Of course, you must comply with standard lease terms and conditions.

After the rehabilitation, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30 percent of your average monthly gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. Because Federal assistance would be involved, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

This letter is important and should be retained. You will be contacted soon. In the meantime, if you have any questions about our plans, please contact _____(name)_____, _____(title)_____, at ____(phone)_____(address.)

Sincerely,

(name and title)_____

NOTES.

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.

2. This is a guideform. It should be revised to reflect the circumstances.

Grantee or Agency Letterhead

GUIDEFORM GENERAL INFORMATION NOTICE

RESIDENTIAL TENANT TO BE DISPLACED

Grantee or Agency Letterhead
(date)

Dear _____:

The City of _____ is interested in acquiring the property you occupy at _____(address)_____ for the ____(project)___. This notice is to inform you of your rights under federal law. If the city acquires the property and you are displaced for the project, you will be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. However, do not move now. This is not a notice to vacate the premises. You should continue to pay your monthly rent to your landlord because a failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. You are urged not to move or sign any agreement to purchase or lease a new unit before receiving formal notice of your eligibility for relocation assistance. If you move or are evicted before receiving such notice, you may not receive any assistance. Please contact us before you make any moving plans.

If the city acquires the property and you are eligible for relocation assistance, you will be given advisory services, including referrals to replacement housing, and at least 90 days advance written notice of the date you will be required to move. You would also receive a payment for moving expenses and may be eligible for financial assistance to help you rent or buy a replacement house. This assistance is more fully explained in the enclosed brochure, "Relocation Assistance to Tenants Displaced from Their Homes."

If for any reason any other persons move into this unit with you after this notice, your assistance may be reduced. If you have any questions, please contact _____(name)_____, _____(title)_____,
at _____(phone)_____, _____(address)_____.

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance. If the city decides not to purchase the property, you will be notified in writing.

Sincerely,

(name and title)_____

Enclosure
NOTES.

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.

2. This is a guideform. It should be revised to reflect the circumstances.