State of Connecticut

2012-2013 Action Plan

for

Housing and Community Development

Submitted to the

U.S. Department of Housing and Urban Development

by the
State of Connecticut

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State of Connecticut
2012-2013
Action Plan for Housing and Community Development

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I. EXECUTIVE SUMMARY

A. Overview

This annual Action Plan is the third Action Plan under the State of Connecticut's 2010-15 Consolidated Plan for Housing and Community Development (ConPlan), a five-year plan addressing Connecticut's housing and community development needs. The state submits the ConPlan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to apply for funding under the HOME Investment Partnerships (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Programs. The program year for the annual Action Plan is based on the state fiscal year, July 1 - June 30. The 2012-2013 Action Plan is for the state fiscal year July 1, 2012 to June 30, 2013.

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

This document provides information on:

- Resources: Funding sources available to address the state's needs and objectives;
- Activities: Method for distributing funds for activities that address needs and objectives;
- Geographic Distribution: Geographic areas to which the state will direct assistance;
- Homeless and Special Needs Activities: Plans to address homelessness and assist persons with special needs;
- Other Actions: Strategies to address underserved populations, foster and maintain affordable housing, remove barriers, and assist families in poverty;
- Summary of Public Comments: Comments made on the Action Plan and Department of Economic and Community Development (DECD) and/or Department of Social Services (DSS) responses;
- Applications for Assistance: HUD Form SF-424 for the HOME, SC/CDBG, ESG, and HOPWA programs; and
- Certifications: General and program specific certifications as required by HUD.

This Action Plan provides a plan for expending FY 2012-13[1] funds for the following programs:

Table 1: DECD Anticipated State and Federal Funding			
Economic & Community Development (DECD)	**State FY 2012-13**	**HUD FY 2012-13**	**Total**
HOME	$ 0	$ 6,756,442	$ 6,756,442
SC/CDBG	$ 0	$ 11,141,302	$ 11,141,302
Affordable Housing (Flex)	$ 87,500,000	$ 0	$ 87,500,000
Energy Conservation Loan Program	$ 5,000,000	$ 0	$ 5,000,000
Subsidized Assist Living Demonstration	$ 1,880,000	$ 0	$ 1,880,000
Elderly Rental Registry & Counselor	$ 1,098,171	$ 0	$ 1,098,171
Fair Housing	$ 477,389	$ 0	$ 477,389
Housing Assistance and Counseling	$ 438,500	$ 0	$ 438,500
Elderly/Congregate Rental Assistance	$ 2,389,796	$ 0	$ 2,389,796
Congregate Operating Subsidy	$ 7,289,547	$ 0	$ 7,289,547
Payment in Lieu of Taxes (PILOT)	$ 2,204,000	$ 0	$ 2,204,000
Tax Abatement	$ 1,704,890	$ 0	$ 1,704,890
Housing Trust Fund	$ 25,000,000	$ 0	$ 25,000,000
Grants to Nursing Facilities for Conversion	$ 10, 000,000	$ 0	$ 10,000,000
TOTAL FOR DECD:	$ 144,982,293	$ 17,897,744	$ 162,880,037

Source: DECD, OFA

Table 2: CHFA Anticipated State and Federal Funding			
Connecticut Housing Finance Authority (CHFA)	**State FY 2012-13**	**Federal FY 2012-13**	**Total**
Low Income Housing Tax Credit	$ 0	$ 7,860,000*	$ 7,860,000
Housing Tax Credit Contribution	$ 10,000,000	$ 0	$ 10,000,000
TOTAL FOR CHFA:	$ 10,000,000	$ 7,860,000	$ 17,860,000

*Source: CHFA * Amount is the estimated credit amount for calendar year 20012 Under Federal Statute state credit amounts are established annually by formula on a calendar year basis*

Table 3: DSS Anticipated State and Federal Funding				
SOCIAL SERVICES (DSS)	**STATE FY 2012-13**	**HUD FY 2012-13**	**HHS FY 2012-13**	**TOTAL FY 2012-13**
Emergency Solutions Grants	$ 1,844,987	$ 2,096,102	$ 8,340,214	$ 12,281,303
Domestic Violence Programs	$ 5,171,422	$ 0	$ 1,249,042	$ 6,420,464
Housing Opportunities for Persons With AIDS	$ 3,920,675	$ 282,574	$ 908,373	$ 5,111,622
Section 8 Rental Assistance	$ 0	$ 68,191,250	$ 0	$ 68,191,250
Special Needs Housing benefits (incl. in TFA, AABD expenses)	$ 320,000	$ 0	$ 25,000	$ 345,000
Transitional Rental Assistance	$ 0	$ 0	$ 0	$ 0
Rental Assistance Program/Supportive Hsg	$ 40,578,922	$ 0	$ 0	$ 40,578,922
Family Home Share Program	$ 0	$ 0	$ 0	$ 0
Elderly Home Share Program	$ 0	$ 0	$ 0	$ 0
Security Deposit Program	$ 1,421,347	$ 0	$ 129,646	$ 1,550,993
Eviction Prevention Program	$ 269,011	$ 0	$ 919,860	$ 1,188,871
Transitional Living Program	$ 3,546,669	$ 0	$ 347,254	$ 3,893,923
TOTAL FOR DSS	**$ 57,073,033**	**$ 70,569,926**	**$11,919,389**	**$139,562,348**

[1] *Please note that the funding amounts represented for each program are subject to congressional/federal action, which could affect an increase, reduction or elimination of the funding amounts noted.*

Source: DSS/OPM

B. Performance

The ConPlan is a five-year strategic plan that examines the housing market, describes the housing needs of extremely low-, low- and moderate-income residents, outlines strategies to meet these needs and lists all resources available to implement those strategies, and outlines goals, objectives and measures. The ConPlan sets a unified vision, long-term strategies and short-term action steps to meet priority needs. As previously indicated, pursuant to Public Act. No. 11-124, "An Act concerning the State's Consolidated Plan for Housing and Community Development", which became effective on October 1, 2011, the requirement for a Long Range State Housing Plan and annual Action Plan was amended and its requirements were incorporated into the State's Consolidated Plan for Housing and Community Development to be developed in accordance with 24 CFR Part 91 as prepared by the Commissioner of Economic and Community Development, in consultation with the Connecticut Housing Finance Authority.

This Action Plan is the annual implementation plan for the goals, objectives and strategies outlined in both the state's 5-year plan and the ConPlan. This Action Plan describes how the State will use allocated funds by the State to address its affordable housing needs and by the federal government in connection with the four federal CPD formula grant programs.

The Consolidated Annual Performance Evaluation Report (CAPER) is the annual report submitted to HUD that details the progress DECD and DSS have made in carrying out the ConPlan annual Action Plan provisions with respect to the four federal CPD formula grant programs for a given program year. The state's program year is July 1 - June 30. The CAPER describes resources made available, the investment of those resources, the amount and source of leveraged funds, the source and use of program income, geographic distribution and location of investments, and the number of families and persons assisted and actions taken to affirmatively further fair housing. The CAPER is due within 90 days after the end of the state's program year.

The most recent CAPER was submitted to HUD on 9/28/11. It contained performance data for the 2010-2011 annual Action Plan program year and can be accessed on DECD's website, www.decd.org under publications/housing plans. It is expected that the CAPER

containing performance data for the 2011-2012 annual Action Plan program year will be submitted to HUD in September 2012.

Summary of federal funding for FY 2011-12:

Small Cities Community Development Block Grant (SC/CDBG)	$	12,319,018
HOME Investment Partnerships (HOME)	$	11,717,789
Emergency Shelter Grant (ESG) allocation 1	$	1,171,305
Emergency Solutions Grant (ESG) allocation 2	$	658,859
Housing Opportunities for Persons with AIDS (HOPWA)	$	283,878

C. Objectives and Outcomes

In this Action Plan, we have outlined the state's proposed accomplishments for program year 2012-2013 based on the performance measurement system presented in the 2010-15 ConPlan, which is consistent with HUD's Notice of Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs published in the Federal Register on March 7, 2006. Please refer to "Section V. Program Activities, Sub-section F. Performance Measurement Section" of this Action Plan for more detail regarding the objectives and outcomes. It is expected that the CAPER containing performance data for the 2012-2013 annual Action Plan program year with regard to the four federal CPD formula grant programs will be submitted to HUD in September 2013.

D. Citizen Participation

In accordance with Connecticut's Citizen Participation Plan, DECD solicited public input in developing the 2012-13 Action Plan. One public hearing to gather public input and concerns on housing and community development needs throughout the state was held by DECD in Hartford on October 27, 2011. A legal notice was published announcing the public hearing and requesting written comments. The legal notice and related documents were available on DECD's website. All comments received are summarized in Attachment A of this document.

DECD also solicited input on the draft Action Plan through a 30-day public comment period from May 18, 2012 to June 18, 2012. DECD will hold a public hearing on the draft Action Plan in Hamden on June 5, 2012. A legal notice was published announcing the public hearing and comment period. The legal notice and related documents were available on

DECD's website. All comments received are summarized and responded to in Attachment A of this document.

DECD notified the chief elected officials of all 169 municipalities in the State and its Community Partners about the dates, times and locations of the public hearings and of the timing of the commentary periods. The state's Regional Planning Organizations were forwarded a copy of the legal notices and asked to post them on their websites. DECD also submitted the draft Action Plan and public hearing/public commentary schedule to members of the state legislature who sit on committees of cognizance over matters related to housing, economic and community development and state finances. In accordance with Connecticut General Statutes Section 4-28b, the Joint Standing Committees of Connecticut's General Assembly, are required to meet to review the Small Cities Community Development Block Grant Allocation Plan. That meeting was held on month/date, 2012.

In addition, consultation was sought during the March 15, 2012 CT Balance of State CoC Steering Committee bi-monthly meeting. DSS shared with attendees the proposal for Emergency Solutions Grants Program. This process was conducted to seek input and address any concerns that might identify gaps or deficiencies in the proposed service(s). Based upon existing resources and ESG requirements, member agencies supported the proposed concept, as it would directly assist homeless households. Members were notified of the public hearings to be held for the development of the substantial amendment, and encouraged to attend. Additional input and support from the BOS Steering Committee will be sought once the draft 2012-2013 Action Plan is available.

E. Other Outreach

There are other ways in which DECD/DSS gather information and input on what needs to consider in developing the Action Plan. For example, there are meetings of approximately 70 state boards and commissions throughout the year that the Commissioner of DECD or designated staff (on behalf of the Commissioner) attends. Many of these boards and commissions also have representation from the Commissioner of DSS, either directly or at the staff level. Some of the more relevant commissions include the Balance of State Continuum of Care Steering Committee; the Homeless Management Information System (HMIS) Steering Committee; and the Interagency Council for Supportive Housing and

Homelessness. These groups focus on diverse but interrelated issues such as economic development, mental health, other social service issues, education and transportation. In addition, the Commissioner of DSS or his representatives attend service provider meetings, and monthly shelter director conference calls. The exchange of ideas and feedback on the state's efforts with respect to affordable housing (for example, supportive housing), as well as innovative thinking and programming, are often a result of the connections with these groups.

DECD's SC/CDBG Program staff provided outreach during FY 2010-11 by conducting the following workshops for program applicants, including the Competitive Funding Application Workshop and the Fair Housing Workshop. In addition, significant technical assistance was made available to grantees regarding DECD's SC/CDBG Program competitive application funding process. DECD's HOME Program staff provided outreach during FY 2010-11 through the following technical assistance activities: State Housing Policy Direction Conference, Community Housing Development Organization (CHDO) Informational Session, Affirmative Fair Housing Workshop, and Consolidated Application Training Workshop.

F. Narrative Statements

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

- DSS will continue to prevent homelessness through its various efforts associated with Eviction Foreclosure Prevention Program; homeless outreach, security deposit guarantee program, CT Beyond Shelter Program, ARRA-Homelessness Prevention and Rapid Rehousing (HPRP), etc. Each of these programs is designed to assist the target population with staying stably housed and thus not breaching the emergency shelter/transitional living system.

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

- DSS, in addition to funding emergency shelters and transitional living programs, will continue to provide services through homeless drop-in day programs, Housing First for Families Program, CT Beyond Shelter Program, ARRA-Homelessness Prevention and Rapid Rehousing Program, food pantries, and connections with other state services. It is DSS's expectations that these services will assist with the reduction in the re-

occurrence of homelessness by assisting the target population with services to achieve housing stability, based upon individual needs.

- Also, DSS has contractually required all emergency shelter and transitional living programs to enter information into the HMIS. Various services provided include, but are not limited to: advocacy, intake, needs assessment and case management services; health/mental health services; shelter and housing assistance; transportation/provision of bus tokens, substance abuse counseling, information and referral, budgeting, etc.

- DSS will be aligning its emergency shelter services with Emergency Solution Grants expectations, once the final rules are published. Public comments for the Interim Emergency Solutions Grant Program Rules were due on Friday, February 3, 2012 and DSS submitted comments, as appropriate. ESG funds may be used for the following components: street outreach, emergency shelter, homelessness prevention, rapid re-housing, HMIS and administrative costs. Since DSS awarded monies prior to the issuance of ESG, Allocation #1 funds followed the emergency shelter grant rules; however, Allocation #2 will follow Emergency Solution Grant requirements.

- To be in compliance with HUD, DSS will competitively procure funds identified under Allocation #2, at a minimum. It is proposed that Allocation #2 be utilized for rapid re-housing assistance, since HPRP has begun its close-out process. DSS has 2 existing opportunities through state resources (Eviction Foreclosure Prevention Program and Guarantee Security Deposit Program) that also provide financial assistance for homeless prevention.

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

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

- DSS will utilize funding (HOPWA and state) to provide services to persons with HIV/AIDS and their Families. DSS contractually requires HOPWA subgrantees and state funded AIDS/HIV residential programs to enter information into HMIS.

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

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

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

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

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

- DECD will continue its association with selected contractors to administer programs that address housing code violations, energy conservation improvements and fair housing education.
- DECD will provide up to $1M in state bond funding for accessibility modifications tied to the Money Follows the Person initiative at DSS.

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

- During the program year DECD and DSS will continue their participation in various planning committees, and steering groups in order to foster improved coordination between institutional groups and state agencies, as well as to overcome gaps in institutional structures. These include: The Long Term Care Planning Committee; Balance of State – Continuum of Care Steering Committee; Money Follows the Person Steering Committee; Supportive Housing Preservation Committee; Multifamily Advisory Committee; Interagency Council on Supportive Housing and Homelessness; Connecticut Housing Coalition Steering Committee; the Journey Home Steering

Committee; and the Reaching Home 2.0 Steering Committee. The Reaching Home 2.0 Steering Committee comprises members from HUD-Hartford; state government, local government; housing authorities, non-profits, education and philanthropic entities. During the 1st meeting, Connecticut's framework for ending homelessness was released, entitled "Opening Doors-CT".

- DECD will commit up to $10M in state capital bonding for "right-sizing" nursing homes, in association with the activities of the Money Follows the Person Steering Committee.

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

- DECD will make housing related activities by a PHA a priority and work closely with PHA's to assist in bringing them up to standard. In order to accomplish this, up to $30M in state bond financing will be made available through a variety of mechanisms to assist PHA's in meeting the needs of their residents. This includes projects that add bedrooms to small elderly units, provide services to residents, and maintain properties by updating heating systems and completing structural improvements such as roof repairs, energy efficient windows and security improvements such as installation of lighting and electronic systems.

- Under the provisions of Public Act 11-72, any local housing authority that intends to undertake the physical transformation or disposition of any real property or portion thereof is required to implement a resident participation plan for such major physical transformation or disposition activity in conjunction with the residents and/or tenant organizations at these properties.

- As of the publication of this document, there are two local PHA's that are on HUD's "troubled" PHA list; New Canaan Housing Authority and Vernon Housing Authority. As stated above, any activities proposed by or on behalf of either of these housing authorities will be considered for federal funding as a priority in DECD's rating and ranking criteria.

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

- The four programs covered by the ConPlan – SC/CDBG, HOME, ESG and HOPWA – directly support the overall State Anti-Poverty Strategy by addressing the housing and/or non-housing community development needs of persons at or below the poverty level. All of the activities undertaken by the state under these programs during the program year will further the state's effort to reduce the number of persons living below the poverty level.

Anti-Poverty Strategy:

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

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

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

- **Child Poverty and Prevention Council Progress Report – Jan. 2012**
  The statutory purpose of the Child Poverty and Prevention Council is to develop and promote the implementation of a ten-year plan to reduce the number of children living in poverty in the state by fifty percent; and establish prevention goals and recommendations and measure prevention service outcomes to promote the health and well-being of children and families.
- **Economic Strategic Plan for Connecticut**
  This plan is mandated per CGS Section 32-1o. It is a comprehensive five-year strategic plan that reviews numerous factors that influence the state's economic climate, from its transportation network, housing market and education system to its relative tax burden,

energy costs and health care system. The plan then recommends more than 60 specific strategies and initiatives for the future, grouped in three general areas: Talent and Technology, Cultivating Competitiveness and Responsible Growth.

- **State Long-Range Housing Plan**

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

- **Draft Conservation and Development Policies: A Plan for Connecticut**

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

- **State Of Connecticut Temporary Assistance For Needy Families (TANF) State Plan**

  This plan describes Connecticut's programs that furnish financial assistance and services to needy families in a manner to fulfill the purposes of the Temporary Assistance for Needy Families (TANF) program. Connecticut administers a variety of programs through a number of state agencies under the TANF program.

- **State Of Connecticut Department Of Social Services Administrative Plan For The Rental Assistance Program**

  This plan outlines how the State administers, through DSS, the Rental Assistance Program (RAP). RAP, created by legislation in 1985 through Substitute Senate Bill No. 883, is intended to supplement the Federal Section 8 Housing Program (now known as the Housing Choice Voucher Program) by providing an opportunity for low-income families to live in decent, safe and sanitary housing (see sections 17b-812-1 through 17b-812-12 of the Regulations of Connecticut State Agencies). The program requirements are described in and implemented through this administrative plan.

- **State Of Connecticut Department Of Social Services Administrative Plan For The Transitionary Rental Assistance Program**

  The DSS Transitionary Rental Assistance Program (T-RAP) is a rent subsidy program with a maximum term of one year, created by legislation in 1999 through Public Act 99-279. It is intended to supplement the Federal Section 8 Housing Program (now known as the Housing Choice Voucher Program) and the state's RAP, by providing an opportunity for low-income persons, who become employed and leave Temporary Family Assistance (TFA), to live in decent, safe and sanitary housing (see sections 17b-811a-1 through 17b-811a-8 of the Regulations of Connecticut State Agencies).The program requirements are described in and implemented through this administrative plan.

- **Child Care and Development Fund Plan for Connecticut**

  This plan describes the child care and development fund program to be conducted by the State.

- **State of Connecticut Comprehensive Mental Health Plan**

  This plan is submitted to the Federal Substance Abuse and Mental Health Services Administration. It outlines the state's plan to address mental health and addition challenges facing the state.

- **State of Connecticut Department of Developmental Services Five-year Plan**

  This plan is mandated per CGS Section 17a-211. It is a comprehensive five- year plan that serves as a strategic statement of the DDS's direction and an outline of its priorities in carrying out its mission to improve the quality of life for citizens of Connecticut who have disabilities.

- **Opening Doors - Federal Strategic Plan to Prevent and End Homelessness**

  This Plan creates the framework for accomplishing the ambitious goals of preventing and ending homelessness. The objectives identify high level actions or system change needed to facilitate increased access to housing, economic security, health, and stability for specific populations. The strategies articulate steps that could be taken collaboratively by federal, state, and local leaders to address the differentiated needs of the populations identified.

II. INTRODUCTION

The Annual Action Plan updates the State of Connecticut's 2010-15 Consolidated Plan for Housing and Community Development (ConPlan), a five-year plan addressing Connecticut's housing and community development needs. The state submits the ConPlan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to apply for federal funds under the HOME Investment Partnerships (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs. This annual Action Plan covers FY 2012-13, from July 1, 2012 to June 30, 2013.

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

References to sections of the ConPlan are made throughout this document. Not all of these sections are duplicated within this document. The ConPlan and Action Plans are available from the Connecticut Department of Economic and Community Development (DECD) and can be viewed or downloaded by visiting DECD's web site at www.decd.org.

The activities, programs and resources discussed in this Action Plan will be administered by various agencies including the Departments of Economic and Community Development (DECD), Social Services (DSS), Mental Health and Addiction Services (DMHAS), and the Connecticut Housing Finance Authority (CHFA).

The Action Plan includes the following sections in accordance with federal regulations:

- Resources: Funding sources available to address the state's needs and objectives;
- Activities: Method for distributing funds for activities that address needs and objectives;
- Geographic Distribution: Geographic areas to which the state will direct assistance;

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- Homeless and Special Needs Activities: Plans to address homelessness and assist persons with special needs;
- Other Actions: Strategies to address underserved populations, foster and maintain affordable housing, remove barriers, and assist families in poverty;
- Summary of Public Comments: Comments made on the Action Plan and DECD and/or DSS responses;
- Applications for Assistance: HUD Form SF-424 for the HOME, SC/CDBG, ESG, and HOPWA Programs; and
- Certifications: General and program specific certifications as required by HUD.

III. CITIZEN PARTICIPATION

DECD held one public hearing to elicit input into the development of the state's 2012-13 Action Plan for Housing and Community Development: in Hartford on October 27, 2011. The public was also encouraged to submit written comments. A legal notice announcing the public hearing and request for comments was published in two newspapers including one in Spanish. The legal notice and copies of past Action Plans, ConPlans and CAPERs were also available on the DECD web site. The public hearing was held in a central location so that persons from any area of the state could attend to provide their views on the development of this plan.

On May 18, 2012, DECD began the 30-day public comment period on the draft Action Plan. The public comment period concluded on June 18, 2012. DECD will hold one additional public hearing: in Hamden on June 5, 2012. A legal notice announcing the public comment period and the public hearing was published in two newspapers including one in Spanish. The legal notice and a copy of the draft Action Plan were posted on the DECD web site. Copies of past Action Plans, ConPlans and CAPERs were also available on the DECD web site. The public hearing was held in a central location so that persons from any area of the state could attend to provide their views on the draft of this plan.

The municipal chief elected officials of all 169 municipalities in the state received a Department Notice informing them of the public hearings and comment periods. A copy of the legal notices were forwarded to the Regional Planning Organizations and they were asked to post them to their web sites. DECD also forwarded a copy of the legal notices to it's Community Partners. DECD submitted, via e-mail, a copy of the legal notice announcing the 30 day public comment period and public hearing as well as a copy of the draft Action Plan to members of the State Legislature's Appropriations Committee, Commerce Committee, Planning and Development Committee, and the Chairs of the Housing Sub-Committee. In accordance with Connecticut General Statutes Section 4-28b, the Joint Standing Committees of Connecticut's General Assembly, are required to meet to review the Small Cities Community Development Block Grant Allocation Plan. That meeting was held on month/date, 2012.

In addition, consultation was sought during the March 15, 2012 CT Balance of State CoC Steering Committee bi-monthly meeting. DSS shared with attendees the proposal for

Emergency Solutions Grants Program. This process was conducted to seek input and address any concerns that might identify gaps or deficiencies in the proposed service(s). Based upon existing resources and ESG requirements, member agencies supported the proposed concept, as it would directly assist homeless households. Members were notified of the public hearings to be held for the development of the substantial amendment, and encouraged to attend. Additional input and support from the BOS Steering Committee will be sought once the draft 2012-2013 Action Plan is available.

Outline of Activity for Public Hearings/Public Comment:

- October 27, 2011, Public Hearing: Four people attended this Public Hearing. One entity provided oral comment.
- Written Comments received during the development of the 2012-13 Action Plan: No written comments were received.
- June 5, 2012, Public Hearing: To be completed.
- Written Comments received during the 30 day Public Comment Period on the draft 2012-2013 Action Plan: To be completed
- The Small Cities Community Development Block Grant Allocation Plan was approved on month/date, 2012 in accordance with Connecticut General Statutes Section 4-28b, by the Joint Standing Committees of Connecticut's General Assembly having cognizance over such matters.

For more detail regarding the Citizen Participation process refer to the Attachments section of this document. For supporting documentation refer to the Attachment section of this document.

A. Other Outreach

There are other ways in which DECD/DSS gather information and input on what needs to consider in developing the Action Plan. For example, there are meetings of approximately 70 state boards and commissions throughout the year that the Commissioner of DECD or designated staff (on behalf of the Commissioner) attends. Many of these boards and commissions also have representation from the Commissioner of DSS, either directly or at the staff level. Some of the more relevant commissions include the Balance of State Continuum of Care Steering Committee; the Homeless Management Information System (HMIS) Steering Committee; and the Interagency Council for Supportive Housing and Homelessness. These groups focus on diverse but interrelated issues such as economic

development, mental health, other social service issues, education and transportation. In addition, the Commissioner of DSS or his representatives attend service provider meetings, and monthly shelter director conference calls. The exchange of ideas and feedback on the state's efforts with respect to affordable housing (for example, supportive housing), as well as innovative thinking and programming, are often a result of the connections with these groups.

DECD's SC/CDBG Program staff provided outreach during FY 2010-11 by conducting the following workshops for program applicants: Competitive Funding Application Workshop, and Fair Housing. In addition, significant technical assistance was made available to grantees regarding the department's SC/CDBG Program competitive application funding process.

DECD's HOME Program staff provided outreach during FY 2010-11 through the following technical assistance activities: State Housing Policy Direction Conference, Community Housing Development Organization (CHDO) Informational Session, Affirmative Fair Housing Workshop, and Consolidated Application Training.

IV. FEDERAL REQUIREMENTS

A. Resources

Federal and state resources, which will be used during this Action Plan's FY to address the needs and strategies identified in the 2010-15 ConPlan, are found in the program-specific sections of this report.

This Action Plan provides a detailed plan for expending FY 2012-13 funds for the following federal programs:

Small Cities Community Development Block Grant (SC/CDBG)	$ 11,141,302
HOME Investment Partnerships (HOME)	$ 6,756,442
Emergency Solutions Grants (ESG)	$ 2,096,102
Housing Opportunities for Persons with AIDS (HOPWA)	$ 282,574

Please refer to Table 1, 2 and 3 for a listing of the state and federal resources that are available to support the state's housing and community development activities. While the State cannot anticipate what other public or private funds may become available to support the programs, activities and strategies discussed here, the State will endeavor to maximize the use of any such resources as they become available. The State is committed to making the most efficient and effective use of all available and appropriate resources. Connecticut's 2010-15 ConPlan outlines how the State plans to leverage HOME, SC/CDBG, ESG, and HOPWA funds against other sources of funding.

B. Activities

The state's methods of distributing funds and carrying out activities funded by HUD are described in the program-specific sections that follow. HOME funds are available on a year-round basis through an "open" enrollment application process. SC/CDBG funds will be administered through a competitive application funding process, with the exception of Urgent Need and Section 108 projects. Please refer to the program specific sections of this document for more detail on these activities.

C. Geographic Distribution

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

greater needs may be given higher priority. With the procurement of ESG-Allocation #2, DSS will begin to take into consideration geographic distribution, if a statewide service delivery model is not applicable. Funding decisions will take into consideration the availability of resources available to ESG-municipalities to ensure that there is not a duplication of services, while addressing needs of the balance of state.

D. Homelessness and Other Special Needs Populations

Homeless and other special need populations are described in detail in the "Housing and Homeless Needs Assessment" section of the ConPlan. Strategies to address these needs are listed in the "Strategic Plan" section of the ConPlan. A general description of state and federal resources can be found in the "Institutional Structure" section of the ConPlan. `

E. Other Actions

The strategies to address underserved populations, to foster and maintain affordable housing, to remove barriers, and to assist families at or below the poverty level are discussed in the "Strategic Plan" section of the ConPlan. A general description of state and federal resources can be found in the "Institutional Structure" section of the ConPlan.

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

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

c. DECD will also support and work with DPH and it's partners, as well as HUD grantees on the implementation of its statewide 'Healthy Homes Initiative' which seeks to promote and mainstream healthy housing principles to ensure that Connecticut's housing supply is dry, clean, pest-free, ventilated, safe, without contaminants, maintained and accessible. The DPH Healthy Initiative workgroup includes supervisors from the following housing-related activities: asbestos, asthma, environmental engineering (septic systems), injury prevention, infectious disease, private wells, and radon.

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

   The State of Connecticut Analysis of Impediments to Fair Housing Choice (AI) document reviews relevant public policies and practices, demographic and mapping information, census data and mortgage data, and information from surveys and interviews with people involved in all aspects of fair housing. It includes discussion of the types of impediments to fair housing choice, recommendations for state level actions, and action steps that individual towns can take which would promote greater housing choice in their community. The recommendations listed below are identified for the State of Connecticut/DECD to achieve, to address limitations on fair housing choice and progress is reported annually in its CAPER.

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

States are encouraged to update their AI on a regular basis. DECD has begun preparing a new AI. Since there have been significant changes in the economy and housing situation in our state, we expect to make substantial changes to the AI. However, in order to make an accurate and comprehensive analysis, it is imperative that the 2010 Census information be used. Therefore, we anticipate that a new AI will be completed in the fourth quarter of 2012 given the historic pace of the availability of data from the new census.

V. PROGRAM ACTIVITIES

A. HOME Investment Partnerships (HOME) Program

The State of Connecticut will continue its effort to strengthen the abilities of state and local governments to expand and preserve the supply of decent, safe, sanitary, and affordable housing with the use of FY 2012-13 HOME funds. All HOME Program assisted rental and home ownership units will meet all program guidelines for income eligibility and accessibility.

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

Pursuant to Sec. 92.218-92.222 of the HOME Final Rule, the Participating Jurisdiction (PJ) incurs a 25% matching obligation for the HOME funds it expends. The State of Connecticut (PJ) estimates the amount of match required to be $1,689,110 and will use state funds, either from banked accumulation of matching funds or from new activity, as the source of funding for the match.

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

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

1. FY 2012-13 Resource Allocation Plan for the HOME Program

The FY 2012-13 HUD allocation to DECD for the HOME Program is anticipated to be $6,756,442. HOME funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes. DECD will use 10% of its annual HOME allocation for program administration. A minimum of 15% of the annual allocation will be set-aside for Community Housing Development Organizations (CHDO) as required by federal law. The amount of program income is estimated based on an average of the amount received by DECD over the last three program years.

FY 2012-13 Allocation	$	6,756,442
State Administration (10%)	$	675,644
CHDO Set-aside (15%)	$	1,013,466
Subtotal	$	1,689,110
Program Allocation	$	5,067,332
Estimated Program Income	$	274,575
Allocation available for eligible activities	$	5,341,907

2. Reprogramming of Funds

During the FY, DECD may recapture funds from previous fiscal years from:

- Non-performing grantees;
- Grantee's underutilized funds; and
- Program income generated by grantees.

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

3. Eligible Applicants

Eligible applicants can include: units of general local government (including other PJ's: Participation Jurisdictions), for-profit and nonprofit entities (including CHDO's: Community Development Housing Organizations).

4. Eligible Activities

HOME funds can be used to provide assistance through a broad range of eligible activities which include, but are not limited to; home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; construction or rehabilitation of housing for rent or ownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses.

5. Eligible forms of Subsidy

Forms of assistance can include, but are not limited to: loans or advances (interest or non interest bearing), deferred loans (forgivable or repayable), grants, interest subsidies, equity investments, loan guarantees, and loan guarantee accounts.

6. Debt Refinancing

For non-profit developers, DECD may also utilize HOME funds to refinance existing debt or to retire bridge financing provided the following conditions are met:

a. Refinancing of Existing Permanent Debt (applies only to nonprofit developers)**:**

DECD may permit the use of HOME funds toward the cost of fully or partially refinancing an existing permanent mortgage loan on rental property provided, in the opinion of the Commissioner, the following conditions are met:

- The rehabilitation of the housing must be the primary eligible activity. Therefore, the cost of the rehabilitation of the housing must equal or exceed $25,000 per HOME-assisted unit;
- The housing has not been previously financed with HOME funds;
- A review of the management practices of the applicant must demonstrate that the proposed rehabilitation is not the result of dis-investment in the property by any entity involved in the application for HOME funds;
- A review of the proposed operating budget for the project must demonstrate that both the cost of the refinancing and the needed rehabilitation of the project can be met and still result in the affordability of the units to HOME-eligible tenants for a period of 15 years or the term of the refinancing, whichever is longer;
- When compared to the refinancing terms being proposed, the loan being refinanced must have:

  - An interest rate higher than the proposed refinancing; or
  - A repayment term that is longer than the proposed refinancing; or
  - A lump-sum repayment requirement (a balloon payment);
- Priority may be given to projects located in a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2), a federally-designated Empowerment Zone or Enterprise Community, a state-designated Neighborhood Revitalization Zone, or Neighborhood Stabilization Program; and
- The activity does not involve the refinancing of a multifamily loan made or insured by any state or federal program, including the SC/CDBG Program.

b. Grants or Loans to Pay Off a Bridge Loan (applies only to nonprofit developers):

DECD may permit the use of HOME funds for the repayment of all or part of any reasonable bridge loans secured by a nonprofit developer to pay for project costs necessarily incurred prior to the availability of HOME or other financing. Such expenses may include the cost of acquisition of real property, real estate options and feasibility studies which, in the opinion of the Commissioner, were necessary to the development of the project. Any services paid for with such a bridge loan that will be repaid with HOME funds must be for HOME-eligible expenses. The applicant must have secured all services in accordance with a DECD approved procurement plan.

7. Resale and Recapture Guidelines

In compliance with 24 CFR Part 92.254 a.5., Qualification as Affordable Housing/Homeownership, DECD will require that a deed restriction or restrictive covenant be placed on each property assisted with HOME funds to enforce the affordability requirements.

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

- Though the HOME program does not require an affordability period for homeowner rehabilitation projects, DECD may establish a stand alone state mandated affordability period for such projects. Said affordability period will mirror the 5, 10, and 15 year HOME periods but will be enforced by a stand alone non-HOME restrictive covenant.

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

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

- Affordability Period: The minimum affordability period is established by HUD based on the amount of HOME financial assistance in each unit; however, the applicant may request, or DECD may require, a longer affordability period in neighborhoods that are experiencing rapidly appreciating housing costs. A neighborhood with "rapidly appreciating housing cost" is one where, at the time of application, housing costs are increasing at a rate beyond the rate for housing costs contained in the current Consumer Price Index;
- Direct Subsidy (aka: Buyer's Subsidy): consists of any financial assistance that reduces the purchase price from fair market to an affordable price, or otherwise subsidizes the purchase (e.g., down payment or closing cost assistance, subordinate financing);
- Development Subsidy (aka: Developer Subsidy): is provided to the developer and is the difference between the cost to create or rehabilitate housing and the fair market price. While the subsidy does not go directly to the homeowner, it helps make development of an affordable home feasible;
- Affordability Enforcement: In compliance with 24 CFR Part 92.254(b), for HOME Program assisted homebuyer projects, DECD will require that the applicable resale and/or subsidy recapture restriction be applied to the units as required.
- "Fair Return on Investment" (Return) shall be equal to the average change in the Consumer Price Index over the original homebuyer's period of ownership to the time of resale (Rate) times the homebuyer's original investment (Investment) plus the residual value of the documented cost of unsubsidized capital improvements (Residual).

Represented by formula as "Return = Rate x (Investment + Residual)"

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

- In accordance with the previous provisions, if the sole HOME Program financial assistance to a unit is a developer's subsidy (not combined with a buyer's subsidy), then the only type of restriction permitted is a Resale Restriction, as detailed later in this section.

Resale Provisions

a. A resale restriction requires the resale of the unit to HOME Program qualified homebuyers throughout its affordability period. Successful use of this restriction requires imposition of a deed restriction or a restrictive covenant at the initial sale and diligent oversight and assistance at the time of resale. Because of this obligation, DECD normally will not permit resale restrictions unless it is required by 24 CFR Part 92.254 or if the sponsor has a long-standing history in owning and/or managing affordable housing. A "long-standing history" means at least 10 years.

b. If resale requirements are employed, then either at the time of resale or in the event that the housing does not continue to be the principal residence of the family for the duration of the affordability period, they must ensure that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family (ie: has a household income between 60% and 80% of the area median income) and will use the property as its principal residence.

c. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment as defined above in addition to their original investment.

d. Continued Affordability: the resale requirement must ensure that the housing under a resale provision will remain affordable to a range of low-income homebuyers that includes families that have a household income between 60% and 80% of the area median income paying no more than 30 percent of income for principal, interest, property taxes, and insurance. See the exception for participation in other governmental programs detailed in the 30% Rule section of section 8 below on the HOME Final Rule, 24 CFR Part 92 Policies.

Recapture Restrictions

a. A subsidy recapture requires that any sale after the initial sale of a HOME Program assisted ownership unit or a homeowner rehabilitation unit during the affordability period trigger a repayment of a portion of the HOME Program subsidy that the buyer received when they originally purchased the unit. Subsidy recapture shall be structured so that it is reduced using the following formula:

Yearly Reduction = 1 / #

(Where "#" equals the number of years of affordability required)

Thus, if the affordability period is 15 years, each year the amount of subsidy subject to recapture decreases by 1/15. However, in no event shall the subsidy recapture calculation result in a repayment greater than that which would have resulted in calculating the net sales proceeds with a pro-rata share to the owner based on the original purchase.

8. HOME Final Rule, 24 CFR Part 92 Policies

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

- Income Determinations, §92.203b - DECD has selected the Section 8 Program definition for annual income for its HOME program.
- Eligible Activities, § 92.205 - DECD will allow all HOME Program eligible activities with the exception of Tenant Based Rental Assistance (TBRA).
- Project Completion, § 92.205(e)(2) DECD will adhere to the December 16, 2011 Home Program proposed rule (as applicable to FFY 2012 allocation funds) and CPD Notice 12-007 pursuant to the definition of "project completion" in § 92.2, projects that are not completed within 4 years of the commitment date will be terminated and required repayment of the entire HOME investment from a non-federal funding source.
- Match, § 92.218 et seq. - The State of Connecticut (PJ) will use state funds from either banked or new activity to fulfill the match obligation.

- Maximum Per Unit Subsidy Limits, § 92.250 - DECD adheres to the HOME statute and the HOME regulation at 24 CFR 92.250(a) which limits the amount of HOME funds that a PJ may invest in a HOME-assisted unit. The maximum HOME per-unit subsidy limit is the basic Section 221(d)(3) FHA mortgage limit for elevator-type projects, by bedroom size.
- Underwriting and Subsidy Layering § 92.250(b) - DECD will adhere to the December 16, 2011 Home Program proposed rule (as applicable to FFY 2012 allocation funds) pursuant to underwriting and subsidy layering guidelines with regard to the assessment of market conditions of proposed project neighborhood, experience and financial capacity of developer, firmness of financial commitments, and evaluation of appropriateness of amount of subsidy.
- Property Standards, § 92.251 - All assisted units (new and/or rehab) must meet local or state building code, as well as Model Energy Code for new construction. All housing must meet the housing quality standards in 24 CFR 982. 401 at a minimum.
- Transfer of Homeownership Units, § 92.254 (a)(3) - DECD will adhere to the December 16, 2011 Home Program proposed rule (as applicable to FFY 2012 allocation funds) and CPD Notice 12-007 pursuant to the requirement that homeownership units not sold to an eligible buyer within 6 months of completion must be rented in accordance with § 92.252.
- Maximum Property Value, § 92.254(a)(2)(iii) – For homebuyer assistance or rehabilitation of owner-occupied single-family properties, DECD uses the Single Family Mortgage Limits under Section 203 (b) of the National Housing Act, as amended from time to time.
- If HOME funds are only used to assist an eligible low-income homebuyer to acquire one unit in a single-family property containing more than one unit and the assisted unit will be the principal residence of the homebuyer, the affordability requirements of this section apply only to the assisted unit.
- If HOME funds are also used to assist an eligible homebuyer to acquire one or more of the rental units in the single-family housing, the affordability requirements of § 92.252 apply to the assisted rental units, except that DECD may choose to either impose resale or recapture restrictions on all assisted units (owner-occupied and rental units) in the single family housing. If resale restrictions are used, the affordability requirements on all assisted units continue for the period of affordability. If recapture restrictions are used, the affordability requirements on the assisted

rental units may be terminated, in accordance with the provisions under § 92.254(a)(5)(ii)(A)(6), and at the discretion of DECD, upon recapture of the HOME investment.

- If HOME funds are used to assist only the rental units in such a property then the requirements of § 92.252 would apply and the owner-occupied unit would not be subject to the income targeting or affordability provisions of § 92.254.
- Relocation, Sec. 92.253 pursuant to 49 CFR 24 - Applicants considering activities that will trigger displacement or conversion must submit a completed Relocation Plan that conforms to federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) requirements at 42 USC 4201-4655 and 49 CFR Part 24. Federal law governing relocation will apply to projects utilizing HOME and SC/CDBG funds, except where Connecticut law imposes more stringent requirements. Furthermore, Connecticut General Statutes (CGS) § 8-37z reads in part that "…. the Commissioner of Economic and Community Development shall ensure that the involuntary displacement of persons and families residing in any single-family or multifamily dwelling, which displacement occurs in connection with any housing or community development project or economic development project receiving state financial assistance under any program administered by the commissioner under the general statutes, is reduced to the minimum level consistent with achieving the objectives of such program…."
- Program Income, Sec. 92.503 - All program income shall be remitted to DECD who shall be solely responsible for its reallocation in accordance with applicable program rules.
- 30% Rule - HOME rents are set in accordance with HOME Rent Limits as published from time to time by HUD, and assume the target income group can pay at 30% of their income. For homeownership, a homebuyer's payment of principal, interest, taxes, homeowner's insurance, required association fees (if applicable) and mortgage insurance premiums cannot be less than 25% nor be greater than 30% of the household's anticipated gross annual income. However, if the purchase is part of an approved government program, DECD may accept that agency's higher ratios upon written request of the developer. Approved government programs include, but are not limited to those sponsored by CHFA, FHA, USDA, Federal Home Loan Bank, Connecticut CDFI Alliance and Fannie Mae. Contracts for financial assistance executed after June 1, 2009 shall have "back-end" ratios not greater than 40%;

however, waivers may be granted by the Director of the Office of Housing and Community Development or designee in the cases of "approved government mortgages". There is no limit on cash to the buyer remaining after the closing. In addition, the Commissioner may waive the minimum 25% front end ratio on a case by case basis if reasonable grounds to support such a decision are identified.

- Income Limits, Sec. 92.252 - DECD adheres to the basic or "capped" HOME Program Income Limits as calculated and published by HUD annually.
- Rent Limits, Sec. 92.252 - DECD adheres to the basic HOME Program Rent Limits as calculated and published by HUD annually.
- Utility Allowances, Sec. 92.252 – DECD will allow the use of any of the following relative to utility allowance schedules:

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

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

  c. Results of a documented utility study consistent with industry standards on the same or similar units.
- Community Development Housing Organizations (CHDO's) – DECD will reserve not less than 15 percent of their annual HOME Program allocation for investment only in housing to be developed, sponsored, or owned by Community Housing Development Organizations (CHDO's). Only certain types of activities count toward the 15 percent set-aside. CHDO's are a specific type of private nonprofit community based organization that must meet certain requirements pertaining to their legal status, organizational structure, and experience. They must have a clearly defined service area and the capacity to develop affordable housing for the community they serve. DECD will adhere to the December 16, 2011 Home Program proposed rule revised definition for CHDO's @ 92.2 paragraph 9 (as applicable to FFY 2012 allocation funds) and CPD Notice 12-007.
- Section 3 of the Housing and Development Act of 1968 - Applicants whose projects for which the HOME share of the project costs will be more than $200,000 will be required to comply with Section 3 to the greatest extent feasible and must complete a Section 3 plan as part of the funding application.
- Minority/Women Employment – In accordance with Section 281 of the National Affordable Housing Act, each HOME recipient must ensure that minority and women

owned business enterprises have opportunities in all contracting activities. Each recipient is required to include a statement in all bids and solicitations that says "minority and women owned businesses are encouraged to apply." Each recipient is required to obtain from the State Department of Administrative Services, a list of minority and women owned businesses. Applicant shall also make a good faith effort to comply with the DECD Set-Aside Policy for Minority and Women owned businesses.

- Affirmative Marketing – If HOME funds are used to assist projects with 5 units or more the requirements of 24 CFR 92.350 and 92.351 shall apply. An Affirmative Fair Housing Marketing Plan, Tenant Selection Plan and Lease shall be submitted to DECD for approval. The Lease shall comply with the provisions of 24 CFR, 92.253. In addition, recipients shall follow all applicable provisions of Section 8-37ee-1 – 8-37ee -17 and Section 8-37ee - 300 to 8-37ee – 314 of the Regulations of State Agencies with regard to fair housing policies, procedures and the preparation of fair housing documents.
- Handicapped Accessibility – Recipients must adhere to the following regulations governing accessibility of federally assisted buildings, facilities and programs: : Americans with Disabilities Act, Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.
- Labor Requirements – Every contract for construction or rehabilitation shall comply with state and federal labor standards Furthermore, every contract for the construction or rehabilitation of housing that includes 12 or more HOME -assisted units must comply with the Davis Bacon Act, 40 USC 276a – 276a-5.

9. Application Process for the HOME Program

DECD will continue to accept applications for the HOME Program under the "open" enrollment application process: applications may be accepted on a continuing basis year-round, for as long as funds continue to be available. DECD reserves the right to cease accepting applications at any time that all available funds have been committed; applications will be rejected at that time and applicants will be warned to proceed at their own risk.

- All requests for funding must be submitted directly to the DECD's Office of Housing and Community Development.

- Applicants for HOME funds are required to submit their requests in a completed format using the Consolidated Application developed jointly by DECD and CHFA and used as the application for all DECD housing development proposals.
- Staff will review the Consolidated Application and any attached materials to determine if the project/activity meets minimum program eligibility and threshold requirements. Minimum program eligibility and threshold requirements include applicant's experience with the HOME Program and/or other public financing, and current status of existing contracts with DECD and CHFA. Applications that do not meet basic eligibility and threshold requirements will be rejected for funding.
- Depending on the nature of the proposed activity, site inspections may be conducted by DECD staff. An evaluation of the site's feasibility will be completed and considered as part of the review process.
- All applications, and any attached materials throughout the application process, may be reviewed and evaluated by senior staff in the Office of Housing and Community Development.
- Applications will be considered against financial and qualitative issues, including but not limited to:
  - Financial feasibility;
  - Reasonableness to proceed to construction;
  - Financial leveraging and firm financial commitments;
  - Social and economic impact on the neighborhood, community, region and state as defined in the strategies and priorities outlined in the ConPlan, including but not limited to transportation, education, and job creation/retention.
  - Level of consistency with DECD's responsible growth criteria including compliance with the draft Conservation and Development Policies Plan for Connecticut;
  - Fair Housing and Equal Opportunity Compliance;
  - Number of current open contracts;
  - Current projects' expenditure rates; and
  - Prior audit or monitoring performance.
- Final recommendations to the Commissioner will be based on the overall quality of the application as well as fund availability.
- Approved applicants will receive notification from the Commissioner's office.

- If the application is not approved, senior staff will advise the applicant of the rejection in writing and identify the reasons for the rejection.

10. Program Eligibility and Threshold Requirements

- Eligible applicants: As defined by HUD program regulations;
- Applicant capacity: Previous experience with the HOME program and/or other public financing, quality of work product, efficiency and effectiveness in project management;
- Number of open contracts with the DECD: Applicants with three or more open contracts (not pending closeout within six months of application), regardless of funding source, will be rejected;
- Eligible activity: Only those activities eligible under the appropriate federal acts will be funded;
- Statement of compliance with all program requirements: Applicants must be in compliance with all existing DECD assistance agreements and cannot be in default under any CHFA or HUD-administered program (Waiver provision available in extraordinary circumstances);
- Consistency with ConPlan: Applicant must identify how the project is consistent with the goals and strategies of the ConPlan; and
- Fair Housing and Equal Opportunity Compliance: Applicant must provide a certification/demonstration of compliance with all fair housing and equal employment opportunities obligations/guidelines.

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

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

The state is required to pay from its own resources all administrative costs incurred by the state in carrying out its responsibilities under subpart 24CFR570.489(a)(1), except that the state may use Small Cities CDBG funds to pay such costs in an amount not to exceed $100,000 plus 50% of such costs in excess of $100,000. States are, therefore, required to match such costs in excess of $100,000 on a dollar for dollar basis. The amount of Small Cities CDBG funds used to pay such costs in excess of $100,000 shall not exceed 2% of the aggregate of the state's

annual grant. DECD estimates the amount of match required, to be $222,826 and will use DECD's General Fund personal services appropriation as the source of funding for the match.

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

1. **FY 2012-13 Resource Allocation Plan for SC/CDBG Program**

   The FY 2012-13 allocation to DECD for the SC/CDBG Program is anticipated to be $11,141,302. SC/CDBG funds are subject to availability from the federal government. If changes to this distribution become necessary, procedures outlined below will be observed in making those changes. DECD will use $100,000 plus 2% of the award for its administration of the SC/CDBG Program. DECD will also use up to 1% of the award for technical assistance activities including technical assistance training sessions for grantees and handbooks for use by local governments.

FY 2012-13 Allocation	$	11,141,302
State Administration (2%)	$	222,826
Additional $100,000 State Administration	$	100,000
Technical Assistance (1%)	$	111,413
Subtotal	$	434,239
Allocation available for eligible activities	$	10,707,063

2. **Reprogramming of Funds**

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

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

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

3. Activities

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

Eligible activities include:

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

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

Ineligible activities include:

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

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

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

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

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

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

- Low- and Moderate-Income Benefit:
  - Area benefit (e.g., streets and sidewalks[2]), where at least 51% of the population in the defined area is of low- and moderate-income; or
  - Limited clientele (e.g., seniors or handicapped persons[3]); or
  - Direct benefit (e.g., housing rehabilitation and job creation[4]).
- Slum and Blight:
  - Prevention or elimination on an area basis; or
  - Prevention or elimination on a spot slum and blight basis.

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

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

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

- Urgent Need:
  - Sudden and unexpected need;
  - Threat to the health and welfare of the community;
  - Occurred within 18 months; and
  - No other funds available.

5. Community Revitalization Strategies (CRS)

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

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

- Boundaries: A community must identify the neighborhood's boundaries for which the CRS applies. All areas within the boundaries must be contiguous;
- Demographic Criteria: The designated area must be a primarily residential area that contains at least 51% Low- and Moderate-Income (LMI) residents. However, a community may not utilize the area benefit presumption authorized by 24 CFR 570.483(e)(5)(i) or the aggregation of housing units authorized by 24CFR 570.483 (e)(5)(ii) unless it meets the additional demographic criteria outlined in 24 CFR 570.483(b)(1)(v). Communities that intend to utilize the area benefit presumption or the aggregation of housing units must provide DECD with the census data needed to support the LMI percentage and poverty rate in the designated area;
- Consultation: The community must describe how the CRS was developed in consultation with the area's stakeholders, including residents, owners/operators of

businesses and financial institutions, nonprofits, and community groups that are in or serve the neighborhood;

- Assessment: The CRS must include an assessment of the economic conditions of the area and an examination of the opportunities for economic development improvement and the problems likely to be encountered;
- Economic Empowerment: There must be a realistic development strategy and implementation plan to promote the area's economic progress focusing on activities to create meaningful jobs for the unemployed low- and moderate-income residents of the area as well as activities to promote the substantial revitalization of the area; and
- Performance Measures: The CRS must identify the results to be achieved, expressing them in terms that are readily measurable, in the form of benchmarks.

In order to avoid an unnecessary burden for the community in describing its CRS, the community may refer to specific portions of other documents that the community must provide to DECD. Additional data may be required if the referenced documents do not contain sufficient data to determine that each of the criteria has been met.

A community with an approved Neighborhood Revitalization Zone (NRZ) pursuant to Connecticut General Statutes Chapter 118, Sec. 7-600 may use the strategic plan developed for the NRZ as the CRS as long as any additional information required by DECD is also provided.

Once a CRS is approved, the community is eligible for the following incentives:

- Job Creation/Retention as a Low- and Moderate-Income Area Benefit: Job creation/retention activities undertaken pursuant to the CRS may be qualified as meeting area benefit requirements, thus eliminating the need for a business to track the income of the persons that take or are considered for such jobs;
- Aggregation of Housing Units: Units assisted pursuant to the CRS may be considered to be part of a single structure for purposes of applying the low- and moderate-income national objective criteria, thus providing greater flexibility to carry out housing programs that revitalize neighborhoods;
- Aggregate Public Benefit Standard Exemption: Economic development activities carried out under the strategy may be exempt from the aggregate public benefit

standards, thus increasing a community's flexibility for program design as well as reducing its record-keeping requirements; and

- Public Service Cap Exemption: Public services carried out pursuant to the CRS by a Community Based Development Organization (CBDO) will be exempt from the Public Services federal funding cap.

6. Section 108 Community Development Loan Guarantee Program (Section 108)

Section 108 Loan Guarantees are an extension of the SC/CDBG Program and provides a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects, in accordance with Section 108 of the Housing and Community Development Act of 1974, as amended. The program is designed to assist non-entitlement local governments (eligible communities) with eligible large-scale projects that address public needs and that could not otherwise advance without the loan guarantee.

Guaranteed by HUD and backed by the full faith and credit of the United States Treasury, Section 108 Notes are issued to investors through private underwriters. Section 108 funds are offered to eligible communities in the form of loans that must be repaid in full. Under this provision of the SC/CDBG program, for any projects approved under this provision, the state pledges its future SC/CDBG funds as the ultimate repayment source in case of repayment default by the loan recipients.

The state's participation in the Section 108 program does not commit any funding to any local government. HUD will make the ultimate decisions regarding any local government applications for Section 108 loans. All Section 108 projects must meet all applicable CDBG requirements and result in significant employment and/or benefit for low- and moderate-income persons. Projects that already have an alternate source of financing under another program will generally not be considered for Section 108 loans unless the available funds are not sufficient to meet the project's needs. Section 108 program regulations are found at 24 CFR Subpart M-Loan Guarantees, Sections 570.700 to 570.711. All Section 108 projects will be required to provide additional security and demonstrate that the Section 108 borrowing can be paid back. Additionally, in order to be considered for funding by DECD, all Section 108 projects of regional significance

must receive the approval of either the regional planning organization or the economic development district in which the project is proposed.

Eligible communities can apply directly for Section 108 loans with the approval of DECD, more specifically the Office of Housing and Community Development. The loan requirements and eligible activities are described previously. However, the citizen participation requires that the details of any proposed loan be included in an amendment to the annual Action Plan.

Proposals for Section 108 loans may be accepted by DECD throughout the year and will be evaluated on project merits by a review team. Communities will be requested to complete a pre-application, which will enable DECD to determine that the proposal meets federal eligibility and feasibility criteria. Proposals will be accepted for large-scale housing rehabilitation, housing development, site preparation, infrastructure and economic development. The amount of funds committed to a particular project will be based on financial need and public benefit relative to risk.

Application Selection Process and Procedures

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

- detailed project description including map showing project location;
- Project participants and partners including names of lead applicant(s), leasing agencies, equity provider, source of permanent financing and owner of assets after project completion;
- project budget and requested loan amount;
- project activities proposed to be funded by the Section 108 loan;
- need and market assessment of the project;
- financial need (proof that other sources of finance were sought for before applying for Section 108 as per CFR § 570.704 (b) (4));
- local and regional economic development benefits, including identification as a project prioritized by Comprehensive Economic Development Strategy (CEDS) and District Organizations of Economic Development Districts (EDD) created under

Federal Department of Commerce, Economic Development Administration guidelines;

- consistency with the SC/CDBG program's national objectives;
- consistency with other public benefit requirements of Section 108 (job creation and benefits to low- and moderate-income people);
- proof of local government's, or private entity's, in case loan will be transferred, capability for repayment;
- proposed repayment plan identifying all sources of repayment;
- citizen's approval of project and loan obligations;
- in case of joint applications from multi-jurisdictional consortia, the agreement and terms for collaboration and the community designated to serve as lead applicant;
- municipality's SC/CDBG program history with DECD;
- property owner's approval;
- consistency with the state's responsible growth policies and federal USDOT and HUD sustainable communities' livability principles;
- (as applicable) regional planning organization or economic development district approval; and
- any other information that may help with the project and loan approval.

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

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

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

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

7. Application Process for SC/CDBG Program

FY 2012-13 funding for the SC/CDBG Program will be available for all activities, except Section 108 projects, through a competitive application funding round. DECD will provide adequate advance notice of fund availability and reserves the right to cease accepting applications at any time that all available funds have been committed. Based on funding availability and other considerations, DECD may limit the number of applications that can be submitted by a municipality in a funding round. Notification of such limitation will be included in DECD's notice of fund availability should DECD elect to set such a limitation. In the case of Urgent Need, DECD will accept applications on a first-come first-serve basis, if funds are available.

a. Program Eligibility and Threshold Requirements:

DECD has established the following threshold requirements in order for applicants to be eligible to apply for funds:

- Eligible applicants: As defined by HUD program regulations;
- Eligible activity: Only activities, as defined by HUD program regulations;
- National Objective: Each proposed activity must meet at least one national objective and must be fully supported within the application;
- Citizen Participation: Applicants must provide certification of compliance with citizen participation criteria;
- Consistency with the ConPlan: Applicants must identify how the project is consistent with the goals and strategies of the ConPlan;
- Fair Housing and Equal Opportunity Compliance: Applicants must submit a Fair Housing Action Plan which complies with DECD's guidelines/policies;
- Statement of Compliance: Applicants must be in compliance with all existing department assistance agreements and cannot be in default under any CHFA or HUD administered program; and

- Expenditure Rates: 2011 grants need to have a signed contract in place and be 10% expended by May 31, 2012. 2010 grants must be 50% expended. 2009 grants must be 100% expended. Grants older than 2009 must be closed out with a certificate by May 31, 2012. DECD has the right to waive the certificate for those grants older than 2009 should the certificate not be issued based on DECD's own close out schedule.

b. Application Evaluation Process:

DECD will conduct due diligence and evaluate all eligible applications using the evaluation criteria described herein. Depending on the nature of the proposed activity, site inspections may be conducted by DECD staff. An evaluation of the site's feasibility will be completed and considered as part of the final review. Staff review will include but not be limited to the following:

- Applicant capacity;
- Outstanding obligations (i.e. findings & concerns);
- Number of open contracts;
- Expenditure rates on open contracts;
- Program Income on hand;
- Other unique facts or circumstances;
- Need and marketability;
- Need for the activity;
- Local financial conditions;
- Project feasibility;
- Readiness to proceed;
- Site feasibility;
- Firm financial commitments, if applicable;
- Site control, etc.;
- Community impact;
- Extent to which the proposed activity supports the goals of neighborhood, local, regional, and state plans for housing and community development;
- Amount of leveraging included in the application;
- Level of consistency with DECD's responsible growth criteria including compliance with the draft Conservation and Development Policies Plan for Connecticut; and

- Fair housing and equal opportunity.

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

c. Planning Only Grants:

Requests for funding are part of the competitive application process outlined above. Federal and state policy requires that all “Planning Only” grants develop plans that, if implemented, would meet the low- and moderate-income or slum and blight national objectives. To meet this requirement, Planning Only grants must be for a specific eligible activity. Communities are limited to one Planning Only grant request per program year in an amount not to exceed $25,000. Total awards for Planning Only grants will not exceed 2% of the state’s annual allocation.

d. Economic Development:

Requests for funding are part of the competitive application process outlined above. Eligible communities or multi-jurisdictional applicants can assist businesses in meeting the national objective for low- and moderate-income benefit through job creation or retention. In addition to the criteria stated above, economic development activities must demonstrate the appropriateness of SC/CDBG funding; that the type and level of SC/CDBG Program financial assistance is reasonable in relation to the achieved public benefit; and that the level of financial assistance would not unduly enrich the business.

e. Public and State-Assisted Housing Modernization:

Requests for funding are part of the competitive application process outlined above. All applications for the rehabilitation of Public and State-Assisted Housing must meet the “readiness to proceed” criteria. To meet this criterion, owners must, at a minimum, have their preliminary architectural plans and drawings completed, including all necessary approvals, prior to application submission. This process will guarantee that the application is meeting all of the criteria of architectural review and will ensure the owners readiness to move forward at the time of award.

f. Funding Priorities:

Housing and economic development projects are considered funding priorities by the "State of Connecticut". Applications for housing and economic development activities will receive 25 additional points when rated and ranked.

g. Program Income:

Program Income, which has been derived from eligible activities funded with SC/CDBG Program funds, may be used only for eligible SC/CDBG Program activities and in accordance with the provisions of Title I of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570.489(e). Program Income is defined as gross income received by a recipient (or sub recipient) that has been directly generated from the use of SC/CDBG Program funds. Program Income is the amount of revenue received in a single program year which is greater than or equal to $25,000. If the $25,000 threshold is not reached in a single program year, then such amount which is less than $25,000 shall be classified as "Miscellaneous Revenue".

- Unless the Municipality has an approved Program Income Reuse Plan on file with the State prior to submitting the Application for the Project, the Municipality must return all Program Income to the State. The Program Income Reuse Plan must have been approved on both the State and local levels in compliance with all applicable requirements, including, without limitation, the requisite public hearing(s) prior to its being filed with the State. If the Municipality has an approved Program Income Reuse Plan on file with the State prior to submitting the Application for the Project, it has the option of retaining the Program Income and expending it in accordance with the Small Cities Program Income Guidelines and in accordance with requirements of the approved Program Income Reuse Plan; however, the Municipality must substantially expend its Program Income by the end of the Program Year. The Municipality will be required to disburse its Program Income prior to requesting additional funds or draw downs for the same Program.
- Any Program Income and Miscellaneous Revenue must be reported quarterly to the State as part of the reporting process.
- At the end of the program year the grantee has four options for expending excess program income. The options are; (1) expend the excess program

income before requesting additional grant funds if the grantee has a current grant and the activity was approved in the program income re-use plan, (2) request DECD's permission by completing a program income application to expend program income on an activity that was not approved in the program income re-use plan, (3) the grantees' request for a future grant if awarded will be reduced by the excess program income and (4) the grantee will be requested to return the excess program income to DECD if options one, two or three are not applicable.

h. Project award amounts:

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

Residential Rehab	$ 300,000
Public Housing	$ 500,000
Public Facilities	$ 500,000
Streets & Sidewalks	$ 400,000
Planning Only	$ 25,000
Economic Development	$ 300,000
Urgent Need	$ 300,000

i. Final Recommendations:

Based on the overall quality of the application and compliance with the threshold and evaluation requirements, staff will make recommendations to the Commissioner. For competitive application funding rounds, the criteria above will be used to rate and rank all applications for major activities; and recommendations to the Commissioner's office will be based on this rating and ranking system. Applicants will receive written notification after final decisions have been made. Applicants that are not funded will be notified in writing.

C. Evaluation Criteria for HOME and SC/CDBG Programs

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

1. Affordability, Marketability, and Fair Housing and Equal Opportunity

The project must meet <u>one or more of the priorities as outlined in the ConPlan</u>. This category will consider: the overall housing and community development needs of the

site; the neighborhood, the community, the municipality and the region in which the activity is proposed; the documented need for the specific activity proposed; the extent to which low- and moderate-income households will be served or will benefit; the extent to which health and safety issues apply; the extent to which the proposal addresses the community's special needs housing and a market analysis of the proposed activity and waiting lists (if appropriate). This category also includes a rating of the applications demonstration of how it will meet DECD established fair housing goals and requirements. DECD will consider the demonstration of a previously approved and active Fair Housing Action Plan, and the applicant's performance in achieving the goals of the plan. Applicants must submit a Fair Housing Action Plan that has been updated within the last three years and milestones/achievements as a result of the plan. The extent to which the proposed activity addresses elements in the state's Analysis of Impediments Action Plan will be considered. In addition, the department will also take into account whether the applicant adheres to an Equal Opportunity Plan, including a Section 3 Plan. This category will also consider the extent to which a proposal promotes racial and economic integration, the extent to which the proposal offers housing choice and opportunities to low- and moderate-income households and to persons with special needs.

2. Project Feasibility and Readiness to Proceed

DECD must expend federal funds in a timely manner; therefore, priority shall be given to all projects that have a "ready to proceed" status. "Ready to proceed" means that necessary approvals are in place, such as permits, funding, certifications, etc. This category will consider distinct areas: site, development, and operational feasibility. Site feasibility will consider the environmental condition of the proposed activity, site control, current zoning and approvals, infrastructure condition and needs, the presence of hazardous materials, and historic preservation requirements. Development feasibility will consider project cost including total development cost, per unit cost and program cost ("soft cost"), proposed development budget, appraisals, funding commitments from other sources, amount of funding leveraged by HOME or SC/CDBG funds, the extent to which the HOME or SC/CDBG funds are used as gap financing or funding of last resort, relocation, project time line, and project readiness to proceed. Operational feasibility will consider proposed operating budget, proposed rents and/or purchase prices, the

reasonableness of operating expenses including fees, and cash flow projections for the project.

3. Applicant/Sponsor Capacity

All applicants must meet all thresholds and be in full compliance with any and all assistance agreements with DECD and cannot be in default under any DECD, CHFA or HUD-administered program. This category will consider the applicant's success with previous DECD funded projects, development experience, experience of the development team and staff, management experience, performance in administering previous grants and/or loans from DECD, and performance in promoting fair housing and equal opportunities.

4. Responsible Growth, Livability Initiatives, and Community Impact

Responsible growth[5] includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. DECD may give preference to projects that satisfy the following responsible growth criteria:

- Conformance with the goals and development and conservation criteria of the draft Conservation and Development Policies Plan for Connecticut;
- Have regional development emphasis or are result of regional collaborations;
- Reuses and rehabilitates existing property, infrastructure, and land;
- Are sited within existing developed areas and promote infill development;
- Are sited within existing public utilities service areas (water, sewer, etc.);
- For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land;
- Promote transit-oriented development[6];
- Provide or leverage educational opportunities at all grade levels;
- Promote the livable characteristics of the sustainable communities initiative[7];

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

[6] *"Transit-oriented development" as defined in the June Special Session, Public Act No. 07-7 of the Connecticut General Assembly, is the development of residential, commercial and employment centers within one-half mile or walking distance of public transportation facilities, including rail and bus rapid transit and services, that meet transit supportive standards for land uses, built environment densities and walkable environments, in order to facilitate and encourage the use of those services.*

[7] *HUD, the USDOT and the EPA have entered into a "partnership to help American families gain better access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities". This initiative, known as the Sustainable Communities Initiative,*

- Promote mixed-use[8] development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other);
- Integrate sustainable building characteristics such as energy/water conservation, energy efficiency and "green" building into project design; and
- Avoid adverse impacts to natural and cultural resources and open space.
- DECD may consider the community impact of a proposal and whether the proposal is part of a comprehensive planning process for the community, such as a Community Revitalization Strategy, Plan of Development or similar planning effort. The applicant must provide evidence of the planning effort supporting the project. This category will consider: the relationship between the proposed activity and the other housing, economic and community development activities that are planned or underway in the impacted neighborhood; the relationship of the proposed activity to priorities identified in the municipality's or region's plan of development; the economic impact of the proposed activity; local government support for the proposed activity; neighborhood support for the proposed activity and if the proposed activity is located in a targeted investment area, such as a Neighborhood Revitalization Zone or Enterprise Zone.

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

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

1. HOME Monitoring

Monitoring during the Development Stage: Two offices within Connecticut's Department of Economic and Community Development are responsible for monitoring all housing projects financed by the Department with both state and federal (HOME) funds. The Office of Housing and Community Development and the Office of Financial Review and Compliance share responsibility during the development/construction phase of any housing project. The Office of Financial Review and Compliance regularly monitors the physical construction of any housing project, including plans/spec review, as well as physical inspection on-site during construction. The Office of Housing and

is based on livability principles that emphasize integration of land use with transportation - See "HUD and Dot Announce Interagency Partnership to Promote Sustainable Communities", HUD Press Release No. 09-023, March 18, 2009

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

Community Development is responsible for additional monitoring during construction, including Davis-Bacon wage rate compliance and Section 3 compliance, if applicable, programmatic compliance and initial occupant eligibility. Each project is further subject to regular periodic monitoring including: a) desk reviews of quarterly reports during development, b) programmatic reviews, and c) long term monitoring relative to the affordability and program compliance.

Long-term Compliance Monitoring: In accordance with 24 CFR Part 92 of the HOME Final Rule, and the contract for financial assistance, once a project's development stage is completed (placed-in-service), the Office of Housing and Community Development will:

a. Perform periodic desk and/or file reviews and on-site visits as needed to ensure that the Owner and/or property management firm are operating the project in compliance with the contract for financial assistance. The areas to be reviewed for compliance may include, <u>but are not limited to</u>:
   - resident or tenant qualifications, income calculations and appropriate supporting documentation;
   - the gross rent payment and its components, including utility allowance;
   - the vacancy history of both HOME-assisted and market-rate units;
   - resident or tenant selection;
   - annual assessment of on-going affirmative fair marketing efforts and results of those efforts;
   - housing quality standards;
   - financial condition; and
   - overall property management.
b. Report any instances of noncompliance (past or present), when appropriate, to HUD, after giving the Owner appropriate time to correct the problem.
c. Maintain the information used to complete the compliance review for three years after the calendar year in which it was received.

Site visits to HOME projects with 2-4 units will be performed once every three years. Site visits to HOME projects with 5-25 units will be performed at least once every two years. Site visits to HOME properties with more than 25 units should be performed at least once a year. On-site inspections may be separate from any review of low-income certifications, supporting documentation and financial records. Monitoring shall include

a “sufficient” (10-20%) random sample to insure statistical reliability. Monitoring may be expanded, if sampling identifies problems or reveals additional risks.

2. Small Cities CDBG Monitoring

Monitoring during the Development Stage: Two offices within Connecticut’s Department of Economic and Community Development are responsible for monitoring all projects financed by the Department with both state and federal (Small Cities CDBG) funds. The Office of Housing and Community Development and the Office of Financial Review and Compliance share responsibility during the construction phase of any project. The Office of Financial Review and Compliance monitors the physical construction of any project, including plans/spec review, on-site construction monitoring, as well as physical inspection during construction. The Office of Housing and Community Development is responsible for additional monitoring during construction; including Davis-Bacon wage rate compliance and Section 3 compliance, if applicable. Each project is subject to regular periodic monitoring including: a) desk reviews of quarterly reports, b) programmatic reviews, and c) long term monitoring relative to program compliance.

Long-term Compliance Monitoring: In accordance with 24 CFR Part 570, and the contract for financial assistance, once a program is completed, the Office of Housing and Community Development will:

a. Perform periodic desk and/or file reviews and on-site visits as needed to ensure that the Grantee is operating the program in compliance with the contract for financial assistance. The areas to be reviewed for compliance may include, <u>but are not limited to</u>:
   - Program Management;
   - Citizen participation;
   - Financial management;
   - Procurement;
   - Labor standards compliance;
   - Construction management;
   - Affirmative fair marketing efforts;
   - Assessment of Fair Housing Assistance Plan efforts;
   - Section 3 and MBE/SBE efforts; and
   - Program income.

b. Prepare monitoring letters and note any areas of non-compliance to the communities and allow appropriate time to correct the problem.

On Site monitoring visits to CDBG program grantees will be performed not-less-than once during the life of the project.

E. State and Federal Resources for DECD FY 2012-13

This table lists the levels of state and federal funding anticipated to be available in FY 2012-13. Please note that Connecticut's 2010-15 ConPlan outlines how the state plans to leverage SC/CDBG and HOME funds against other sources of funding. For more detail concerning how Connecticut leverages federal and state funds against each other and against non-governmental funding sources, please refer to the Connecticut 2010-15 ConPlan and the Connecticut 2010-15 State Long-Range Housing Plan. Both of these documents are available on the DECD web site.

Table 1: DECD Anticipated State and Federal Funding

Economic & Community Development (DECD)	State FY 2012-13	HUD FY 2012-13	Total
HOME	$ 0	$ 6,756,442	$ 6,756,442
SC/CDBG	$ 0	$ 11,141,302	$ 11,141,302
Affordable Housing (Flex)	$ 87,500,000	$ 0	$ 87,500,000
Energy Conservation Loan Program	$ 5,000,000	$ 0	$ 5,000,000
Subsidized Assist Living Demonstration	$ 1,880,000	$ 0	$ 1,880,000
Elderly Rental Registry & Counselor	$ 1,098,171	$ 0	$ 1,098,171
Fair Housing	$ 477,389	$ 0	$ 477,389
Housing Assistance and Counseling	$ 438,500	$ 0	$ 438,500
Elderly/Congregate Rental Assistance	$ 2,389,796	$ 0	$ 2,389,796
Congregate Operating Subsidy	$ 7,289,547	$ 0	$ 7,289,547
Payment in Lieu of Taxes (PILOT)	$ 2,204,000	$ 0	$ 2,204,000
Tax Abatement	$ 1,704,890	$ 0	$ 1,704,890
Housing Trust Fund	$ 25,000,000	$ 0	$ 25,000,000
Grants to Nursing Facilities for Conversion	$ 10, 000,000	$ 0	$ 10,000,000
TOTAL FOR DECD:	$ 144,982,293	$ 17,897,744	$ 162,880,037

Source: DECD, OFA

Table 2: CHFA Anticipated State and Federal Funding

Connecticut Housing Finance Authority (CHFA)	State FY 2012-13	Federal FY 2012-13	Total
Low Income Housing Tax Credit	$ 0	$ 7,860,000*	$ 7,860,000
Housing Tax Credit Contribution	$ 10,000,000	$ 0	$ 10,000,000
TOTAL FOR CHFA:	$ 10,000,000	$ 7,860,000	$ 17,860,000

*Source: CHFA * Amount is the estimated credit amount for calendar year 20011 Under Federal Statute state credit amounts are established annually by formula on a calendar year basis*

F. Performance Measurement

The 2011-12 Action Plan outlined DECD's proposed accomplishments for FY 2011-2012. These were based on the performance measurement system presented in the 2010-15 ConPlan. The results for FY 2011-12 proposed accomplishments will be contained in the 2011-12 Consolidated Annual Performance Evaluation Report (CAPER).

Likewise the 2012-13 Action Plan outlines DECD's proposed accomplishments for FY 2012-13, based on the performance measurement system presented in the 2010-15 ConPlan. The results for FY 2012-13 proposed accomplishments will be contained in the 2012-13 Consolidated Annual Performance Evaluation Report (CAPER).

Connecticut's 2010-15 Consolidated Plan and subsequent Action Plans outline Over arching Principles, Goals, Strategies, Objectives, Outputs, Outcomes, and Indicators based on HUD's Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs as contained in the Federal Register dated March 7, 2006 (Volume 71, Number 44). The state intends to make available HOME, SC/CDBG, ESG, and HOPWA funds to eligible recipients based on the priorities set forth in the state's 2010-15 ConPlan and this document.

Below is a summary of the Performance Measures as contained in the 2010-15 ConPlan, which serve as an outline of the annual proposed accomplishments for the 2012-13 Action Plan.

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

In order to address all the citizens needs in an era of constrained resources it is important to add new housing as well as preserve affordable housing presently serving households in need. Additionally, it is important that all efforts, state and local, be undertaken consistent with responsible growth principles that will make the most efficient uses of energy, land,

public infrastructure and other societal resources over the long-term. The state will marshal its resources to address Connecticut's housing development, housing support, and community development needs through the application of responsible development and sustainable communities' livability principles to promote responsible development by giving funding priority to projects that address multiple needs and leverage existing infrastructure and resources.

Responsible development as an overarching principle includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. As per the responsible development policy, DECD will give priority to projects that reuse or capitalize on areas within built-up lands, existing commercial properties, and brownfields.

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

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

The state will work to preserve and increase the supply of quality affordable rental housing available to low-and-moderate-income households and improve the ability of low-and-moderate-income residents to access homeownership opportunities and, within available resources, assist distressed households in maintaining homeownership.

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

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

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

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

OVERARCHING PRINCIPLES

Responsible Development

Responsible Development includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. As per the responsible growth policy, DECD will give priority to projects that reuse or capitalize on areas within built-up lands, existing commercial properties, and brownfields.

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

- Conform with the draft Conservation and Development Policies Plan for Connecticut
- Are sited within existing developed areas and promote infill development.
- Are sited within existing public utilities service areas (water, sewer, etc.).
- For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land.
- Integrate transit-oriented development.
- Integrate energy/water conservation, energy efficiency and "green" building design.
- Avoid adverse impacts to natural and cultural resources and open space.
- Promote mixed-use development and mixed income development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other).

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

Sustainable Communities

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

As referenced above, HUD, the USDOT and the EPA have entered into a "partnership to help American families gain better access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities". This initiative, known as the Sustainable Communities Initiative, is based on the following "Livability Principles":

- Provide more transportation choices. Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions, and promote public health.

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

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

OVERARCHING GOALS

The overall goal of the community planning and development programs covered by this section of the plan is to develop viable urban communities by providing decent housing and

a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons and where applicable extremely low-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

Goals:

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

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

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

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

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

   Expanded economic opportunities includes job creation and retention; establishment, stabilization and expansion of small businesses (including micro businesses); the provision of public services concerned with employment; the provision of jobs involved in carrying out activities under programs covered by this plan to low-income persons living in areas affected by those programs and activities; availability of mortgage

financing for low-income persons at reasonable rates using nondiscriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted and public housing.

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

Objectives, Outputs, Outcomes, and Indicators

Each goal is supported by specific objectives (objectives are either specific actions to be taken or specific milestones to be achieved) designed to help achieve the goal. Each of these objectives is, in turn, followed by an output a corresponding proposed outcome and an indicator. Outputs are the products of the activities undertaken to meet the objectives and outcomes are the benefits that result from undertaking those activities. Indicators are the metric that will gauge the performance of the state in meeting the objectives and ultimately the goal to which they relate.

Basis for Assigning Priority

Each objective also has a proposed funding source (or sources), a targeted population and geographic target, and a priority rating. Each objective is supported by a brief discussion of the need/basis for assigning the priority and identifying obstacles to meeting underserved needs summarized from the Needs Assessment and Housing Market Analysis sections of the Consolidated Plan.

Priority ratings were established after a thorough examination of Connecticut's housing and community development needs and the state's current and historical housing market. Based on the state's review of all relevant and available data, specific issues were selected and run through an internal screening at the Departments of Economic and Community Development/Social Services. Issues chosen to be assigned high priority funding status

within this plan were selected based on three overarching factors: (1) the issue's relative demonstrated need (as identified in the needs assessment), (2) the availability of other funds to address the need and (3) the eligibility criteria of each of the four federal programs governed by this plan.

High Priority Needs and Funding

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

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

A proposed project that addresses a high priority need is not guaranteed funding based solely on the fact that it will address a high priority need. All projects funded by the state must be financially and logistically feasible as well as meet all of the eligibility criteria of the proposed funding source. When two or more projects are competing for funding dollars (all things being equal), the project addressing the high priority need will be given funding preference.

Note: for the purposes of this plan, "Other Funds" include all available state, federal or private funds other than those allocated to the state under the SC/CDBG, ESG, HOME and HOPWA programs.

Geographic Targeting

- The state will target its federal funds to certain geographic areas consistent with the priorities set in the recommended draft Conservation and Development Policies Plan for Connecticut, except as prohibited by federal or state law. For example, the state's allocation of SC/CDBG and ESG funds may only be used in non-entitlement areas. However, since there is a major emphasis on directing resources to areas in need of revitalization, and homelessness, resources will be focused, to the greatest extent possible, in targeted areas.

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

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

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

by the federal government. The state's allocation of CDBG funds may not be used in the following jurisdictions: Bridgeport, Bristol, Danbury, East Hartford, Fairfield, Greenwich, Hamden, Hartford, Manchester, Meriden, Middletown, Milford Town, New Britain, New Haven, New London, Norwalk, Norwich, Stamford, Stratford, Waterbury, West Hartford, West Haven. These jurisdictions receive their own allocations of CDBG funds directly from the federal government and are not eligible for use of the state allocation designated for small cities.

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

AFFORDABLE HOUSING

Goal

Enhance suitable living environment, create decent housing, and provide economic opportunities for low- and moderate-income persons and address the shelter, housing and service needs of the homeless, those threatened with homelessness with an emphasis on preventing homelessness.

Affordable Housing Strategies

Fair Housing and Housing Choice

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

The state will endeavor to "bring opportunities to opportunity-deprived areas, and to connect people to existing opportunities throughout metropolitan regions"[9]. To these ends, the state will affirmatively further fair housing in Connecticut through the identification of impediments to fair housing choice, within the state, and by taking appropriate actions to overcome the effects of

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

any impediments identified. The DECD, CHFA and the Department of Social Services (DSS) will continue to carry out the state's fair housing strategy in order to promote equal housing opportunity for all of Connecticut's citizens and increase housing choice opportunities through the application of responsible development principles and strategies, using education and outreach, regional solutions and cooperation and neighborhood stabilization and revitalization.

The Supply of Quality Affordable Housing

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

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

Summary of five year Affordable Housing Objectives

Fair Housing and Housing Choice

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

- Within budget appropriations, the DECD will continue to support the Connecticut Fair Housing Center with their efforts to assist the State of Connecticut to fulfill the recommendations in the state's Analysis of Impediments (AI) for state level action. Utilization of the Fair Housing Center has enabled the state to better address the objectives of the AI by increasing the access of people in the protected classes to the existing supply of affordable housing, expanding fair housing outreach and education activities, including

an emphasis on foreclosure prevention, providing increased training of state employees, service providers, housing developers or other funding recipients in the area of fair housing/civil rights and increasing monitoring and enforcement of fair housing laws and policies within the State of Connecticut.

- DECD will continue to conduct regular monitoring of its funding recipients in the areas of civil rights and fair housing and enforcement.
- Update the Analysis of Impediments to Fair Housing Choice including the Action Steps for state and local governments.

Quality Affordable Housing

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

- With Regard to New Affordable Rental Housing:
  - DECD will work to create 750 new quality affordable rental housing units.
- With Regard to New Homeownership Opportunities:
  - DECD will work to create 300 new affordable homeownership opportunities.
  - CHFA will work to assist 13,500 to 15,000[10] first time homebuyers.
- With Regard to Preserving Existing Affordable Rental Units:
  - DECD will work to preserve 1,000 existing affordable rental housing units.

- With Regard to Maintaining Homeownership:
  - DECD will work to maintain homeownership for 400 households.
- With Regard to CHFA multifamily housing development mortgage programs and tax credit equity funding programs to fund the new construction, rehabilitation and preservation of affordable rental housing:
  - CHFA will work to fund the development and/or preservation of 3,200[11] units.

The above referenced figures were based on historic program performance, current unit production costs and anticipated financial resources at the time the 2010-15 ConPlan and SLRP were developed. Significant decreases in federal resources, and significant increases in state resources mean that these goals will be met or exceeded within the first three (3) years of

[10] *Conditioned upon the availability of funds and market conditions.*
[11] *Conditioned upon the availability of funds and market conditions.*

the referenced plans. Once these goals have been achieved, additional goals will be identified for the remainder of the period.

Objectives, Outputs, Outcomes and Indicators

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

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

Objective 1:

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

Output:

- DECD will complete the update of the Analysis of Impediments (AI) in year three of the ConPlan.
- Within available resources, fund the activities of the Fair Housing Center related to outreach and education with an emphasis on preventing discrimination and increasing housing choice opportunities annually.
- Improved availability/accessibility and affordability by promoting and funding at least one inter-municipal or regional partnership for a housing and/or community development project that benefits low- and moderate-income persons/households to increase housing choice and economic opportunities.
- Continue to fund mobility counseling/tenant education programs to encourage/assist/educate approximately 8,500 DSS Section 8 and State Rental Assistance and Transitionary Rental Assistance Program participants with moves to areas of de-concentrated poverty annually.
- Support the upgrading of existing infrastructure within areas where the majority of residents are of low-and-moderate-income to increase housing choice and economic opportunities.

- Support up to four infrastructure projects per year to include reconstruction of streets, sidewalks, water lines, and drainage problems in predominately low-and-moderate-income areas annually.
- Improve availability/accessibility by supporting the construction and/or rehabilitation and/or expansion of nine existing public facilities that primarily serve low-and-moderate-income persons, including but not limited to: transitional housing, battered women shelters, daycare centers, and efforts to meet the needs of the physically handicapped population by supporting projects designed to make current facilities accessible or to provide new-handicapped accessible facilities annually.
- Support fair housing education/outreach activities/actions to address illegal discrimination, to include DSS continuing to fund mobility counseling/tenant education programs to encourage/assist/educate DSS Section 8 and State Rental Assistance Program participants with 100 moves to areas of de-concentrated poverty annually.

Outcome:

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

Indicator(s):

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

Objective 2:

Enhance suitable living environments and create decent affordable housing.

Output:

- Produce up to 750 newly constructed rental units that serve low- and moderate-income households using federal HOME and/or state housing programs.
- Rehabilitate up to 1,000 rental units that serve low- and moderate-income households using federal SC/CDBG/HOME and/or state housing programs.
- Produce up to two newly constructed homeowner units that serve low-and-moderate income households using federal HOME and/or state housing programs.
- Rehabilitate up to 400 homeowner units that serve low-and-moderate income households using federal SC/CDBG/HOME and/or state housing programs.
- Improve affordability by promoting and supporting mixed-income development projects in areas that currently under-serve low- and moderate-income households.
- Support the moderate rehabilitation of existing single-family homes (a single family home is defined as a one to four unit owner occupied residential structure).
    - SC/CDBG Program – Support up to four single-family moderate rehabilitation projects each year in SC/CDBG program eligible communities.
    - State Housing programs - Support up to four single-family moderate rehabilitation projects each year in suburban communities.
        - Creation of multifamily housing
    - HOME Program- Produce up to 75 to 125 units of new multifamily housing in areas of need each year.
    - State Housing programs - Produce up to 75 to 100 units of new multifamily housing in areas of need each year.
        - The CHFA multifamily housing development mortgage program will work to fund the development and/or preservation of units of multifamily housing.
        - Through the adaptive re-use of historic structures, create and/or preserve residential units using federal SC/CDBG/HOME and/or state housing programs.
        - Identify properties most at risk of being lost to the affordable market.
        - Support energy conservation/efficiency projects that would primarily serve low-and-moderate-income persons by funding housing projects each year that improve energy efficiency using federal and/or state housing and/or weatherization programs.

Outcome:

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

Indicators:

- Number of newly constructed units.
- Number of rehabilitated units.
- Number of rental units.
- Number of homeowner units.
- Number of single-family moderate rehabilitation projects completed each year.
- Number of single-family units rehabbed each year.
- Number of new multifamily housing units created in areas of need.
- Number of residential units created by re-use of historic structures.
- State, Federal and private resources leveraged.
- Number of energy efficiency projects completed each year.
- Number of at risk properties identified.
- Number of mixed income developments.

Objective 3:

To enhance suitable living environments though financial intermediaries.

Output:

- Provide economic opportunities in the form of rent subsidies to enhance suitable living environments.
- Provide economic opportunities in the form of mortgage assistance to enhance suitable living environments.
- Improve affordability by continuing to use CHFA's multifamily housing development mortgage programs and tax credit equity funding programs to fund the new construction, rehabilitation and preservation of affordable rental housing units consistent with the needs and priorities established in the Consolidated Plan annually.
- Maintain mortgage lending and equity funding programs to fund up to approximately 800[12] units annually based on recent program experience, with an estimated 400-500[13] units funded through the Low Income Housing Tax Credit Program and the balance through the issuance of tax-exempt bonds or other bonds for development and expiring use

[12] *Conditioned upon the availability of funds and market conditions.*
[13] *Conditioned upon the availability of funds and market conditions.*

preservation, based on the availability of these resources, financial market conditions, demand for financing and the availability of other necessary capital and operating subsidy required to attain feasibility. Use these debt and equity funding programs to leverage state, federal and private resources to the extent possible.

- Implement a Location Efficient Mortgage (LEM) Program to be administered by CHFA. The LEM Program provides state-backed relief in mortgage premiums based on proximity to urban areas. The LEM Program combines a low down payment, competitive interest rates and flexible criteria to encourage families to attain homeownership in proximity to transit annually.
- Continue CHFA's homeownership mortgage programs to expand homeownership generally, with an emphasis on targeted areas with lower rates of homeownership; and continue statewide special programs and initiatives to maintain homeownership.
  - Maintain CHFA efforts to expand homeownership through assisting approximately 2,700 to 3,000[14] first time homebuyers each year during the five-year period based on recent program history and the availability of mortgage capital for this purpose.
  - Maintain lending in the state's federally targeted urban areas to a minimum of 30% of all mortgages purchased by CHFA each year.
  - Build program and investment partnerships with local stakeholders that maximize the use of CHFA's current program and leverage local, state and federal resources.
  - Continue efforts to help distressed homeowners maintain ownership.
- Create a homestead exemption whereby purchasers of homes within designated urban areas may receive state income tax reductions. The exemption will apply to first-time homebuyers and be considered for home purchases in targeted urban areas with the goal of increasing homeownership and neighborhood stability. To support this effort CHFA mortgage programs will be used, when possible, to encourage moderate and higher income households to move into urban neighborhoods in need of revitalization annually.
- Grant priority consideration to creating flexible mechanisms that include gap financing and regulatory relief so that the production of affordable homeownership units can be significantly increased throughout the state. Produce affordable homeownership units through increased funding flexibility and reduce regulatory burden.
- Coordinate grants and loans from the Housing Trust Fund, Affordable Housing (AHP) and HOME programs, treating each pool of funding as a source of flexible capital. This allows

[14] *Conditioned upon the availability of funds and market conditions.*

developers to seek 'subsidized' capital from a pool of funds and put all parts of the capital structure of a housing project together while mitigating uncertainty and delays.

- Develop housing projects by allowing developers to seek subsidized capital from a pool of flexible capital.
- Promote and leverage transit oriented development, mixed-use development, brownfield redevelopment and other responsible development principles and strategies as a means to enhance suitable living environments and expand access to rental and homeowner housing that serves low-and-moderate income households.

Outcome:

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

Indicators:

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

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

PUBLIC HOUSING

Goal

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

Objectives, Outputs, Outcomes and Indicators

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

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

Objective 1:

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

Output:

- Preserve federally assisted housing units annually by working with current owners and prospective purchasers of these projects to retain them in service to low-income

households over the long-term with a focus on projects nearing the end of their current mortgage service periods and those in need of capital reinvestment to provide quality rental housing through a new extended use period using financing from the Affordable Housing Program/Housing Trust Fund/Housing Sustainability Fund.

- Invest in the maintenance/rehabilitation/modernization of 200 existing publicly-assisted rental housing units annually to preserve them as a long-term resource using federal funding such as the SC/CDBG or HOME Program.
- Continue to offer loans, within available CHFA resources, to local housing authorities to fund capital needs. Continue to offer capital funding for the redevelopment of portfolio properties annually through the CHFA mortgage and tax credit programs. Seek and develop opportunities to leverage additional funding from federal and private sources for these purposes.
- Preserve 2,850 state financed elderly rental units through the Weatherization Assistance Program (WAP) over three years (programs duration).
- Encourage local public housing authorities and DSS to respond to all notices of funding availability from HUD to increase the supply of Federal Section 8 Vouchers by 50 new vouchers annually.

Outcome:

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

Indicators:

- Number of at risk properties identified each year.
- Number of public housing units preserved/rehabilitated annually.
- Number of units and properties redeveloped and maintained via capital funding each year.
- Number and amount of new funding opportunities identified and developed annually.
- Number of existing state-assisted rental units preserved through weatherization. each year.
- Number of new Section 8 vouchers each year.

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

HOMELESSNESS PREVENTION & SUPPORTIVE HOUSING

Goal

Enhance suitable living environment, create decent housing, and provide economic opportunities for low- and moderate-income persons and address the shelter, housing and service needs of the homeless, those threatened with homelessness with an emphasis on preventing homelessness.

Strategies

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

Objectives, Outputs, Outcomes and Indicators

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

Objective 1:

Enhance suitable living environments to expand Homeless Prevention Rapid Re-housing Program (HPRP) services. The reoccurrence of homelessness is reduced and those experiencing homelessness are quickly transitioning into permanent housing. Additionally homelessness is averted for those individuals and families in danger of becoming homeless.

Output:

- Utilize the Beyond Shelter Program and Counselors in Shelters-Housing First for Families (HFF) Program, administered by the DSS, to reduce the reoccurrence of homelessness by assisting families who are leaving homeless shelters and transitional living programs to achieve housing stability by providing support services.
- DSS shall participate in Reaching Home 2.0 Steering Committee and actively participate in workgroups.

- DSS shall continue to convene the Statewide Homelessness Prevention and Rapid Re-housing Operations Advisory Committee. The Committee is comprised of DSS, six regional and two statewide subgrantees of DSS, as well as five municipal HPRP programs and municipal representatives.
- Participate in Connecticut Coalition to End Homelessness' Homelessness Prevention Taskforce and use the information gained to create a sustainable housing based system that will prevent/quickly end homelessness among families and individuals in crisis in the future.
- Review operational aspects of implementing the HPRP Program to identify "what's working" and "what's not working" to increase efficiency and eliminate duplication.
- Increase number of clients served by DSS, DCF and DHMAS through homeless prevention, rapid re-housing and follow-up services (including but not limited to outreach and transitional services such as supported living, case management, and substance abuse treatment).

Outcome:

- New and improved availability and accessibility through HPRP.

Indicator(s):

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

Objective 2:

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

Output:

- Maintain DSS' state-funded Eviction Foreclosure and Prevention Program that assists "at risk of becoming homeless" families and individuals to remain in permanent housing.

- Increase the supply of permanent supportive housing opportunities for individuals and families experiencing homelessness or at risk of becoming homeless, particularly those with special needs by providing financing for renovation of existing buildings. Create 150 new supportive housing units over the next five years.

Outcome:

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

Indicator(s):

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

Objective 3:

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

Output:

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

Outcome:

- New and improved availability and accessibility of housing to prevent and reduce homelessness through long range planning.

Indicator(s):

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

Objective 4:

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

Output:

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

Indicator(s):

- Funding leveraged (beyond ESG).
- Number of shelters DSS funds (ESG).
- Number of beds & type (men, women, children)-ESG.
- Number of clients (ESG).
- Number of services/type (ESG).

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

OTHER SPECIAL NEEDS

Goal

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

Objectives, Outputs, Outcomes and Indicators

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

Special Needs – General

Objective 1:

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

Output:

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

Outcome:

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

Indicator(s):

- Identification of resources and plan for production and preservation.

Objective 2:

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

Output:

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

Outcome:

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

Indicator(s):

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

Objective 3:

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

Output:

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

Outcome:

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

Indicator(s):

- Number of clients that received appropriate services.
- Year over year change of the number of substance abuse clients that received appropriate services.

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

Elderly and Frail Elderly

Objective 1:

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

Output:

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

Outcome:

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

Indicator(s):

- Number of support services provide to client population.
- Number of clients being served by each program.

- Number of clients receiving multiple services.
- Year over year change in number of clients being served.

Objective 2:

Increase the number of elderly and frail elderly clients served by DSS.

Output:

- Increase client caseload by ten per year.

Outcome:

- More elderly and frail elderly state residents will receive assistance and be able to live independently longer with a higher quality of life.

Indicator(s):

- Number of new client cases managed.

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State/HOME	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-Wide

Persons with Disabilities

Objective 1:

Increase the number of linkages among federal agencies, state agencies and consumers in providing resources to continue the successful keeping of families and those individuals with disabilities together, through placing them in stable living situations and providing them with appropriate counseling and other supportive services.

Output:

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

Outcome:

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

Indicator(s):

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

Objective 2:

Increase the accessibility of DMHAS provided client support services connected to affordable housing for individual with disabilities.

Output:

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

Outcome:

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

Indicator(s):

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

Objective 3:

Continue to provide for accessibility modifications.

Output:

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

Outcome:

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

Indicator(s):

- Number of accessibility modifications funded.

Objective 4:

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

Output:

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

Outcome:

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

Indicator(s):

- Number of projects completed.
- Number of persons enabled to return to independent living as a result of accessibility modifications being made.
- Number of eligible persons transitioning from nursing homes provided Section 8 Housing Choice Vouchers.

Objective 5:

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

Output:

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

Outcome:

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

Indicator(s):

- Number of support services provide to client population.
- Number of clients being served by each program.
- Number of clients receiving multiple services.
- Year over year change in number of clients being served.
- Number of new supportive housing units created.

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-wide
Objective 3	State/HOME/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 4	State/Sec. 8		State-Wide
Objective 5	State/HOME		State-Wide

Persons with HIV/AIDS and their families

Objective 1:

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

Output:

- Existing HIV/AIDS programs are maintained and expanded.

Outcome:

- New/Improved Availability/Accessibility.
- Persons living with HIV/AIDS continue to receive appropriate care and services.

- Funding leveraged (beyond HOPWA).
- Number of service providers DSS funds (HOPWA).
- Number of clients receiving assistance (HOPWA).
- Type of assistance (HOPWA).

Indicator(s):

- Dollars leveraged/amount of additional funding received.
- Number of people served by the programs.
- Year over year change in the number of clients accessing services.

Objective 2:

Increase access to supportive housing services for people living with HIV/AIDS and increase number of clients over five years.

Output:

- Number of people accessing supportive housing services is increased over five years by 50.

Outcome:

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

Indicator(s):

- Number of people accessing supportive housing services.
- Year over year change in number of people accessing supportive housing services.

Objective 3:

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

Output:

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

Outcome:

- New/Improved Availability/Accessibility.
- Supportive housing programs become more efficient and effective in helping persons living with HIV/AIDS live longer and better lives.

Indicator(s):

- Number of evaluations conducted.

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

Persons with Alcohol or Other Drug Addiction

Objective 1:

Continue existing substance abuse programs at levels permitted by funding availability. Link employment services, housing subsidies and long term supportive care to meet the needs of each beneficiary, by adapting services which anticipate and deal with changes in age, health, income and other circumstances. These actions will influence long term stability.

Output:

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

Outcome:

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

Indicator(s):

- Number of clients receiving appropriate services.
- Number of substance abuse clients that received appropriate services.
- Year over year change of the number of substance abuse clients that received appropriate services.

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide

Ex-Offenders

Objective 1:

Increase the availability of permanent supportive housing, as a housing option for, to assist individuals leaving the correction system to facilitate their integration back into the community. Individuals leaving the corrections system and in need of long-term supports could either immediately, or after living for a short time in a halfway house, live in supportive housing. The Connecticut Department of Correction (DOC) will work with other state agencies to maximize the use of various funding streams to assist persons to reintegrate into their communities after release from DOC facilities.

Output:

- The state will work to increase the availability of permanent supportive housing, the number of halfway house beds, and other supervised community placements that will enhance re-entry efforts.

Outcome:

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

Indicator(s):

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

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide

NON-HOUSING COMMUNITY DEVELOPMENT

Goal

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

Objectives, Outputs, Outcomes and Indicators

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

Objective 1:

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

Output:

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

Short-Term Outcome:

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

Long-Term Outcome:

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

Indicator(s):

- Number of economic development projects funded under the SC/CDBG Program annually.
- Number of jobs created by economic development projects funded annually.
- Percent of jobs created by economic development projects funded annually benefiting low-and-moderate-income persons.

Objective 2:

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

Output:

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

Short-Term Outcome:

- New/Improved availability/accessibility.
- State, local and regional revitalization efforts and resources will be coordinated to maximize return on investment and chances of success.
- Economies of scale will be reached leading to lower governmental cost.

Long-Term Outcome:

- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive regional cooperative and cost sharing agreements and strategies which develop viable communities and primarily benefit low-and-moderate-income persons.
- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):

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

Objective 3:

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

Output:

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

Short-Term Outcome:

- New/Improved availability/accessibility.
- Infrastructure projects will assist in the creation of a safe and sanitary living environment, benefit low-and-moderate-income persons, aid in the elimination of slums or blight and provide community facilities and services affecting public health, safety and welfare all of which will lead to a better quality of life for the citizens of the state.

Long-Term Outcome:

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

- Local governments will be encouraged to create, coordinate and implement comprehensive local and regional infrastructure improvement strategies which develop viable communities and primarily benefit low-and-moderate-income persons.
- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):

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

Objective 4:

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

Output:

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

Short-Term Outcome:

- New/Improved availability/accessibility.
- Public Facilities projects will assist in the creation of a safe and sanitary living environment benefit low-and-moderate-income persons, aid in the elimination of slums or blight and provide community facilities and services affecting public health, safety and welfare all of which will lead to a better quality of life for the citizens of the state.

Long-Term Outcome:

- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive local and regional public facility improvement strategies which develop viable communities and primarily benefit low-and-moderate-income persons.

- Strategies which facilitate the coordination of SC/CDBG funding with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.

Indicator(s):

- Number of public facilities projects conducted per year.
- Number of low-and-moderate-income persons served annually.

Objective 5:

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

Output:

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

Short-Term Outcome:

- New/Improved availability/accessibility and/ or affordability.
- Energy costs borne by low- and moderate-income persons and/or by the state will be reduced freeing up resources that can be used to provide other needed assistance to low-and-moderate-income persons.

Long-Term Outcome:

- The state will move closer to energy independence/self sufficiency, air quality will improve as will the quality of life of the state's citizens.

Indicator(s):

- Number of low-and-moderate-income persons served annually.
- Number of units with improved energy efficiency annually.

Objective 6:

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

Output:

- Five Special Services Districts established over five years.

Short-Term Outcome:

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

Long-Term Outcome:

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

Indicator(s):

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

Objective 7:

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

Output:

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

Short-Term Outcome:

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

Long-Term Outcome:

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

Indicator(s):

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

Objective 8:

Provide $100 million[15] of federal/state/local community development resources for ten brownfield redevelopment projects as recommended by the Brownfields Task Force over a five-year period.

Output:

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

Short-Term Outcome:

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

Long-Term Outcome:

- The vibrancy of our communities will be improved which will enhance the quality of life for the citizens of the state.
- Local governments will be encouraged to create, coordinate and implement comprehensive local and regional land use and development/redevelopment strategies which develop viable communities and primarily benefit low-and moderate- income persons.

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

- Strategies which facilitate the coordination of available brownfield remediation resources with other federal/state/local community development resources will be developed and implemented leading to the maximization of return on investment and benefit.
- Will indirectly reduce sprawl due to reuse of land and avoiding development of raw land.

Indicator(s):

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

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 2	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 3	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 4	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 5	State/CDBG	Low-Mod Income	State -Wide/CDBG Eligible Communities
Objective 6	State	Low-Mod Income	State -Wide
Objective 7	State	Low-Mod Income	State -Wide
Objective 8	State	Low-Mod Income	State -Wide

COMMUNITY REVITALIZATION

Goal

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

Objectives, Outputs, Outcomes and Indicators

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

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

Objective 1:

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

Output:

- Allow municipalities that have state approved responsible development/transit-oriented development (TOD) projects to develop Special Services Districts and levy additional taxes and/or fees to fund development. Taxes/fees could include local sales tax, additional conveyance tax, hotel tax, and parking fees.
- Allocate up to $100 million of Urban Reinvestment Tax Credits for state approved responsible development/TOD projects, particularly for brownfield and former mill redevelopment as recommended by the Brownfields Task Force.
- Implement the federal Recovery Zone Economic Development Bond Program as a financing vehicle for responsible development projects.
- Consolidate state bond allocations for shovel ready projects.
- Coordinated state agency activities to encourage and promote support of approximately three Community Revitalization Strategies or Neighborhood Revitalization Zones under the SC/CDBG Program over a five-year period.

Outcomes:

- New and improved sustainable communities**.**

Indicator(s):

- Number of responsible development/TOD projects developed and/or implemented as a result of the allocation of $100 million of Urban Reinvestment Tax Credits.

- Amount of private funding for responsible development/TOD projects leveraged by the allocated tax credits.
- Number of brownfields project undertaken as a result of the new state funding authorized for brownfield redevelopment.
- Number of acres and/or buildings brought back to productive use.
- Statewide database of brownfield sites is updated.
- Number of responsible development projects developed and/or implemented as a result of the implementation of the federal Recovery Zone Economic Development Bond Program.
- Bond allocations consolidated for shovel ready projects.
- Decreased project development time.
- Number of state agency activities coordinated to encourage and promote support of Community Revitalization Strategies and Neighborhood Revitalization Zones.
- Number of Community Revitalization Strategies and Neighborhood Revitalization Zones supported using the SC/CDBG Program involving two or more state agencies over a five-year period.
- Number of low-and-moderate-income persons served.

Objective 2:

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

Output:

- Support at least two municipalities in rezoning efforts to enable for higher-density housing, mixed-use developments, and/or transit-oriented developments.
- Support local efforts to develop appropriate urban infill housing to make better use of limited urban land. Support 20 to 60 units of infill housing in urban areas each year using the HOME/State Housing programs.
- Promote and support mixed-income housing developments in areas that currently under-serve low-and-moderate-income households. Give preference to one mixed-income infill project creating at least 10-25 units of housing each year in areas that currently under-serve low-and-moderate-income households using the HOME/State Housing programs.
- Promote mixed-use and/or transit-oriented developments with residential ownership opportunities for low-and-moderate- income households in areas of need. Fund at least two mixed-use and/or transit-oriented development projects with availability of 20 low-and-moderate-income residential units in an urban or suburban area over a five-year period.

Support at least two municipalities with rezoning efforts to enable mixed-use developments, and/or transit-oriented developments over a five-year period.

- Foreclosed properties are kept from deteriorating, rehabilitated and sold to low-and-moderate-income households. Utilize Neighborhood Stabilization Program (NSP) and Community Development Block Grant - Recovery (CDBG-R) Program funds to stabilize neighborhoods in areas impacted by foreclosures to serve 325 to 400 households annually.
- Implement a "Learn Here, Live Here" Program to be administered by CHFA. The program would allow Connecticut resident students attending any post-secondary institution to contribute the larger of their state income tax liability or $3,000 into a First-Time Homebuyer Trust Fund each year for ten years. The money could be withdrawn anytime over those ten years to purchase homes in Connecticut. Any interest income would be deposited annually into the state's general fund to partially offset the cost of the program.
- Ensure there is a mechanism to fund both HOME Connecticut incentive housing payments and the Housing Trust Fund to increase workforce housing in the state.

Outcomes:

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

Indicator(s):

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

- Number of participants in “Learn Here, Live Here” Program.
- Number of homes purchased utilizing the “Learn Here, Live Here” Program.
- Number of HOME Connecticut incentive housing payments and the Housing Trust Fund funded.
- Number of workforce housing units created.

Geographic Distribution & Relative Priority			
Objective	**Funding Source**	**Targeted Population**	**Geographic Target**
Objective 1	State	Low-Mod Income	State-Wide
Objective 2	State	Low-Mod Income	State-Wide

LEAD-BASED PAINT HAZARDS

Goal

Enhance suitable living environment and create decent housing for low- and moderate-income persons through the evaluation and reduction of lead-based paint hazards and the implementation of Healthy Homes principles, assessment practices, and evidence-based interventions.

Strategies

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

Objectives, Outputs, Outcomes and Indicators

It is important to note that funded activities can fulfill multiple objectives. Also, multiple programs and funding sources are often used/combined to fund projects/units. As such an aggregation of the

unit/project counts noted below would be an overstatement of what the State of Connecticut can achieve with available resources.

Objective 1:

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

Output:

- Actively participate in the Statewide Healthy Homes Initiative meetings, as scheduled.
- Collaborate with the DPH Healthy Homes Initiative on the development and implementation of a uniform healthy homes assessment and intervention approach, and to pilot the developed "healthy homes approach" in at least three communities.
- Support the abatement or remediation of lead-based paint and lead-based paint hazards, damaged asbestos containing materials, elevated indoor radon levels, and other identified or known environmental hazards in housing units in collaboration with other state agencies and in accordance with applicable federal and state laws. Lead-based paint testing, and remediation or abatement activities will be conducted in accordance with Regulations of CT State Agencies Section 19a-111 et.al., the final lead safe housing rule – [Title X of the Lead-based Paint Hazard Reduction Act of 1992 (24 CFR Pt 35)] the EPA Lead Paint: Renovation, Repair and Painting Program (RRP) effective April 22, 2010, and through healthy homes assessments and intervention strategies established in concert with the Department of Public Health.
- Fund up to three housing rehabilitation projects per year with the goal of making 20 units per year healthy homes (as defined in concert with the Statewide Healthy Homes Initiative). A healthy home assessment and intervention will address and seek to control environmental and other health and safety hazards such as, but not limited to, lead-based paint and lead-based paint hazards, damaged asbestos, elevated indoor radon levels; pests, sources of mold and mildew, smoke and carbon monoxide detectors, fire and electrical safety, and other structural components. This will be supported and accomplished in collaboration with state public health and housing programs such as the HOME, and SC/CDBG the DPH Healthy Homes Initiative, or through other state or federal funding sources.
- Build the technical capacity of DECD and local housing agencies by sponsoring ten (10) National Center for Healthy Homes (NCHH) training courses (2 courses held annually, or as

needed). The NCHH two-day course is considered a pre-requisite to the National Environmental Health Association's 'Healthy Homes Specialist' credential.

- Support the training and certification of at least 25 designated DECD and/or local housing staff who are interested in seeking national certification as "healthy homes specialists".

Outcomes:

- Improved accessibility to housing free of lead-based paint and other environmental health and safety hazards.

Indicator(s):

- Number of housing lead-safe rehab projects per year.
- Number of housing units made lead-safe per year.
- Number of housing units that have had a healthy homes assessment conducted.
- Number of housing units where a healthy homes intervention activity is performed.
- Number of low-and-moderate income persons served per year.
- Number of National Center for Healthy Homes training courses coordinated with PDH per year.
- Number of DECD and local housing agency staff trained in the National Center for Healthy Homes Course.
- Number of DECD and local housing agency staff certified as "Healthy Homes Specialists" by the National Environmental Health Association.

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

G. Emergency Solutions Grants (ESG) Program

Although DECD is the lead agency for the ConPlan and related Action Plans, the Department of Social Services (DSS) is the state recipient for ESG funds because it is the lead state agency for emergency homeless shelters and a variety of programs that serve the state's low-income population. DSS is also the lead agency for Section 8 vouchers and the state-funded Rental Assistance Program. The DSS budget also includes other sources of funding for homeless persons.

Connecticut anticipates receiving $2,096,102 in federal Emergency Solutions Grants funds for the Action Plan program year beginning July 1, 2012. ESG funds will be pooled with $1,844,987 in annual funding from Connecticut's general operating budget[16] and $8,340,214

[16] *DSS' budget projections are based upon the Governor's recommend biennium budget for FY 2010-11.*

from the U.S. Department of Health and Human Services TANF and Social Services Block Grants[17].

The Connecticut Department of Social Services administers this money by funding 23 organizations that include faith - based organizations and a variety of non-profit agencies. In addition, DSS provides state and other funding to these providers who are experienced, well established in their communities and provide quality services. The funding received from ESG enables the organizations to provide additional beds and case management services to homeless persons. DSS will be working on developing a more formal process for the allocation of all sources of funds to homeless shelters in the future.

The pool of federal and state dollars, allocated to local community and faith-based organizations and municipalities, is for the provision of temporary shelter for homeless individuals and families. The funds provide operational costs, essential services such as counseling, case management, health, education, employment and training as well as HMIS costs and rapid re-housing tenant based rental assistance. It is projected that under the Emergency Solutions Grants Program (ESG) requirements, federal ESG funds will be primarily targeted as follows: Operations (Emergency Shelter) – 54.02%; Essential Services (Emergency Shelter) – 8.58%; HMIS (3.79%); Rapid Re-Housing – Tenant Based Rental Assistance – (29.51%) and administration (4.10%).

Connecticut currently has 23 ESG funded shelters: 6 shelters for single individuals, 4 shelters that support families and 13 shelters for both families and individuals. These shelters were established over the years due to the documented need to support homeless individuals and families. As needs are identified in local communities, the Department of Social Services examines its current financial capability to determine if there is financial and program support for new shelters. More than 10,640 individuals, including families with children, will receive emergency shelter services during the program year that began July 1, 2011. In addition to ESG funded shelters, the Department also funds an additional 21 shelters utilizing state and federal monies, which brings the total funded shelters to 44. The Department also plans to utilize ESG monies for Rapid Re-housing Tenant Based Rental Assistance (RR-TBRA) for this fiscal year. The Department will award RR-TBRA contracts based upon a competitive procurement process. The Department will leverage existing resources to provide Housing Relocation and Stabilization Services support the RR-TBRA program to ensure that homeless

[17] *Allocations identified above for U.S. Department of Health and Human Services TANF and Social Services Block Grants are departmental expectations based upon funding levels for FFY 2009.*

households will have a better chance of remaining stably housed.

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

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

   The Department of Social Services has negotiated the following client-based outcomes and measures with directors of emergency shelters. Each shelter will select and negotiate individual numerical outcomes and measures with DSS staff and will submit a monthly statistical and quarterly demographics reports, as well as ESG annual performance reports. DSS has also added contractual language as it relates to Homeless Management Information System (HMIS) requirements and utilization. The projected numerical goals represent statewide outcomes that will be evaluated throughout the program year.

Outcome:

- Consumer attains alternate housing and/or accesses social and/or treatment services.
- Alternative housing includes, but is not limited to, transitional housing, residential treatment programs, supportive and permanent housing.
- Social services include but are not limited to domestic violence abuse counseling, family counseling, educational, employment and financial counseling, child care, security deposit and rental assistance programs.
- Treatment services include, but are not limited to, residential and outpatient mental health and substance abuse treatment and medical treatment.

Measures:

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

decisions about their health, children's education, housing, etc., 95% of consumers will be provided with such information to enable them to make informed decisions.

2. Homeless and other Special Needs:

DSS provides funding for the transitional living program to 29 contractors throughout the state for the provision of multi-family or single room residency living arrangements. Transitional living programs serve as a bridge for individuals and/or families after a period of homelessness. A variety of support services are provided to these individuals during their stay in the program. Stays can range from a period of six months to two years. The goal is to have these individuals and/or families gain self-sufficiency and permanent housing.

DSS also provides funding for a program known as "Beyond Shelter". This prevention program provides coordinated services to newly housed families and their landlords in order to prevent another cycle of homelessness. Families eligible for services are those leaving shelters and transitional living facilities to move into their own housing. Homeless families work with a housing coordinator to identify and resolve problems that could result in the re-occurrence of homelessness. Services provided may include education on landlord/tenant rights and responsibilities, assistance with food, transportation and parenting as well as support in securing mental health and substance abuse treatment services.

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

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

The Department of Social Services plans to competitively procure CT Beyond Shelter Program and Housing First For Families as one program with an expectant program start date of January 1, 2013. Until that time, DSS will request that existing providers provide housing relocation and stabilization services to RR-TBRA clients.

DSS is also currently operating a statewide program targeting homelessness prevention and rapid re-housing services with ARRA-Homelessness Prevention and Rapid-Re-housing Program (HPRP). During the month of July 2009, the Department, in conjunction with CCEH, conducted a competitive procurement process for HPRP services to ensure statewide coverage. By the end of September 30, 2009, DSS contracted with the 6 successful applicants. Contract services include but are not limited to the following: short term (not to exceed 3 months) and medium term rental assistance (over 4 but can not exceed 18 months), security and utility deposits, moving cost assistance, motel/hotel vouchers, housing relocation & stabilization, housing search and placement, outreach and engagement, etc. During this FY, HPRP will be ramping down and the DSS and its sub grantees are in the closeout phase of program operations.

Supportive Housing is strongly supported in Connecticut. In January 2002, a Memorandum of Understanding (MOU) was entered into by several state agencies including the Office of Policy and Management (OPM), the Department of Economic and Community Development (DECD), the Department of Mental Health and Addiction Services (DMHAS), the Department of Social Services (DSS), the Connecticut Housing Finance Authority (CHFA) and the Corporation for Supportive Housing (CSH). This MOU is in support of the statewide Payments In Lieu Of Taxes (PILOTS) Supportive Housing Initiative and the purpose is to increase service-supported, affordable housing for people with mental illness or substance abuse problems who face homelessness. DSS has devoted both Section 8 and State Rental Assistance to project-based programs developed as part of this initiative. DSS actively participates in the Balance of State Continuum of Care Steering Committee and HMIS Steering Committee Meetings. DSS is also a member of the Reaching Home 2.0 Steering Committee and Crisis Response Workgroup.

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

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

Presently, DSS's commitment to next Steps Supportive Housing is 35 RAP certificates, 15 Section 8, and supportive service funding for up to 13 families.

3. Certification on Coordinated State Policy Regarding Discharge:

The State of Connecticut has been aware of issues related to the lack of coordination around discharge of persons from state institutions and facilities and problems related to resulting homelessness due to the lack of such coordination. State agency staff and community service providers identified this issue though the Consolidated Planning process for 2010-15. As a result, coordination on discharge has been a topic of discussion in a variety of commissions on which either the Commissioner or DECD staff sit, as well as through other state agency groups that include public and private service providers, advocates, etc.

Although Connecticut does not yet have a coordinated policy for the discharge of persons from publicly funded institutions in order to prevent discharge resulting in homelessness, the following are examples of current efforts to address this issue:

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

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

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

Connecticut anticipates receiving $282,574 in federal Housing Opportunities for Persons With AIDS (HOPWA) funds for the Action Plan program year beginning July 1, 2012. HOPWA funds will be pooled with $3,920,675 in annual funding from Connecticut's general operating budget[18] and $908,373 from the US Department of Health and Human Services (HHS). Additionally, $750,000 was included in the DSS 2010 - 2011 budget[19] and was secured in the new state funding for each year of the two year state budget which allowed for 54 new units of scattered site housing to be created. These monies were included in DSS 2011 – 2012 budget, thus these units were sustained.

The majority of HOPWA dollars allocated to Connecticut are funneled through the Eligible Metropolitan Statistical Area (EMSA) of Bridgeport, Hartford, New Haven and their surrounding areas. DSS receives a small amount of "Balance of State Dollars". During the month of March 2010, the Department, in conjunction with CARC, conducted a competitive procurement process for HOPWA services to ensure statewide coverage for the balance of state catchment area: Windham County, New London County, Middlesex County and Litchfield County. Successful proposers will provide services in Litchfield and Middlesex County during the period of July 2010- June 2012.

In March - June 2012, DSS will conduct a competitive procurement for July 2012- June 2014. The goal for the non-profit organizations is to assist between 17-20 households with funds for tenant-based rental assistance. In addition, these funds, in conjunction with state appropriations will be used for community residence operational costs, supportive and case management services, housing assistance. The organizations will comply with HOPWA requirements including a breakdown of funding and a separate line item for HOPWA funds.

The type of housing to be funded is tenant-based scattered site apartments or congregate housing, with applicable administration costs within the identified cap. The housing programs are located in four Balance of State EMSAs and provide housing with supportive services to approximately 20 individuals at any one time. The supportive services include case management, cooking and cleaning assistance, transportation, education and volunteer

[18] *DSS' budget projections are based upon the Governor's recommend biennium budget for FY 2010-11*
[19] *DSS' budget projections are based upon the Governor's recommend biennium budget for FY 2010-11*

opportunities.

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

The non-profit organizations that provide the described services have established excellent reputations within their communities. Each has developed networks that are informed of the available housing and supportive services provided. Staff works closely with discharge planners from hospitals, homeless shelters and correction facilities, as well as, with case managers and care coordinators from the regional AIDS consortia. As mentioned previously, Connecticut AIDS Resource Coalition (CARC) and its members, through its quality assurance program, continue to work closely with DSS to establish appropriate and measurable performance measures for the Coalition's activities. In addition, CARC mails a semi-annual newsletter to approximately 1,200 social service and housing contacts. The Department of Social Services consults with CARC for technical assistance in the development of service models and program evaluation. CARC is a membership organization for AIDS housing providers in the state.

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

DSS has also started a small pilot TBRA program, targeting persons with HIV/AIDS who are leaving incarceration or recently been discharged, through recaptured resources. It has been six months in operation and DSS and CARC are working on outreach and engagement efforts.

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

   The Department of Social Services has negotiated the following outcomes and measures with the AIDS residence service providers. Each organization that receives HOPWA funds

will establish numerical goals for the outcomes and measures selected, submit semi-annual reports and their annual CAPER Report to the Department. The numerical goals identified below represent the goal for all individual AIDS residence programs.

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

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

I. State and Federal Resources for DSS Fiscal Year (FY) 2012-13

This table lists the anticipated/estimated level of state and federal funding available in FY 2012-13. Please note that Connecticut's 2010-15 Consolidated Plan outlines how the state plans to leverage ESG and HOPWA funds against other sources of funding. For more detail concerning how Connecticut leverages federal and state funds against each other and against non-government funding sources, please refer to the Connecticut 2010-15 Consolidated Plan and the Connecticut 2010-15 State Long-Range Housing Plan. Both of these documents are available on the DECD website.

Table 3: DSS Anticipated State and Federal Funding				
SOCIAL SERVICES (DSS)	**STATE FY 2012-13**	**HUD FY 2012-13**	**HHS FY 2012-13**	**TOTAL FY 2012-13**
Emergency Solutions Grants	$ 1,844,987	$ 2,096,102	$ 8,340,214	$ 12,281,303
Domestic Violence Programs	$ 5,171,422	$ 0	$ 1,249,042	$ 6,420,464
Housing Opportunities for Persons With AIDS	$ 3,920,675	$ 282,574	$ 908,373	$ 5,111,622
Section 8 Rental Assistance	$ 0	$ 68,191,250	$ 0	$ 68,191,250
Special Needs Housing benefits (incl. in TFA, AABD expenses)	$ 320,000	$ 0	$ 25,000	$ 345,000
Transitional Rental Assistance	$ 0	$ 0	$ 0	$ 0
Rental Assistance Program/Supportive Housing	$ 40,578,922	$ 0	$ 0	$ 40,578,922
Family Home Share Program	$ 0	$ 0	$ 0	$ 0
Elderly Home Share Program	$ 0	$ 0	$ 0	$ 0
Security Deposit Program	$ 1,421,347	$ 0	$ 129,646	$ 1,550,993
Eviction Prevention Program	$ 269,011	$ 0	$ 919,860	$ 1,188,871
Transitional Living Program	$ 3,546,669	$ 0	$ 347,254	$ 3,893,923
TOTAL FOR DSS	**$ 57,073,033**	**$ 70,569,926**	**$ 11,919,389**	**$ 139,562,348**

Source: DSS, OPM

J. Monitoring for ESG and HOPWA Programs:

The following describes the standards and procedures that the DSS will use to monitor activities carried out in furtherance of Connecticut's Consolidated Plan and will use to ensure long-term compliance with requirements of the ESG and HOPWA programs:

- ESG Monitoring: The Department of Social Services' Grants and Contract Staff monitor ESG Programs using a tool developed by the staff which, in a comprehensive manner, reviews each program's administration, personnel policies and procedures, accounting, budgeting, reporting, program services, goals and objectives, outcomes and measures, contractor's self- evaluation process, quality assurance/licensure compliance, and state and federal regulations. After all phases of the program have been evaluated, the staff representative will write up any areas of concern with whatever follow-up is needed. DSS staff will provide follow-up if it is deemed necessary; and

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

The Standards of Care is a comprehensive tool first produced in 1992 and carefully reviewed

and updated twice since then. The philosophy behind this tool's development and use is the belief that all people have a right to safe, affordable, accessible, and permanent housing that enhances their quality of life. The Standards of Care was developed by the Standards Committee of CARC to describe the best practices of operating supportive residential programs for people living with HIV/AIDS. The Standards of Care describes six levels of supportive housing from Level I, a completely independent housing program, to Level VI for those who need skilled nursing care.

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

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

Standards of Care review includes:

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

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

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VI. ATTACHMENTS TO THE 2012-2013 ACTION PLAN

A. Attachment A – Citizen Participation Process

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

A-1. Process for Public Hearings and Public Comments

DECD held one public hearing to elicit input into the development of the state's 2012-2013 Action Plan for Housing and Community Development: in Hartford on October 27, 2011. The public was also encouraged to submit written comments. A legal notice announcing the public hearing and request for public comments was published in two newspapers including one in Spanish. The legal notice and copies of past Action Plans, ConPlans and CAPERs were also available on the DECD website. The public hearing was held in a central location so that persons from any area of the state could attend to provide their views on the development of this plan. See Attachment B. for a copy of the legal notice and public hearing transcripts.

On May 18, 2012, DECD began the 30-day public comment period on the draft Action Plan. The public comment period will conclude on June 18, 2012. DECD will hold one additional public hearing: in Hamden on June 5, 2012. A legal notice announcing the public comment period and the public hearing was published in two newspapers including one in Spanish. The legal notice and a copy of the draft Action Plan were posted on the DECD web site. Copies of past Action Plans, ConPlans and CAPERs were also available on the DECD web site. The public Hearing was held in a central location so that persons from any area of the state could attend to provide their views on the draft of this plan. See Attachment B. for a copy of the legal notice and public hearing transcripts.

The municipal chief elected officials of all 169 municipalities in the state received a Department Notice informing them of the public hearings and comment periods. A copy of the legal notices were forwarded to the Regional Planning Organizations and they were asked to post them to their web sites. DECD also forwarded a copy of the legal notices to its Community Partners. DECD submitted, via e-mail, a copy of the legal notice announcing the 30 day comment period and the public hearing as well as a copy of the draft Action Plan to the members of the State Legislature's Appropriations Committee,

Commerce Committee, Planning and Development Committee, and the Chairs of the Housing Sub-Committee. In accordance with Connecticut General Statutes Section 4-28b, the Joint Standing Committees of Connecticut's General Assembly, are required to meet to review the Small Cities Community Development Block Grant Allocation Plan. That meeting was held on month/date, 2012.

In addition, consultation was sought during the March 15, 2012 CT Balance of State CoC Steering Committee bi-monthly meeting, DSS shared with attendees the proposal for Emergency Solutions Grants Program This process was conducted to seek input and address any concerns that might identify gaps or deficiencies in the proposed service(s). Based upon existing resources and ESG requirements, member agencies supported the proposed concept, as it would directly assist homeless households. Members were notified of the public hearings to be held for the development of the substantial amendment, and encouraged to attend. Additional input and support from the BOS Steering Committee will be sought once the draft 2012-2013 Action Plan is available

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

October 27, 2011, Public Hearing: Four people attended this hearing. One entity provided oral comment. A summary of the comments and DECD response is included below in A.3. A copy of the transcript from the public hearing is included in Attachment B.

Written Comments received during the development of the 2012-2013 Action Plan: No written comments were received.

June 5, 2012, Public Hearing: To be completed.

Written Comments received during the 30 day Public Comment Period on the draft 2012-2013 Action Plan: To be completed.

The Small Cities Community Development Block Grant Allocation Plan was approved on month/date, 2012, in accordance with Connecticut General Statutes Section 4-28b, by the Joint Standing Committees of Connecticut's General Assembly having cognizance over such matters.

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

A-3(a). Comments received during development of the 2012-2013 Action Plan.

Please note that in this section, received comments have been summarized to reflect the salient issue presented by the commenter. Complete copies of hearing transcripts and received letters/emails appear in sections B-3(a) and B-3(b) of this document.

Oral Comment from 10/27/2012 Public Hearing
Mark Aschenbach, State of Connecticut, Department of Health

Comment: As funding permits, we would like DECD to come up with the implementation of steps for specific "outputs" contained in the 2010-2015 Consolidated Plan for Housing and Community Development to build technical capacity by sponsoring 10 National Center for Healthy Homes Training Courses and to support the training and certification of 25 housing staff interested in seeking national certification as "Healthy Homes Specialists".

DECD response: DECD will review available resources during the period and determine its ability to commit funds to this initiative. If sufficient funds are not identified, DECD will continue to support the National Center for Healthy Homes through promotional and marketing activities.

A-3.b Comments received during 30 day public comment period:

Please note that in this section, received comments have been summarized to reflect the salient issue presented by the commenter. Complete copies of hearing transcripts and received letters/emails appear in sections B-4(a) and B-4(b) of this document.

To be completed

B. Attachment B – Citizen Participation Documents

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

B-1(a) Legal Notice: Public Comment Period/Public Hearing for the development of 2012-2013 Action Plan

NOTICE OF PUBLIC HEARING

The State of Connecticut Department of Economic and Community Development is seeking public input into the development of the State of Connecticut 2012-2013 annual Action Plan for Housing and Community Development

The 2012-2013 Annual Action Plan for Housing and Community Development is the third annual implementation plan under the 2010-2015 Consolidated Plan for Housing and Community Development (ConPlan). The ConPlan is a five-year strategic plan that governs the administration of federal funding appropriated for housing and community development activities that benefit persons of low- and moderate- income. Such federal funding includes the following programs; HOME Investment Partnerships (HOME), Small Cities/Community Development Block Grant (SC/CDBG), Emergency Shelter/Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The HOME and SC/CDBG programs are administered by the Department of Economic and Community Development and the ESG and HOPWA programs are administered by the Department of Social Services. The 2010-2015 ConPlan represents approximately $145 million in federal funding over the five-year period. A Public Hearing on housing and community development needs in Connecticut communities will be held, as listed below, to solicit input into the development of the 2012-2013 Annual Action Plan. Additionally input on performance under the aforementioned programs is also welcomed. All input received will be used in the development of the 2012-2013 Action Plan.

Hartford
9:00 a.m.
October 27, 2011
Metropolitan District Commission (MDC)
Anthony H. Gallicchio Training Center
125 Maxim Road
Hartford, CT

State residents are invited to attend the public hearing and provide input/comment on housing and community development needs in Connecticut's communities. Written comments may be sent to Michael C. Santoro, Community Development Specialist, Office of Strategy and Policy, Department of Economic & Community Development, 505 Hudson Street, Hartford, CT 06106-7106 or CT.Housing.Plans@ct.gov through the close of business on October 27, 2011. For copies of the

2010-2015 ConPlan and related documents, please refer to the Department of Economic and Community Development's website, www.decd.org under publications/housing plans.

Departments of Social Services and Economic & Community Development programs are administered in a nondiscriminatory manner, consistent with equal employment opportunities, affirmative action, and fair housing requirements. Questions, concerns, complaints or requests for information in alternative formats must be directed to the ADA (504) Coordinator, Antoinette Alphonse at 860-270-8022. Locations for the public hearings are handicapped accessible.

Publication Date: October 6, 2011

B-1(b) Legal Notice: Public Comment Period/Public Hearing on the draft 2012-2013 Action Plan

To be completed

B-2(a) Notice to Municipal Chief Elected Officials: Public Comment Period/Public Hearing for the development of 2012-2013 Action Plan

Distribution Date: October 6, 2011

To: Municipal Chief Elected Officials

From: Office of Strategy and Policy, DECD

Subject: Public Hearing and Comment Period

Please be advised that the State of Connecticut, Department of Economic and Community Development(DECD) is conducting a Public Hearing and comment period for the development of the 2012-13 Action Plan for Housing and Community Development. For additional information, refer to the attached legal notice which was published in several newspapers on October 6, 2011. The legal notice and related documents are posted on the DECD website @ www.decd.org

All interested citizens are encouraged to attend the Public Hearing or submit written comments. Please feel free to extend this invitation to your local Housing and Community Development Director.

B-2(b) Notice to Municipal Chief Elected Officials: Public Comment Period/ Public Hearing for the draft 2012-13 Action Plan

To be completed

B-3(a) Public Hearing Transcript of 10/27/2011:

Date: October 27, 2011
State Of Connecticut
Department of Economic and Community Development
Public Hearing

Re: State of Connecticut 2012-2013 Annual Action Plan
for Housing and Community Development

Metropolitan District Commission
125 Maxim Road
Hartford, Connecticut

Before: Facilitator Debra Landry

. . .Verbatim Proceedings of a hearing before the State of Connecticut, Department of Economic and Community Development, Community Partners Meeting, in the matter of the 2012-2013 Annual Action Plan for Housing and Community Development, held at the Metropolitan District Commission Training Center, 125 Maxim Road, Hartford, Connecticut, on October 27, 2011 at 9:22 a.m. . . .

FACILITATOR DEBRA LANDRY: Today is October 27, 2011, it's 9 a.m., and I am Debra Landry from the Department of Economic and Community Development. I am here today to receive public input for the development of the State of Connecticut's 2012-2013 Action Plan for Housing and Community Development.

I have brought with me today copies of the current action plan for the program year 2011-2012, and the 2010-2015 consolidated plan for housing and community development, and also the 2010 consolidated annual performance evaluation report. These are all available for reference purposes for this meeting.

At this time there is no member of the public that would like to provide comment. So, I will recess this meeting until someone is present that would like to provide comment, thank you.

(Off the record)

FACILITATOR LANDRY: There appears to be a member of the public that is interested in providing comment. I would ask that you -- if you're going to speak today that you start

by clearly stating your name and identifying who you represent so that we have this on record. And it is 9:40, I am opening the meeting again for comment, thank you.

MR. MARK ASCHENBACH: Good morning. My name is Mark Aschenbach, I'm with the Connecticut Department of Public Health, Lead and Healthy Homes Program. I'm an Environmental Analyst III with the Department and working there about 17 years.

One of my tasks that's evolved in this position has been the Healthy Homes Coordinator for Work Group 3, which deal with policies, practices, and guidelines. We have -- about three years ago we embarked on the Health Homes journey to develop a strategic plan for Connecticut.

We have made great progress in moving along with goals, and objectives, and strategies to realize a true Connecticut strategic plan being implemented in Connecticut. However, we are still short in some areas and -- as far as implementation of the plan. And these are some of our concerns still as we develop -- as we work with our different work groups in our full partnership listing with folks. We meet regularly to talk about how we can proceed and what we have to do still.

So, anyway, I'll try to be brief. I'd just like to say that on behalf of the DPH Lead and Healthy Homes Program we fully support the DECD 2010 to '15 consolidated plan, as well as the 2012-2013 action plan. We're happy to see that it includes the language that we had brought forth previously.

And that includes support of the Healthy Homes strategic plan for Connecticut, as well as some other key things that have evolved in the last several years, including the EPA -- new EPA RRP rule, which deals with renovation, contractors, and lead safe work practices, and also, strengthening the lead language in the documents.

So, we're very pleased about that, we continue to support DECD in that regard. We are also aware of the current situation and what we've gone through recently with budget constraints in Connecticut. We understand that DECD has gone through a re-org -- or is continuing to go through a re-org, is probably the best way to say it.

We would like to continue to garner DECD's support as far as the implementation of certain parts of the Health Homes strategic plan. We think that this is a vital step in really making this happen. I think without DECD and several other sister agencies on board that this would be very detrimental if we did not get the support to eventually make the Healthy Homes Program come to light.

In particular, I'll just -- I don't want to read some of the excepts from the action plan, but on page 202 and 203 there's an outline of goals, strategies, objectives, outputs, outcomes, so on, and so forth, that really summarize what DECD had indicated that they would support.

Specifically, I'll read this one bullet that -- it's, "Build the technical capacity of DECD and local housing agencies by sponsoring 10 National Center for Healthy Homes Training Courses, two courses held annually or as needed. The NCAH two day course is considered a prerequisite to the National Environmental Health Association's Healthy Homes specialist credential."

And also, "Support the training certification of at least 25 designated DECD and/or local housing staff who are interested in seeking national certification as Healthy Homes specialists." This is the item that we are most concerned with. We would like to -- as funding permits, and as the re-org shakes out, we would like to see DECD come up with the implementation of these steps in the upcoming year.

It's really vital to the program. To be honest with you we need a full partnerships, we need the new DCS on board, we all the new partnership people that we've garnered previously by the DECD, is really the key here.

And so, in keeping with the goal of realizing the Healthy Homes initiative in Connecticut we are hoping that the funding is available, that you support what is in these previously laid out objectives, outcomes, and indicators as what's in the consolidated plan.

Thank you for allowing me to testify today. I hope that I've been able to, you know, outline several things that are important in the State of Connecticut and also the health and safety of the state of – the people in the State of Connecticut. Thank you.

Facilitator Landry: Thank you for that public comment. And as there is no other member of the public present to provide comment I will recess at this time. Thank you.

(Off the record)

Facilitator Landry: This is Debra Landry, it is 10:05 on October 27th. And there are no other members of the public here to provide input for the development of the State of Connecticut's 2012-2013 Action Plan for Housing and Community Development. So, I will officially close this public hearing. Thank you.

(Whereupon, the hearing adjourned at 10:07 am)

B-3(b) Public Hearing Transcript of month/date, 2012

To be completed

B-4(a) Written comments received during the development of the 2012-13 Action Plan

No written comments were received.

B-4(b) Written Comments received during the 30 day public comment period on the draft 2012-13 Action Plan

To be completed

C. Attachment C - Application Documents: To be Completed

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