



State of Connecticut
Department of Economic and
Community Development

MEMORANDUM

Date: April, 2007

To: Senator Edwin Gomes, Co-Chair, Housing Committee
Representative Kenneth Green, Co-Chair, Housing Committee
Senator John McKinney, Ranking, Housing Committee
Representative Larry Miller, Ranking, Housing Committee
Senator Eric Coleman, Co-Chair, Planning & Development Committee
Representative Art Feltman, Co-Chair, Planning & Development Committee
Senator Leonard Fasano, Ranking, Planning & Development Committee
Representative Penny Bacchiochi, Ranking, Planning & Development Committee
Members of the Housing Committee
Members of Planning & Development Committee

From: Ronald F. Angelo, Jr. 
Acting Commissioner
Department of Economic and Community Development

Re: **CGS 8-1191l Comprehensive Assessment of the Current and Future Needs for the Elderly Rental Assistance Program**

In accordance with Section 8-1191l of the Connecticut General Statutes, the Department of Economic and Community Development presents to the Housing and Planning & Development Committees the **Comprehensive Assessment of the Current and Future Needs for the Elderly Rental Assistance Program**.

Should you have any questions or would like additional copies of this report, please contact Joseph Oros at (860) 270-8186.

This report will also be made available on the department's website at www.decd.org.

ELDERLY RENTAL ASSISTANCE PROGRAM

A COMPREHENSIVE ANALYSIS

APRIL 2007

CONNECTICUT DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



Ronald F. Angelo, Jr.
Acting Commissioner

Executive Summary

In accordance with Section 8-119ll of the Connecticut General Statutes (CGS), the Department of Economic and Community Development (DECD), in consultation with the Connecticut Housing Finance Authority (CHFA), is required to annually conduct a comprehensive assessment of the current and future needs for rental assistance under Section 8-119kk. The program administered under this statute is commonly referred to as the Elderly Rental Assistance Program (ERAP).

DECD and CHFA undertook a number of separate data collection efforts in order to determine current and future needs for ERAP.

The initial report was sent to the Legislature in April 2006. This analysis is the first update to the 2006 report; methodologies used in the initial report have been employed in the preparation of this update in order to promote consistency and comparability.

DECD and CHFA, working both in concert and independently, have determined that additional resources are needed to maintain current participation in the program and to expand the program to include those eligible elderly and young disabled residents who pay more than 30% of their income for rent and utilities. The following chart identifies these needs:

**Table 1
ERAP Needs**

Current Year SFY 06-07 Allocation	SFY 07-08 Current Participants	SFY 07-08 Current Need	SFY 07-08 Total Need
\$1,523,004	\$2,032,200	\$2,812,823	\$3,817,078

Please note that the amount listed under SFY 07-08 Current Participants would fund only the existing 1,344 participating residents living in the 92 participating facilities managed by the existing 44 owners. SFY 07-08 Current Need indicates the total funding needed to assist all of the eligible tenants (2,053) living in these same 92 facilities. SFY 07-08 Total Need identifies the total funds that would be needed for the coming year if every eligible tenant living in state-assisted elderly housing (2,766 total units in 184 facilities) were to receive the assistance under ERAP that they need.

Depending on how emergency and long-term capital needs are to be funded, and assuming that housing development “self sufficiency” continues to be a goal per the general statutes, an additional **\$53,000,000** in capital funding is needed through SFY 11-12. It may be possible to finance this capital funding with ERAP subsidies, however, this methodology needs to be further refined before a recommendation can be made.

**Table 2
Capital Funding Needed**

SFY 06-07*	SFY 07-08	SFY 08-09	SFY 09-10	SFY 10-11	SFY 11-12
\$2,000,000	\$11,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000

**These funds were put in place during the prior Legislative Session.*

Purpose of the Report

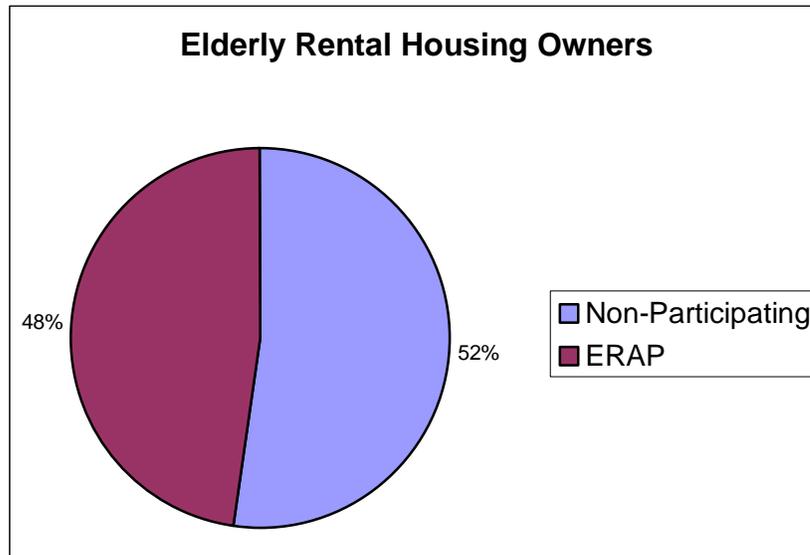
The General Assembly passed Public Act 05-239, codified under CGS Section 8-119//, which requires DECD, in consultation with the CHFA, to conduct a comprehensive assessment of the current and future needs for rental assistance under CGS Section 8-119kk. This report is the first update to the original report, and uses much of the data from the original data collection effort. Participating and non-participating sponsors have provided additional updates.

Elderly Rental Assistance Program – A Brief Description

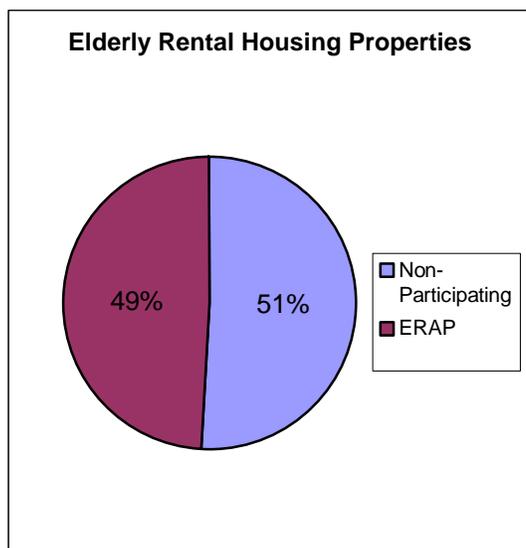
The Elderly Rental Assistance Program (ERAP), administered by DECD, provides rental assistance for residents of state-funded elderly housing developments. Participants must spend more than 30% of their income on rent and utilities in order to qualify. The amount of rental assistance is the difference between 30% of the individual's adjusted gross income, minus a utility allowance and the base rent. Sponsors that operate state-assisted housing determine which of their tenants are eligible based on annual certifications of tenants' income.

This portfolio consists of 92 owners (i.e.: housing authorities, nonprofit corporations, limited partnerships) of 187 properties and 6,797 elderly rental units (Graphs 1, 2 and 3, respectively). A discussion of these graphs is found in the next section.

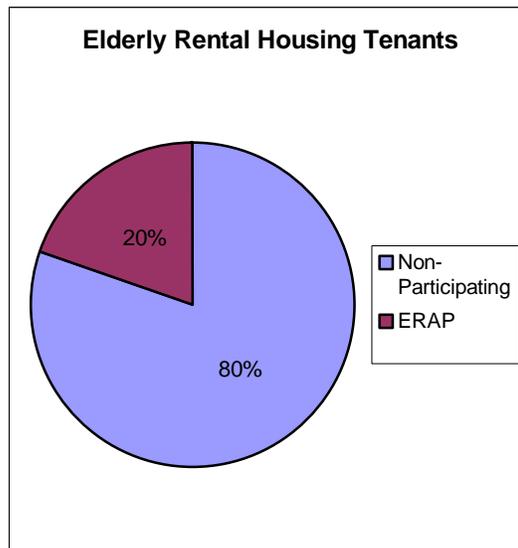
Graph 1



Graph 2



Graph 3



Rents for state elderly/disabled housing developments vary widely depending several factors including:

1. The housing development's financial condition;
2. How and when the housing development received state funding (e.g., housing developments financed with grants and early housing developments that received low interest loans); and
3. The types of services included in the monthly rental charge, which can range from water only to all utilities.

A housing development's rent structure is also impacted by the amount of tenant rental assistance it receives, if any, under the state's ERAP program.

Perspective

In SFY 06-07, DECD provided approximately \$1.5 million in ERAP subsidies to 1,344 units, which are administered by 44 different owners in 92 facilities. In accordance with CGS Section 8-115a, owners that operate state elderly/disabled housing developments must cover their operating costs with rent revenue and other housing development income, such as interest from investments. At the same time, tenants pay a "base rent" amount, which by law must be the lowest amount the housing development requires to meet expenses, or a percentage of their income up to 30 percent, whichever is greater. Even though state elderly/disabled housing rents are generally well below market rates and among the lowest of state-assisted housing rents, a substantial number of elderly and disabled residents lack sufficient income to pay even base rents. As a group, young disabled residents need subsidies to afford base rents more than the population of elderly tenants. Tenant rent subsidies range from just a few dollars to nearly the entire monthly base rent charge.

As illustrated in Graphs 1-3 above, approximately 50% of the universe of state-financed elderly rental housing properties participates in ERAP, but only 20% of the tenants living in those units receive rental assistance.

Occupancy Survey – Original Methodology

As originally planned, an Occupancy Survey was “rolled out” at the CONN-NAHRO Conference on August 30, 2005. On September 6, 2005, a direct mailing and email transmission of the Occupancy Survey documents went out to all 92 owners/sponsors of state-financed non-Section 8 assisted elderly rental housing.

It is important to note that there are 11 elderly housing projects that were not included in this survey, because they are currently receiving federal assistance through the Section 8 New Construction-Substantial Rehabilitation Program. This project-based rental assistance has historically provided sufficient operating funds, as well as sufficient capital reserves to ensure the long-term financial and physical health of these properties.

As a result of the distribution of that survey, and the follow-up efforts by DECD with the assistance of CONN-NAHRO, an 89% return rate on the survey was achieved. This provided DECD with a very solid data starting point from which to build our analysis.

Tenant Data Update - Methodology

With this base of data, new profiles were generated for each project participating in ERAP using the following: updated tenant rent rolls and property-specific operating budgets, which included tenant income data and needed base rent increases; changes in utility allowances; and vacancy/occupancy data.

For those projects that do not currently participate in ERAP, similar profiles were generated using raw data based on the original data collection effort and updated operating budgets and quarterly financial data.

As a result of these project profiles, subsidy estimates were made based on various scenarios, consistent with those prepared in the original report.

Capital Needs Data - Methodology

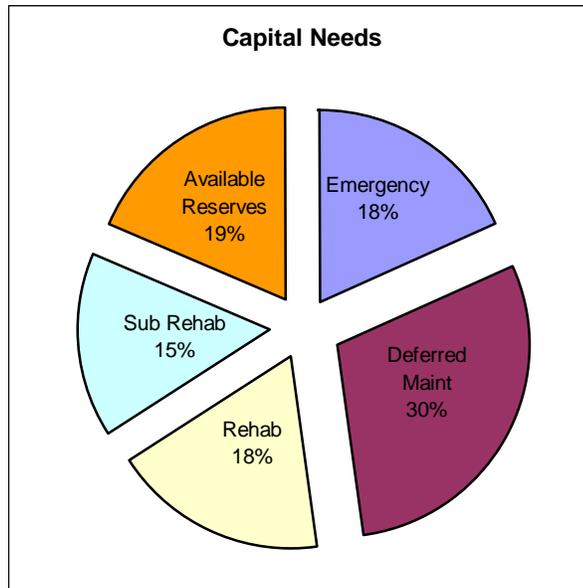
Rather than restate much of the information in the prior report, a detailed description of the original methodology carried out by the Connecticut Housing Finance Authority (CHFA) can be found in the April 2006 report. (**Appendix 1**)

Subsequent to that effort, CHFA staff began site visits in April 2006 to verify the urgent need for these capital improvements and to better categorize the data independent of the sponsor identifications. Although the final survey response date has passed, CHFA continues to incorporate raw Capital Needs data as it becomes available.

The capital needs for the 6,797 elderly units surveyed, broken down by Category of Urgency, is:

	<u>All Categories</u>
Emergency	\$14,401,571
Deferred Maintenance	\$25,472,945
Rehabilitation	\$15,758,781
Substantial Rehabilitation	\$13,427,186
<hr/>	
Total Capital Needs	\$69,060,483
Less Available Reserves after \$1,000/unit set-aside, where available	\$16,129,404
<hr/>	
Net Capital Needs	\$52,931,079
Rounded	\$53,000,000

Graph 4



It is CHFA's policy to have owners maintain a minimal level of reserves at all times: \$1,000 per unit. This is considerably lower than standards previously used by DECD. As indicated above, this would mean that all other reserves would be considered "available" for use in addressing capital needs. In a macro view, this is accurate. However, a project-by-project review indicates that certain projects have much healthier reserves than others; for this reason, only the "available" reserves were used to match where the needs are most critical.

Although this capital needs data is not incorporated into the analysis for further subsidy needs, it is important to note that the failure to address these needs, both in the short-term and the long-term, has resulted in a negative outcome for some projects and is likely to worsen. Depending on how emergency and long-term capital needs are to be funded and assuming that housing development "self sufficiency" continues to be a goal, an additional **\$53,000,000** in capital funding is also needed. It may be possible to finance this capital funding with ERAP subsidies, however, this methodology needs to be further refined before a recommendation can be made.

Program Operation: Current

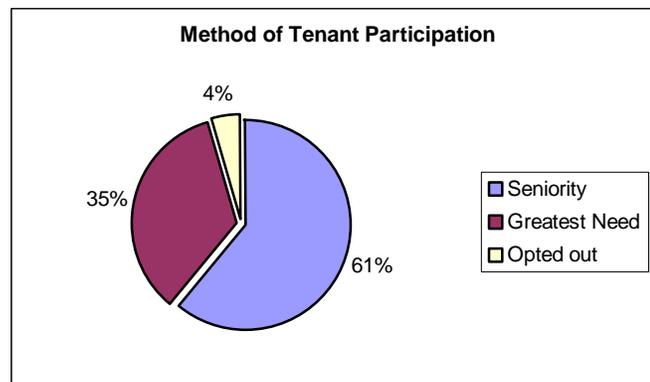
Since insufficient funding was available to fund full participation by the original 46 sponsors and their tenants, two owners (Stratford Housing Authority and Milford Housing Authority) have formally “opted out” of participation in the ERAP. It is the belief of these housing authorities that opting out of ERAP will allow them to raise the base rents to levels necessary to fund their operations.

However, raising base rents may also negatively impact the demographics of their occupancy, because these sponsors may only be able to rent to persons who have a “demonstrated ability to pay” the new higher base rent. The very low-income applicants on waiting lists may be ineligible for occupancy because they are unable to pay the new higher base rents. This statement is borne out by the analysis of the Waiting List information in the next section.

Through this “opt out”, tenants at those sites are no longer receiving assistance, and are currently paying the base rents in those facilities. Specifically, there are 9 tenants in Milford and 32 tenants in Stratford who are no longer receiving ERAP. The assistance previously given to these tenants was made available to tenants at other participating facilities in the ERAP. These “available” funds allowed all of the remaining sponsors to keep their existing tenants in ERAP and, in a few cases, allowed them to add needy tenants.

In order to fairly distribute these funds, the remaining 44 owners were notified that insufficient funds were available to fully fund all of the base rent increases they were requesting, but that some additional funding was available. Owners were requested to identify one of three options for distributing those funds, with or without base rent increases. The three options available to them were: Seniority, Greatest Need, or a Random Lottery. A spreadsheet identifying the selection method chosen by each owner is attached. (**Appendix 2**)

Graph 5



As indicated in Graph 5 above, the majority of owners chose to use “seniority”, or length of occupancy, in determining which tenants would receive the limited rental assistance funds that were available. It is important to note that none of the participants chose to use the “random” method.

Data Analysis: Current Year

Using the original data analysis from 2006 as a starting point, occupancy/vacancy data was collected from the 44 ERAP owners in the form of revised and updated tenant rent rolls. As with the original analysis, certain limitations or assumptions had to be made in order to bring consistency and order to the data sets. These assumptions include the following:

1. Only rent rolls and occupancy data provided on or before December 1, 2006 was used in the analysis in order to meet the reporting deadline of April 1, 2007;
2. Waiting List information was not updated, so the original data collected for an “average” three-year turnover period was used. Actual turnover may be slightly different for each housing development, however, turnover in these properties is generally under 1% across the portfolio;
3. A “macro” approach to values was used when making adjustments for increasing operation costs due to uncontrollable expenses (i.e. utilities, inflation, changing tenant payments due to tenant turnover, etc.); and
4. Rent increase information was provided by both the owners/sponsors and by CHFA staff.

This data was analyzed in consideration of both “current” and “future” needs of the ERAP.

Current Need

For the purpose of this analysis, “current need” is primarily defined as those funds needed by the existing 44 participating owners in order to continue to assist participating ERAP tenants. However, the financial health of the facility also plays into “current need”. Further analysis was performed to identify sufficient subsidies to provide at least minimal base rent increases to those facilities that are operating at a deficit or close to a deficit.

Referring to **Appendix 2**, and as illustrated in Table 3, without additional subsidies, the number of tenants receiving ERAP will drop drastically from 1,344 to 975. This is due in part to the implementation of necessary base rent increases that had been delayed for each of the last two years. These base rent increases are not optional, because these facilities are either running operating deficits currently, depleting their reserves, or will run operating deficits in the coming year.

Table 3
SFY 06-07 ERAP Funding

Number of ERAP Owners	Current Allocation from the General Fund	If a Zero Increase in Funding Occurs
44 Owners	\$1,523,004	\$1,523,004
	Average Annual Cost Per Tenant \$ 1126.85	Average Monthly Cost Per Tenant \$ 1553.13
	1,344 Tenants	975 Tenants

In order to maintain the current tenant participants at 1,344, increased subsidies will be necessary. As detailed in **Appendix 3** and summarized in Table 4 there is a need in SFY 07-08 for an additional \$509,196 in ERAP subsidies over the current allocation in order to continue to assist existing tenants.

Therefore, a total of \$2,032,200 is needed for SFY 07-08 in order to provide the necessary funding for the 44 existing owners and the 1,344 participating residents.

Table 4
SFY 07-08 ERAP Funding

Number of ERAP Owners	Current Allocation from the General Fund	Additional Allocation Necessary to Maintain Existing Participation	Average Annual Cost Per Participant
1,344 Tenants	\$1,523,004	\$509,196	\$1,518.39

However, these funds are not serving all of the ERAP eligible residents living in these 92 housing developments. That is, there are a significant number of elderly and young disabled individuals living in these properties who would be paying more than 30% of their income toward the base rent.

According to the tenant rent rolls provided by the 44 owners, there are an additional 709 tenants who would be eligible for ERAP if funds were available.

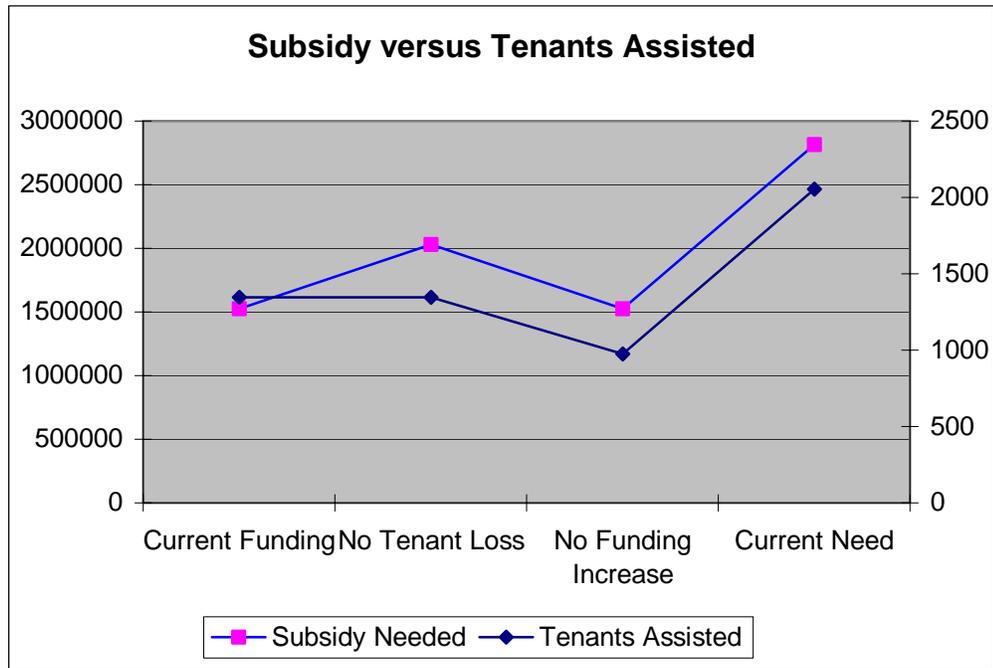
As detailed in **Appendix 4** and summarized in Table 5 these 709 eligible tenants would require an additional \$780,623 in ERAP subsidies. This would limit participation to the existing 44 owners of the 92 projects but increase the number of tenants receiving assistance from 1,344 to 2,053.

Therefore, a total of \$2,812,823 is needed for SFY 07-08 in order to provide the necessary funding for the 44 existing owners to provide all of the eligible tenants (2,053) with assistance.

Table 5
SFY 06-07 ERAP Funding – Full Participation

Number of ERAP Participants	Current Allocation from the General Fund	Additional Allocation Necessary to Maintain Participation	# of Additional Residents in Need of Assistance	Additional Allocation Necessary	Average Annual Cost Per Tenant
1,344 Tenants	\$1,523,004	\$509,196	709	\$780,623	\$1370.10

Graph 6



As Graph 6 illustrates, more subsidies will increase the number of eligible tenants assisted. It is important to note that these changes are affected by local pressures including: waiting list composition; vacancy loss; uncontrollable expenses like insurance and utilities; and current capital needs.

Future Need

Part of the legislative requirement is to look at the “future” need for the ERAP. This “future” need can take on a number of different meanings, not the least of which would be whether the ERAP was “needed” at all. One aspect of this would be to consider funding “operating subsidies” of these sponsors instead of ERAP, and at least one housing authority has espoused this as a more viable option. A proposal the Legislature is currently considering requires a study of this option—and a report of its findings to the General Assembly. As this initiative and other “outside the box” initiatives have been proposed to the Legislature, we will not attempt to address this at this time. Rather, this analysis will focus simply on expanding participation in the program to those sponsors and facilities who are currently eligible under the existing statute, and to look at the potential for enrollment of all eligible elderly and young disabled residents of these facilities.

While there continues to be an additional need for subsidies in the properties being managed by the remaining 48 owners, these owners have chosen not to participate in ERAP for a variety of reasons. In the case of at least four owners, the lack of financial commitment for funding under the program is the reason they have recently (Milford

Housing Authority and Stratford Housing Authority) and in the past (Litchfield Housing Authority and Thomaston Housing Authority) opted not to participate.

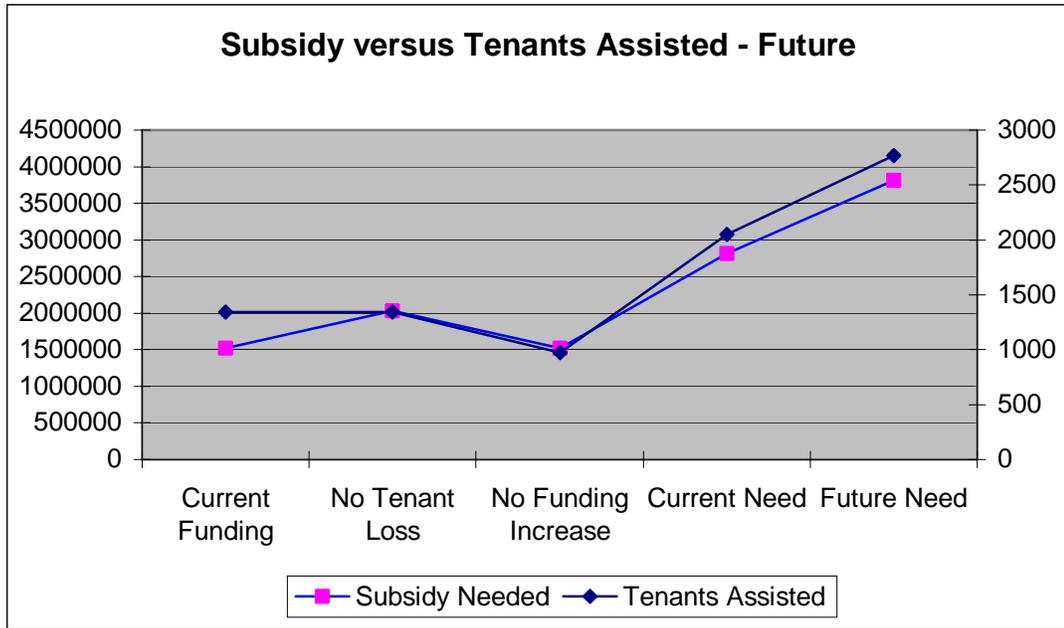
In order to accurately assess the future needs of the program, those owners who chose to opt out of the ERAP were included in this assessment. This allowed DECD to more accurately predict the total future needs of the tenants in all eligible units.

Detailed in **Appendix 5** and summarized in Table 6, an additional 3,222 units in 92 properties are eligible to participate in the ERAP. Based on the survey data collected, and adjusted for current inflation and an anticipated increase in costs of approximately 5% (based on the average seen in the facilities currently participating in ERAP), there are 713 statewide residents in need of ERAP at a cost of \$1,004,274.

Table 6
SFY 07-08 ERAP Funding – Full Participation

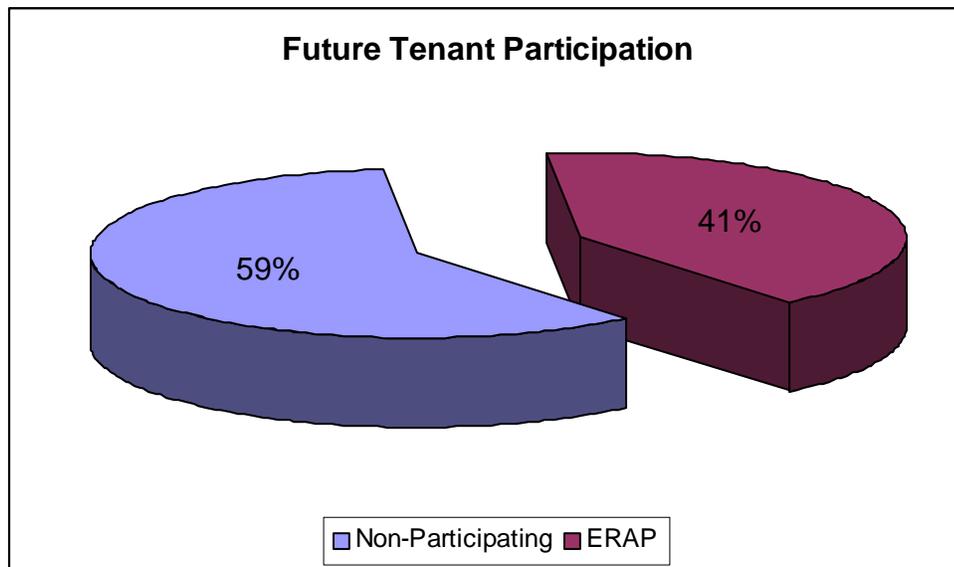
Number of ERAP Participants	Current Allocation from the General Fund	Maintenance Allocation Necessary	Additional Tenants Needing Assistance	Additional Allocation Necessary
1,344 Tenants	\$1,523,004	\$509,196	----	----
2,009 Tenants	----	\$2,032,200	709	\$780,623
2,722 Tenants	----	\$2,812,823	713	\$1,004,274

Graph 7



In summary, in order to fully fund all of the eligible tenants (2,766) in all of the eligible facilities (184 properties), \$3,817,078 in ERAP subsidies will be necessary in FY 07-08. Graph 7 shows us the visual trend previously noted; in addition, Graph 8 illustrates that a very low percentage of the total population of this housing would be receiving assistance. Also, it is important to note that this expansion would also require an expansion in staff and resources necessary to administer these additional contracts. It is anticipated that one full time equivalent (FTE) staff person would be required for DECD.

Graph 8



Impact of Waiting List on both Current and Future Need:

As identified in the original report, an analysis of the waiting list information provided indicates a negative trend within each age category. On average, the income differential between the “over 62” applicants and the young disabled applicants on the waiting list is substantial. Based on the data provided, there is a 29.29% differential between these groups. That is, on average, a young disabled applicant has 29.3% less income than an “over 62” applicant. Additionally, 40% of the applicants on the current waiting list are in this lower income group. This would have a negative effect on the available excess of base income available, and add to the growing number of residents who require ERAP in order to be able to afford to live in these housing developments. Using a “macro” approach, and assuming that 40% of any new tenants would be in the lower income group, an 11.7% increase in the number of tenants requiring ERAP can reasonably be anticipated as vacancies occur.

One effect of the growing number of young disabled in the population occupying these units is that turnover is significantly reduced (i.e., the young disabled occupy the units for a longer period of time). Since actual turnover cannot be reasonably anticipated, cost estimates cannot be determined with any reasonable level of accuracy. However, it is apparent that the “need” for subsidies will continue to grow as the population group shifts more towards the young disabled.

Data Analysis: Out Years 2 thru 5

In the past, DECD has attempted to make anticipated funding needs for SFY 09, SFY 10, SFY 11 and SFY 12. These estimates would require the application of a number of unsubstantiated assumptions, and are subject to a large number of unknown and uncontrollable circumstances. For these reasons, valid out year estimates cannot be made. Rather, known factors have been identified and listed for reference and consideration in future analysis. These factors include but are not limited to:

1. All of the prior assumptions;
2. A continued downward trending of incomes when compared to inflation;
3. Uncontrollable expenses (i.e. utilities, insurance) accelerating at a rate above inflation;
4. Increasing medical insurance costs;
5. Increasing capital needs; and
6. Contractual obligations due to binding arbitration.

Conclusion

The elderly population is projected to dramatically increase over the next 10 years; in fact, it is expected to triple. It is critical to begin addressing the preservation and affordability of our existing housing stock so as to keep up with the needs of this population group.

Furthermore, both emergency and revitalization funds are necessary over the next decade in order to preserve these units as decent, safe and sanitary housing for our elderly and young disabled populations. One FTE at DECD would be required to address administrative capacity issues, if this program were to be fully funded.

Clearly, the need for this program is real, both to the tenants who receive the subsidies, as well as to the owners who are attempting to maintain these facilities in the long term through maintenance and capital expenditures. Without additional subsidies and capital allocations, elderly and young disabled individuals will be dropped from the program, and the facilities will continue to deteriorate.

ELDERLY RENTAL ASSISTANCE PROGRAM

A COMPREHENSIVE ANALYSIS

APRIL 2006

CONNECTICUT DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



Executive Summary

In accordance with Section 8-119ll of the Connecticut General Statutes, the Department of Economic and Community Development (DECD) in consultation with the Connecticut Housing Finance Authority (CHFA) is required to annually conduct a comprehensive assessment of the current and future needs for rental assistance under section 8-119kk of the general statutes.

More commonly referred to as the Elderly Rental Assistance Program (Elderly RAP), DECD and CHFA undertook a number of separate data collection efforts in order to determine what those current and future needs will be.

The following report details the methodologies employed to achieve this data collection effort, and details some of the specifics related to both the Elderly RAP program, as well as the Rental Housing for the Elderly portfolio in general.

DECD and CHFA, working both in concert and independently, have determined that there is both a significant need in the current year, ending June 30, 2006 and in next five (5) years. The following chart identifies these needs:

ELDERLY RAP

Current Year SFY 05-06	SFY 06-07	SFY 07-08	SFY 08-09	SFY 09-10	SFY 10-11
\$2,058,092	\$4,372,659	\$5,131,526	\$6,022,092	\$7,067,215	\$8,293,717

Please note that needs under SFY 05-06 (Current Year) are the total funds needed for the current year. This would indicate a shortfall in the current allocation (\$1,523,004) of **\$535,088**. Also, the needs under SFY 06-07 also have a shortfall based on the allocation for that period (\$1,523,004) between **\$1,404,754** and **\$2,849,655**.

Depending on how the cost of meeting emergency and long-term capital needs are to be funded, assuming that housing development “self sufficiency” continues to be a goal, an additional **\$85,000,000** in capital funding is also needed. It may be possible to finance this capital funding with Elderly RAP subsidies, however, this methodology needs to be further refined before a recommendation can be made.

CAPITAL NEEDED

Current Year SFY 05-06	SFY 06-07	SFY 07-08	SFY 08-09	SFY 09-10	SFY 10-11
\$0	\$15,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$10,000,000

Rental Housing for the Elderly – A Brief Description

Responsibility for oversight and programmatic compliance under the State Rental Housing for the Elderly Program falls under both the jurisdiction of DECD and CHFA. In 2002, the General Assembly authorized the transfer of the state's existing housing portfolio to CHFA (PA 02-5) in return for \$85,000,000. The state-financed portfolio, which contained over 16,000 units, included moderate-income rental/family housing, elderly, and congregate housing developments. At present, there are 200 state elderly/disabled housing developments located throughout the state. Although the portfolio transferred to CHFA, both agencies continue to have separate roles in the administration of most of these units.

Department of Economic and Community Development. DECD continues to be the lead state housing agency and retains control of the sale or disposition of any state-financed housing development in the portfolio and administers a number of programs, particularly a state-funded rent subsidy program for elderly/disabled housing developments also known as the Elderly Rental Assistance Program or Elderly RAP.

Connecticut Housing Finance Authority. As noted above, CHFA now oversees the state's housing portfolio including the approval of its management plans, including those serving the elderly/young disabled. During the period of operation of such housing development, housing authorities or other entities are required to submit to CHFA for approval their rent schedules and standards of tenant eligibility and any changes therein, and their proposed budget for each fiscal year, together with such reports and financial and operating statements as the DECD or CHFA finds necessary. Additionally, they are to annually submit verification that the significant facilities and services required to be provided to the residents pursuant to Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 USC 3600 et seq.) are being provided.

Therefore, each year housing authorities or other entities that manage state-financed housing must submit management plans to the state for approval. Each plan, which is the operating budget for each housing development being managed by the entity, contains the rents charged, the total revenues generated, and total expenditures for each housing development. From these budgets CHFA evaluates how each housing development is doing financially, whether rents should be increased, or further reserves established.

At present, there are 200 state elderly/disabled housing developments located throughout the state. Local housing authorities operate all but seven of the 200 state elderly/disabled housing developments. The total number of state elderly/disabled housing units is **7,256**. It is important to note that there are eleven (11) elderly housing projects that are not included in this report. This is primarily because this project-based rental assistance has historically provided sufficient operating funds, as well as sufficient capital reserves to ensure the long-term financial and physical health of these

properties. The number of units in each town with state elderly/disabled housing developments ranges from 20 units to 240 units.

In accordance with Section 8-45 CGS, housing authorities that operate state elderly/disabled housing developments must cover their operating costs with rent revenues and other housing development income, such as interest from investments. At the same time, tenants pay a "base rent" amount, which by law must be the lowest amount the housing development requires to meet expenses, or a percentage of their income up to 30 percent, whichever is greater. The state currently provides no operating subsidies for elderly/disabled housing developments. However, as indicated above, DECD administers a program of tenant-based rental assistance that is available to 46 of the 92 owners/sponsors of these units.

All state elderly/disabled tenants must be low-income (defined as less than 80 percent of area median income), however, there is no asset limitation. As a result, there are individuals living in housing developments who pay more than base rent and pay up to 30 percent of their monthly adjusted income. Income from what are known as "excess of base" tenants allows owners/sponsors to maintain reserves for long-term expenses and to keep "base rent" increases to a minimum.

Historically, the highest income tenants tend to be elderly individuals who have pensions, income from investments, or other assets that provide income in addition to social security retirement benefits. Generally speaking young disabled individuals are unlikely to have any accumulated assets or income sources other than social security disability (SSI) benefits. As a result, non-elderly disabled residents tend to have lower incomes than their elderly counterparts. These tenants provide less rent revenue to support housing development costs, are unlikely to produce significant excess of base income, and are more likely to need tenant rental assistance. Logically, young disabled tenants are also likely to stay in residence longer than elderly tenants, due to their lower ages upon entry and lack of alternative affordable housing.

The Legislative Program Review and Investigations Committee (LPRIC) recently studied the possibility of serious financial problems resulting from mixed populations in state elderly/disabled housing. The financial impact of the mixed population policy is related both to the very low incomes of many non-elderly disabled persons and the rent structure required for state elderly/disabled housing developments. As noted by LPRIC the critical lack of affordable and accessible housing in Connecticut also contributes to this problem. In addition, the elderly turnover rate tends to be higher than that of the younger disabled because of death or progressive need for more intensive assisted living arrangements as they age.

Many sponsors believe increasing admissions of younger disabled tenants with incomes limited to SSI benefits will have a significant financial impact on the operations of these developments. Without the excess of base revenues from higher income tenants or some increase in state rental assistance with escalating operating budgets, current operations cannot be sustained without large increases in the base rent. The result will

be less access for very low-income individuals and the accelerated deterioration of the properties making them unsuitable housing for anyone.

Elderly Rental Assistance Program – A Brief Description

The Elderly Rental Assistance Program (Elderly RAP), administered by the DECD, provides rental assistance for residents of state-funded elderly housing developments. Participants must spend more than 30 percent of their income on rent and utilities in order to qualify. The amount of rental assistance is the difference between 30 percent of the individual's adjusted gross income, minus a utility allowance and the base rent. Sponsors that operate state-assisted housing determine which of their tenants are eligible based on annual certifications of tenants' income.

In SFY 04, DECD provided approximately \$1.4 million in elderly RAP subsidies to 1,238 units, which are administered by 46 different sponsors. Even though state elderly/disabled housing rents are generally well below market rates and among the lowest of publicly assisted housing rents, a substantial number of elderly and disabled residents lack sufficient income to pay even base rents. As a group, younger disabled residents need subsidies to afford base rents more than the population of elderly tenants. Tenant rent subsidies on average range from just a few dollars to nearly all of the entire monthly base rent charge.

As discussed earlier, responsibility for overseeing the state's entire portfolio of existing subsidized housing, which includes state elderly/disabled housing developments, was transferred to CHFA from DECD in July 2002. In this new management role, CHFA is now responsible for reviewing and approving the rent schedules and budgets of all state elderly/disabled housing developments.

Rents for state elderly/disabled housing developments vary widely depending several factors including:

- the housing development's financial condition;
- how and when the housing development received state funding (e.g., housing developments financed with grants and early housing developments that received the lowest interest loans generally have the lowest capital costs); and
- the types of services included in the monthly rental charge, which can range from water only to all utilities.

A housing development's rent structure is also impacted by the amount of tenant rental assistance it receives, if any, under the state's Elderly RAP program. Under the current division of authority for state housing, CHFA is responsible for asset management and budget review. DECD is in control of the state elderly RAP as well as some potential resources for capital improvements.

Ensuring financial stability and affordable rents requires coordination of CHFA's action on rent increase requests and DECD's allocation of tenant rent subsidy funds.

Purpose of the Report

The General Assembly passed Public Act 05-239 ***An Act Implementing the Recommendations of the Legislative Program Review and Investigations Committee Relating To Populations in State Elderly and Disabled Housing Projects. (Attachment 1)*** This legislation placed many requirements on both the Department of Economic and Community Development (DECD) and the Connecticut Housing Finance Authority (CHFA). ***The particular requirement addressed in this report is found in Section 2.*** Specifically, Section 2 of this act requires the DECD, in consultation with the CHFA to conduct a comprehensive assessment of the current and future needs for rental assistance under section 8-119kk of the general statutes.

As a result, both agencies met again on August 2, 2005 to begin discussion on all provisions of PA 05-239. DECD staff again met with CHFA staff on August 17, 2005 to begin discussion on the specific requirements in Section 2. A plan of action was developed. This plan included:

1. DECD would develop an Occupancy Survey (***Attachment 2***) of all elderly sponsors to obtain detailed information on all current residents, as well as information on those applicants on their waiting lists who would be most likely to occupy units in the next 3 years
2. CHFA would continue its collection of Capital Needs data from those same owners/sponsors.
3. Both the Occupancy Survey and the Capital Needs data effort would be “rolled out” at the Connecticut Chapter of the National Association of Housing and Redevelopment Officials (CONN-NAHRO) Conference, which was slated to be held August 29 thru 31, 2005.
4. A direct mailing of the survey would also occur immediately following the Conference.
5. DECD and CHFA were to meet as necessary, as well as independently analyze the data they collected, and come together in January/February to merge the data, and build their analysis.
6. DECD and CHFA again met on March 20, 2006 to finalize this report.
7. The final report was to be developed and ready for distribution on or before April 1, 2006.

This plan of action was implemented, and subsequent meetings between DECD and CHFA staff were held. Data was exchanged, and the attached data sheets were the result.

Occupancy Survey - Methodology

As planned, the Occupancy Survey was “rolled out” at the CONN-NAHRO Conference on August 30, 2005. On the following Monday, September 6, 2005, a direct mailing and/or email transmission of the Occupancy Survey documents went out to all ninety-two (92) owners/sponsors of state-financed non-Section 8 assisted elderly rental housing (**Attachment 3**). As indicated in the Notice, a return date of September 30, 2005 was slated for the return data.

It is important to note that there are eleven (11) elderly housing projects that were not included in this survey, because they are currently receiving federal assistance through the Section 8 New Construction-Substantial Rehabilitation Program. This project-based rental assistance has historically provided sufficient operating funds, as well as sufficient capital reserves to ensure the long-term financial and physical health of these properties.

As a result of the distribution of this survey, and the rollout efforts by DECD with the assistance of CONN-NAHRO, an 89% return rate on the survey was achieved (**Attachment 4**), with only two (2) sponsors indicating that they would not participate in the survey and would not provide the data requested. Although a number of smaller housing authorities were not able to provide the necessary data in time to be used in the data analysis, two (2) local housing authorities (Litchfield and Thomaston) specifically wrote to DECD indicating that they would not provide the requested data, as they had no intention of participating in Elderly RAP if offered the opportunity to do so.

Attachment 3 also includes information on those housing authorities provided the capital needs data requested by CHFA. This methodology and the data collected will be discussed in the following section.

Capital Needs Data - Methodology

The Connecticut Housing Finance Authority implemented a comprehensive Capital Needs Assessment (C.N.A.) survey of all state-financed housing providers, including Housing Authorities, Non-Profits, Developers and Limited Equity Co-ops. An initial survey was developed and distributed in June 2004. Based on initial feedback and in-house review of responses, the C.N.A. was revised with expanded categories, including 153 specific capital needs items. The survey requested that items be categorized according to one of five areas of urgency as defined below:

1. **Emergency** - Immediate action to correct an imminent threat and risk to public safety. Usually having to do with something that breaks or cannot produce its intended purpose for basic service, like hot water, weather proofing, etc. (Health, Safety, and Code Violation). Year 1, Occupied Units.

2. **Deferred maintenance** - a deliberate postponement in the upkeep of property or equipment for an item that may be wearing out but is still marginally functional and in need of repair or replacement. Year 2–3. Occupied Units.
3. **Rehabilitation** - to restore to its former capacity of efficiency and appearance by correcting physical and aesthetic deterioration. Year 4-5. Can be Occupied or Vacant Units.
4. **Substantial Rehabilitation** - Gut rehabilitation; removing all sheetrock to framing; removing and replacing all mechanical systems. Building retains its original configuration. Year 4-5. Vacant Units.
5. **Revitalization/ Restructuring** - To change the make up of, increase or decrease the bedroom mix or unit expansion. To provide new life and appearance to the project by demolition and/or new development. Year 2 through 5. Vacant Units.

Specific categories allowed data collection to be more focused; for example general plumbing was broken down into specifics to include finished plumbing, rough plumbing and kitchen plumbing. The returned surveys were filled out by either on-site staff, management company representatives or were based on results of a professional capital needs study or contractor quotes for work. Two additional surveys were distributed, in July 2005 and again in February 2006. CHFA staff will begin site visits in April 2006 to field verify the urgency of need for these capital improvements.

To date, 100% of housing authorities have completed the capital needs survey; 21% of non-profits and 35% of the private developers have also responded. Although the final survey response date has passed, CHFA continues to incorporate Can’s as they are returned.

Capital Needs Findings

Capital needs for the 6,797 elderly units by Category of Urgency is as follows:

	<u>All Categories</u>	<u>W/out Revitalization</u>
Emergency	\$13,683,498	\$13,683,498
Deferred Maintenance	\$22,494,956	\$22,494,956
Rehabilitation	\$13,103,794	\$13,103,794
Substantial Rehabilitation	\$13,500,205	\$13,500,205
Revitalization/Restructuring	\$41,258,269	---0---
<hr/>		
Total Capital Needs	\$104,040,722	\$62,782,453
Less Available Reserves after \$1,000/unit set-aside	\$19,035,159	\$19,035,159
Net Capital Needs	\$85,005,563	\$43,747,294

These categories can be further defined in accordance with definitions that DECD has provided to CHFA. **Attachment 5** further describes these definitions.

It is CHFA policy to maintain a minimal level of reserves at all times; \$1,000 per unit. As indicated above, this would mean that all other reserves would be considered “available” for use in addressing these capital needs. In a macro view, this is accurate, however, on a project-by-project view, some projects have much healthier reserves than others, and not all of the “available” reserves would match where the needs are most critical.

Therefore, when attempting to address the capital needs of this portfolio, the full \$85,005,563 value should be used as an estimate for the total cost.

Although this capital needs data is not incorporated into the analysis for further subsidy needs, it is important to note that the failure to address these capital needs, both in the short-term and the long-term, will result in a negative outcome for these projects.

Depending on how the cost of meeting emergency and long-term capital needs are to be funded, assuming that housing development “self sufficiency” continues to be a goal, an additional **\$85,000,000** in capital funding is also needed. It may be possible to finance this capital funding with Elderly RAP subsidies, however, this methodology needs to be further refined before a recommendation can be made.

Other Factors

Since May 2005, DECD has taken a very hard look at the funding availability under the Elderly RAP, and came to the conclusion that insufficient funding was in place to consider any base rent increases for the period beginning July 1, 2005. A notice went out to all participants at that time, that program participation would be limited to the current tenants, and that no base rent increases could be considered. (*See Attachment 4*) Six (6) owners/sponsors had already requested base rent increases, which were subsequently denied by CHFA due to the lack of funds under Elderly RAP. These six (6) owners/sponsors subsequently submitted zero increase budgets to CHFA, but as a result were unable to allocate any funds for reserve expenditures, and resulted in zero flexibility in their ability to cover any uncontrollable and unanticipated increases in cost over the coming period. As one would expect, significant increases in fuel costs occurred almost immediately, and these six (6) owners/sponsors are now in a position where uncontrollable costs have escalated outside of their ability to address them within their operating budgets. This means that there are currently insufficient revenues to pay for operating expenses, and these properties are running significant deficits, which are further draining the long-term capital reserves, and severely damaging the long-term financial health of these properties.

In an attempt to bring this issue out, one owner has formally asked to “opt out” of participation in the Elderly RAP, and two others have indicated an interest in looking at the issue. It is the belief of one housing authority that opting out of Elderly RAP will allow them to raise the base rents to levels necessary to fund their operations.

However, it would also negatively impact the demographics of their occupancy, since they would only be able to rent to persons who have a “demonstrated ability to pay” the new higher base rent. With higher base rents, the very low-income applicants on their waiting lists (mostly the young disabled) would be determined to be unable to pay the new higher base rents, and therefore ineligible for occupancy. This statement is borne out by the analysis of the Waiting List information in the next section.

Data Analysis: Current Year and Year 1

An analysis of this data was completed, however, certain limitations or assumptions had to be made in order to bring consistency and order to the data sets. These assumptions include the following:

1. Only data provided on or before 12/1/2005 was used in the analysis in order to meet the reporting deadline of April 1, 2006;
2. Waiting List information was collected for an “average” three-year turnover period. Actual turnover may be different from housing development to housing development;
3. A “macro” approach to values was used when making adjustments for increasing operation costs due to uncontrollable expenses (i.e. utilities, inflation, changing tenant payments due to tenant turnover, etc.); and
4. Rent increase information provided by the owners/sponsors were taken at face value. No attempts at justifying these data sets were made at this time. This is due to a number of factors, which include timing of the report, lack of available 3rd Quarter Financial Statements to verify expenditures, differentials in utility services provided at each facility, ongoing contract negotiations at the various housing authorities, and tenant turnover.

For the Current Year and SFY 06/07, we will show incremental changes that were used to build the rationale for the various adjustments throughout the analysis.

Adjustment #1

Referring to Table #1, there is a current year need (the period ending June 30, 2006) for \$535,088 in additional Elderly RAP subsidies. This is due to a number of factors, which include, but are not limited to:

1. Denied base rent increases requested for July 1, 2005;
2. Base rent increases which were necessary in January 2006, but which were disallowed due to a lack of subsidies;
3. An unanticipated 22% increase in utility costs at most facilities; and
4. Changing incomes of residents due to tenant turnover (an additional 69 residents would qualify for Elderly RAP).

**Table 1
SFY 05-06 Elderly RAP Funding**

Number of Elderly RAP Participants	Current Allocation from the General Fund	Additional Allocation Necessary to Balance
46 Housing developments	\$1,523,004	\$535,088
1,331 Residents	Average Monthly Cost Per Participant	\$ 95.35
1,400 Residents	Revised Average Monthly Cost Per Participant	\$ 122.25

Adjustment #2

Referring to Table #2, there is a need in SFY 06-07 of \$2,927,758 in Elderly RAP subsidies. This is due to a number of factors, which include, but are not limited to:

1. All of the prior adjustments for FY 05/06;
2. Base rent increases which have been identified through the survey, to be effective in July 06 or January 07; and
3. Changing incomes of residents due to annual income re-certification (an additional 84 residents are anticipated to qualify for Elderly RAP).

With an unadjusted allocation of \$1,523,004, and a gap of \$535,088 from SFY 05/06, an additional \$869,666 in subsidies is anticipated. This is before any adjustment is made for “anticipated” tenant turnover and without additional participation in the Elderly RAP.

**Table 2
SFY 06-07 Elderly RAP Funding**

Number of Elderly RAP Participants	Current Allocation from the General Fund	Additional Allocation Necessary to Balance 05/06	Additional Allocation Known Rent Increases	Average Monthly Cost Per Participant
95 Housing developments 46 Owners 1,400 Residents	\$1,523,004	\$535,088	N/A	\$122.25
95 Housing developments 46 Owners 1,484 Residents	\$1,523,004	\$535,088	\$869,666	\$164.41

Adjustment #3

Table #3 looks at fully subscribing participation in the Elderly RAP (with the only exceptions being the Litchfield Housing Authority and the Thomaston Housing Authority), then the total need for SFY 06-07 jumps to \$3,914,645, an increase of

\$986,887 over the previously adjusted \$2,927,758 allocation. This is due to a number of factors, which include, but are not limited to:

1. All of the prior adjustments
2. The addition of 44 owners/93 Housing developments/1500+ Residents

Table 3
SFY 06-07 Elderly RAP Funding – Full Participation

Number of Elderly RAP Participants	Current Allocation from the General Fund	Additional Allocation Necessary to Balance 05/06	Additional Allocation Known Rent Increases	Additional Allocation For Full Participation	Average Monthly Cost Per Participant
95 Housing developments 46 Owners 1,484 Residents	\$1,523,004	\$535,088	\$869,666	N/A	\$164.41
187 Housing developments 90 Owners 3,000+ Residents	\$1,523,004	\$535,088	\$869,666	\$986,887	\$108.74

Adjustment #4

Finally, for SFY 06-07, with full participation, and an estimated change in subsidy due to tenant turnover, and based on the Waiting List information provided in the DECD survey, Table #4 shows the total need for SFY 06-07 Elderly RAP is \$4,372,659.

Table 4
SFY 06-07 Elderly RAP Funding – Full Participation and Tenant Turnover

Number of Elderly RAP Participants	Current Allocation from the General Fund	Additional Allocation Necessary to Balance 05/06	Additional Allocation Known Rent Increases	Additional Allocation For Full Participation	Percent Increase due to Changing Incomes 11.7% Increase	Average Monthly Cost Per Participant
187 Housing developments 90 Owners 3,000+ Residents	\$1,523,004	\$535,088	\$869,666	\$986,887	N/A	\$108.74
187 Housing developments 90 Owners 3,000+ Residents	\$1,523,004	\$535,088	\$869,666	\$986,887	\$458,014	\$121.46

An analysis of the waiting list information provided also indicates a negative trend within each age category. On average, the income differential between the “over 62” applicants, and the young disabled applicants on the waiting list is substantial. Based on the data provided, there is a 29.29% differential between these groups. That is, on average, a young disabled applicant has 29.3% less income than an “over 62” applicant. In addition, forty percent (40%) of the applicants on the current waiting list are in this lower income group. This would have a negative effect on the available excess of base income available, and add to the growing number of residents who “need” Elderly RAP in order to be able to afford to live in these housing developments. Therefore, using this “macro” approach, and assuming that 40% of any new tenants would be in the lower income group, an 11.7% increase can be anticipated.

Data Analysis: Out Years 2 thru 5

The “Out Years” refers to the anticipated funding needs for SFY 08, SFY 09, SFY 10 and SFY 11. Again, Table #5 contains certain assumptions had to be made in order to bring consistency and order to the data sets. This is due to a number of factors, which include, but are not limited to:

1. All of the prior adjustments;
2. Continued downward trending of incomes when compared to inflation (11.7%);
3. Uncontrollable expenses (i.e. utilities, insurance) accelerating at a rate above inflation (additional 2.5%); and
4. Inflation at a flat 2.5% increase.

**Table 5
Out Years Elderly RAP Funding**

SFY 06/07 Base Year	SFY 07/08	SFY 08/09	SFY 09/10	SFY 10/11
\$4,372,659	\$5,131,526	\$6,022,092	\$7,067,215	\$8,293,717

Table #5 shows these anticipated subsidy needs for each of the respective fiscal years.

As previously indicated, the funding for the Out Years are shown assuming full participation (with the exception of Litchfield and Thomaston, and the eleven Section 8 assisted developments) as well as the adjustments for uncontrollable cost escalations and the changing demographics.

Conclusion

With the elderly population projected to dramatically increase over the next 10 years (it is expected to triple), beginning to address the preservation and affordability of our existing housing stock is critical to keeping up to the needs of this population group and with the issue.

Further, both emergency and revitalization funds are necessary over the next 2-5 years in order to preserve these units as decent, safe and sanitary housing for our elderly and young disabled populations.

In accordance with the requirements of Public Act 05-239, the current and future funding needs of this important component of the affordable housing stock of the State of Connecticut are as follows: SFY 05-06 \$2,058,092; SFY 06-07 \$4,372,659; SFY 07-08 \$5,131,526; SFY 08-09 \$6,022,092; SFY 09-10 \$7,067,215; and SFY 10-11 \$8,293,717.

The Department of Economic and Community Development is available to discuss the details of this analysis.

APPENDIX 2
ERAP, APRIL 2007

<u>Sponsor/Owner</u>	<u>Property Names</u>
Ashford Housing Authority	Pompey Hollow
Branford Housing Authority	Parkside Village I&II
Brookfield Housing Authority	Brooks Quarry
Colchester Housing Authority	Dublin & Ponemah Village
CPS Properties (New Britain)	Security Manor
Danbury Housing Authority	Crosby Manor & Glen Apts
Deep River Housing Authority	Kirtland commons
Enfield Housing Authority	Ella Grasso, Enfield Manor, Woodside Ct
Essex Housing Authority	Essex Court
Faith Manor Housing	Faith Manor
Guilford Housing Authority	Boston terrace, Guilford Ct
Hamden Housing Authority	Centerville & Hamden Village, Mt. Carmel
Hebron Housing Authority	Stonecroft Village
Killingly Housing Authority	Birchwood Terrace, Maple Cts
Manchester Housing Authority	Spencer Village
Mansfield Housing Authority	Wright's Village
Marlborough Assoc. Sr Hsg (MASH)	Florence S Lord
Milford Housing Authority	Jagoe Commons, MsKeen Village, DeMaio Gardens
Monroe Housing Authority	Fairway Acres
Montville Housing Authority	Freedom & Independence Village
New London Housing Authority	Gordon/Rizzo Cts, Carver Building
North Branford Housing Authority	Hillside Trrace & Ext
Norwalk Housing Authority	Ludlow Village
Norwich Housing Authority	Eastwood Ct, Schwartz Manor, Rosewood Manor
Oxford Housing Authority	Crestview Ridge
Plymouth Housing Authority	Gosinski Park
Portland Housing Authority	Quarry Heights
Preston Housing Authority	Lincoln Park
Putnam Housing Authority	Crabtree Apt, Wm St Onge Apts
Ridgefield Housing Authority	Ballard Green & Ext
Ryefield Manor (Old Lyme)	Ryefield Manor
Seymour Housing Authority	Norman Ray House
Simsbury Housing Authority	Murphy & Ext Apts
South/Southwest Housing (Hartford)	MJ Caruso Gables
Spanish American Development Agency, Inc. (SADA)	
Bridgeport Housing Authority (manager)	Forrest Green Homes
Stamford Housing Authority	Edward Czescik Homes
Stratford Housing Authority	Lucas Gardens I & II, Shiloh Gardens
The Atlantic (Stamford)	The Atlantic
Tolland Housing Authority	Old Post Road
Torrington Housing Authority	Klaurel Acres, Thompson Heights, Willow Gardens
Vernon Housing Authority	Franklin Park, Grove Ct, Windmere Ct
Wallingford Housing Authority	Eastside & SouthsideTerrace, McGuire Ct, Savage Apts
Waterbury Housing Authority	Begg, Kelly, FDR Apts
Wethersfield Housing Authority	Adams & Fuller Apts, Devlin Ct
Willimantic Housing Authority	Honan & Trumbull Terrace
Windsor Locks Housing Authority	Southwest Terrace

APPENDIX 2
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<u>Sponsor/Owner</u>	<u># of Properties</u>	<u>Method of Participation</u>	<u># of Units</u>
Ashford Housing Authority	1	Seniority	32
Branford Housing Authority	2	Seniority	90
Brookfield Housing Authority	1	Seniority	35
Colchester Housing Authority	3	Need	70
CPS Properties (New Britain)	1	Seniority	50
Danbury Housing Authority	3	Need	150
Deep River Housing Authority	1	Seniority	26
Enfield Housing Authority	6	Seniority	200
Essex Housing Authority	1	Need	36
Faith Manor Housing	1	Seniority	40
Guilford Housing Authority	3	Seniority	90
Hamden Housing Authority	4	Seniority	190
Hebron Housing Authority	1	Seniority	25
Killingly Housing Authority	3	Seniority	120
Manchester Housing Authority	2	Need	80
Mansfield Housing Authority	2	Need	40
Marlborough Assoc. Sr Hsg (MASH)	1	Need	24
Milford Housing Authority	4	Opted Out	135
Monroe Housing Authority	1	Seniority	30
Montville Housing Authority	2	Seniority	80
New London Housing Authority	2	Seniority	210
North Branford Housing Authority	2	Seniority	60
Norwalk Housing Authority	1	Seniority	30
Norwich Housing Authority	4	Seniority	183
Oxford Housing Authority	1	Seniority	34
Plymouth Housing Authority	2	Seniority	60
Portland Housing Authority	2	Seniority	70
Preston Housing Authority	1	Need	40
Putnam Housing Authority	2	Seniority	40
Ridgefield Housing Authority	2	Need	60
Ryefield Manor (Old Lyme)	1	Need	39
Seymour Housing Authority	1	Need	40
Simsbury Housing Authority	2	Seniority	70
South/Southwest Housing (Hartford)	1	Seniority	36
Spanish American Development Agency, Inc. (SADA)			
Bridgeport Housing Authority (manager)	1	Need	24
Stamford Housing Authority	1	Need	50
Stratford Housing Authority	3	Opted Out	113
The Atlantic (Stamford)	1	Need	28
Tolland Housing Authority	1	Need	30
Torrington Housing Authority	4	Seniority	130
Vernon Housing Authority	4	Need	134
Wallingford Housing Authority	4	Seniority	155
Waterbury Housing Authority	3	Need	154
Wethersfield Housing Authority	3	Seniority	112
Willimantic Housing Authority	2	Seniority	90
Windsor Locks Housing Authority	1	Seniority	40
	95		3,575

APPENDIX 2
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<u>Sponsor/Owner</u>	<u># of Tenants on ERAP</u>	<u>FY06-07 Current Contract</u>	<u>Average Subsidy per Tenant</u>
Ashford Housing Authority	24	\$34,728	\$1,447
Branford Housing Authority	41	\$30,424	\$742
Brookfield Housing Authority	11	\$8,724	\$793
Colchester Housing Authority	48	\$59,500	\$1,240
CPS Properties (New Britain)	35	\$58,684	\$1,677
Danbury Housing Authority	89	\$98,226	\$1,104
Deep River Housing Authority	17	\$34,132	\$2,008
Enfield Housing Authority	61	\$27,940	\$458
Essex Housing Authority	1	\$1,000	\$1,000
Faith Manor Housing	30	\$77,008	\$2,567
Guilford Housing Authority	24	\$8,860	\$369
Hamden Housing Authority	10	\$6,748	\$675
Hebron Housing Authority	21	\$32,776	\$1,561
Killingly Housing Authority	25	\$15,412	\$616
Manchester Housing Authority	34	\$10,636	\$313
Mansfield Housing Authority	18	\$5,860	\$326
Marlborough Assoc. Sr Hsg (MASH)	19	\$41,352	\$2,176
Milford Housing Authority	0	\$0	\$0
Monroe Housing Authority	15	\$15,364	\$1,024
Montville Housing Authority	14	\$7,840	\$560
New London Housing Authority	80	\$155,212	\$1,940
North Branford Housing Authority	20	\$20,068	\$1,003
Norwalk Housing Authority	15	\$13,120	\$875
Norwich Housing Authority	109	\$77,764	\$713
Oxford Housing Authority	23	\$30,868	\$1,342
Plymouth Housing Authority	1	\$1,792	\$1,792
Portland Housing Authority	36	\$35,944	\$998
Preston Housing Authority	18	\$12,760	\$709
Putnam Housing Authority	32	\$23,500	\$734
Ridgefield Housing Authority	30	\$26,152	\$872
Ryefield Manor (Old Lyme)	32	\$66,992	\$2,094
Seymour Housing Authority	20	\$18,388	\$919
Simsbury Housing Authority	10	\$5,776	\$578
South/Southwest Housing (Hartford)	28	\$40,816	\$1,458
Spanish American Development Agency, Inc. (SADA)			
Bridgeport Housing Authority (manager)	22	\$52,108	\$2,369
Stamford Housing Authority	40	\$86,788	\$2,170
Stratford Housing Authority	0	\$0	\$0
The Atlantic (Stamford)	20	\$34,252	\$1,713
Tolland Housing Authority	5	\$1,744	\$349
Torrington Housing Authority	19	\$8,752	\$461
Vernon Housing Authority	3	\$2,404	\$801
Wallingford Housing Authority	46	\$23,428	\$509
Waterbury Housing Authority	54	\$34,040	\$630
Wethersfield Housing Authority	81	\$113,236	\$1,398
Willimantic Housing Authority	54	\$47,179	\$874
Windsor Locks Housing Authority	9	\$6,196	\$688
	1,344	\$1,514,493	\$1,126.85

APPENDIX 2
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<u>Sponsor/Owner</u>	<u>Flat Budget # of Tenants Assisted</u>	<u>Avg Subsidy per Tenant</u>
Ashford Housing Authority	24	\$1,447
Branford Housing Authority	30	\$1,016
Brookfield Housing Authority	9	\$1,011
Colchester Housing Authority	45	\$1,336
CPS Properties (New Britain)	30	\$1,960
Danbury Housing Authority	53	\$1,857
Deep River Housing Authority	17	\$2,057
Enfield Housing Authority	25	\$1,117
Essex Housing Authority	0	\$2,058
Faith Manor Housing	27	\$2,833
Guilford Housing Authority	16	\$558
Hamden Housing Authority	9	\$765
Hebron Housing Authority	17	\$1,900
Killingly Housing Authority	17	\$911
Manchester Housing Authority	14	\$786
Mansfield Housing Authority	10	\$563
Marlborough Assoc. Sr Hsg (MASH)	16	\$2,620
Milford Housing Authority	0	\$0
Monroe Housing Authority	12	\$1,282
Montville Housing Authority	13	\$613
New London Housing Authority	62	\$2,492
North Branford Housing Authority	20	\$1,003
Norwalk Housing Authority	11	\$1,203
Norwich Housing Authority	73	\$1,058
Oxford Housing Authority	20	\$1,524
Plymouth Housing Authority	1	\$1,239
Portland Housing Authority	30	\$1,210
Preston Housing Authority	14	\$885
Putnam Housing Authority	19	\$1,222
Ridgefield Housing Authority	21	\$1,217
Ryefield Manor (Old Lyme)	31	\$2,144
Seymour Housing Authority	12	\$1,528
Simsbury Housing Authority	9	\$661
South/Southwest Housing (Hartford)	18	\$2,292
Spanish American Development Agency, Inc. (SADA)		
Bridgeport Housing Authority (manager)	18	\$2,974
Stamford Housing Authority	30	\$2,903
Stratford Housing Authority	0	\$0
The Atlantic (Stamford)	14	\$2,410
Tolland Housing Authority	2	\$907
Torrington Housing Authority	18	\$480
Vernon Housing Authority	3	\$801
Wallingford Housing Authority	28	\$829
Waterbury Housing Authority	29	\$1,189
Wethersfield Housing Authority	60	\$1,872
Willimantic Housing Authority	38	\$1,244
Windsor Locks Housing Authority	9	\$657
	975	\$1,553.13

**APPENDIX 3
ERAP, APRIL 2007**

<u>Sponsor/Owner</u>	<u># of Units</u>	<u># of Tenants on ERAP</u>	<u>FY06-07 Current Contract</u>	<u>Average Subsidy per Tenant</u>
Ashford Housing Authority	32	24	\$34,728	\$1,447
Branford Housing Authority	90	41	\$30,424	\$742
Brookfield Housing Authority	35	11	\$8,724	\$793
Colchester Housing Authority	70	48	\$59,500	\$1,240
CPS Properties (New Britain)	50	35	\$58,684	\$1,677
Danbury Housing Authority	150	89	\$98,226	\$1,104
Deep River Housing Authority	26	17	\$34,132	\$2,008
Enfield Housing Authority	200	61	\$27,940	\$458
Essex Housing Authority	36	1	\$1,000	\$1,000
Faith Manor Housing	40	30	\$77,008	\$2,567
Guilford Housing Authority	90	24	\$8,860	\$369
Hamden Housing Authority	190	10	\$6,748	\$675
Hebron Housing Authority	25	21	\$32,776	\$1,561
Killingly Housing Authority	120	25	\$15,412	\$616
Manchester Housing Authority	80	34	\$10,636	\$313
Mansfield Housing Authority	40	18	\$5,860	\$326
Marlborough Assoc. Sr Hsg (MASH)	24	19	\$41,352	\$2,176
Milford Housing Authority	135	0	\$0	\$0
Monroe Housing Authority	30	15	\$15,364	\$1,024
Montville Housing Authority	80	14	\$7,840	\$560
New London Housing Authority	210	80	\$155,212	\$1,940
North Branford Housing Authority	60	20	\$20,068	\$1,003
Norwalk Housing Authority	30	15	\$13,120	\$875
Norwich Housing Authority	183	109	\$77,764	\$713
Oxford Housing Authority	34	23	\$30,868	\$1,342
Plymouth Housing Authority	60	1	\$1,792	\$1,792
Portland Housing Authority	70	36	\$35,944	\$998
Preston Housing Authority	40	18	\$12,760	\$709
Putnam Housing Authority	40	32	\$23,500	\$734
Ridgefield Housing Authority	60	30	\$26,152	\$872
Ryefield Manor (Old Lyme)	39	32	\$66,992	\$2,094
Seymour Housing Authority	40	20	\$18,388	\$919
Simsbury Housing Authority	70	10	\$5,776	\$578
South/Southwest Housing (Hartford)	36	28	\$40,816	\$1,458
Spanish American Development Agency, Inc. (SADA)				
Bridgeport Housing Authority (management agency)	24	22	\$52,108	\$2,369
Stamford Housing Authority	50	40	\$86,788	\$2,170
Stratford Housing Authority	113	0	\$0	\$0
The Atlantic (Stamford)	28	20	\$34,252	\$1,713
Tolland Housing Authority	30	5	\$1,744	\$349
Torrington Housing Authority	130	19	\$8,752	\$461
Vernon Housing Authority	134	3	\$2,404	\$801
Wallingford Housing Authority	155	46	\$23,428	\$509
Waterbury Housing Authority	154	54	\$34,040	\$630
Wethersfield Housing Authority	112	81	\$113,236	\$1,398
Willimantic Housing Authority	90	54	\$47,179	\$874
Windsor Locks Housing Authority	40	9	\$6,196	\$688
Total RAP Participants	3,575	1,344	\$1,514,493	\$1,126.85

**APPENDIX 3
ERAP, APRIL 2007**

<u>Sponsor/Owner</u>	<u>If no Increase</u>	<u>If no Increase</u>	<u>Funding Necessary</u>
	<u>in Budget # of</u>	<u>in Budget # of</u>	<u>to Maintain Current</u>
	<u>Tenants Assisted</u>	<u>Tenants Lost</u>	<u>Tenant Participation</u>
Ashford Housing Authority	24	0	\$0
Branford Housing Authority	30	11	\$15,489
Brookfield Housing Authority	9	2	\$3,317
Colchester Housing Authority	45	3	\$4,828
CPS Properties (New Britain)	30	5	\$7,086
Danbury Housing Authority	53	36	\$50,562
Deep River Housing Authority	17	0	\$565
Enfield Housing Authority	25	36	\$50,372
Essex Housing Authority	0	1	\$720
Faith Manor Housing	27	3	\$3,940
Guilford Housing Authority	16	8	\$11,357
Hamden Housing Authority	9	1	\$1,651
Hebron Housing Authority	17	4	\$5,252
Killingly Housing Authority	17	8	\$11,317
Manchester Housing Authority	14	20	\$28,655
Mansfield Housing Authority	10	8	\$10,638
Marlborough Assoc. Sr Hsg (MASH)	16	3	\$4,500
Milford Housing Authority	0	0	\$0
Monroe Housing Authority	12	3	\$4,221
Montville Housing Authority	13	1	\$1,687
New London Housing Authority	62	18	\$24,819
North Branford Housing Authority	20	0	\$0
Norwalk Housing Authority	11	4	\$5,730
Norwich Housing Authority	73	36	\$49,750
Oxford Housing Authority	20	3	\$3,835
Plymouth Housing Authority	1	0	\$0
Portland Housing Authority	30	6	\$8,805
Preston Housing Authority	14	4	\$5,021
Putnam Housing Authority	19	13	\$17,885
Ridgefield Housing Authority	21	9	\$11,915
Ryefield Manor (Old Lyme)	31	1	\$1,060
Seymour Housing Authority	12	8	\$11,156
Simsbury Housing Authority	9	1	\$1,770
South/Southwest Housing (Hartford)	18	10	\$14,270
Spanish American Development Agency, Inc. (SADA)			
Bridgeport Housing Authority (management agency)	18	4	\$6,274
Stamford Housing Authority	30	10	\$14,140
Stratford Housing Authority	0	0	\$0
The Atlantic (Stamford)	14	6	\$8,103
Tolland Housing Authority	2	3	\$4,309
Torrington Housing Authority	18	1	\$1,094
Vernon Housing Authority	3	0	\$0
Wallingford Housing Authority	28	18	\$24,829
Waterbury Housing Authority	29	25	\$35,532
Wethersfield Housing Authority	60	21	\$28,729
Willimantic Housing Authority	38	16	\$22,525
Windsor Locks Housing Authority	9	0	\$0
Total RAP Participants	975	369	\$517,707
		New \$'s	\$509,196
	Total Funding Needed		\$2,032,200

APPENDIX 4
ERAP, APRIL 2007

<u>Sponsor/Owner</u>	<u># of Units</u>	<u># of Tenants Eligible for ERAP</u>	<u>Annualized Cost of ERAP Enrollment</u>	<u>Average Subsidy per Tenant</u>
Ashford Housing Authority	32	24	\$34,728	\$1,447
Branford Housing Authority	90	61	\$61,992	\$1,016
Brookfield Housing Authority	35	17	\$17,184	\$1,011
Colchester Housing Authority	70	51	\$68,112	\$1,336
CPS Properties (New Britain)	50	41	\$80,364	\$1,960
Danbury Housing Authority	150	114	\$211,728	\$1,857
Deep River Housing Authority	26	21	\$43,188	\$2,057
Enfield Housing Authority	200	103	\$115,008	\$1,117
Essex Housing Authority	36	4	\$8,232	\$2,058
Faith Manor Housing	40	36	\$101,976	\$2,833
Guilford Housing Authority	90	34	\$18,960	\$558
Hamden Housing Authority	190	28	\$21,420	\$765
Hebron Housing Authority	25	23	\$43,704	\$1,900
Killingly Housing Authority	120	50	\$45,552	\$911
Manchester Housing Authority	80	49	\$38,508	\$786
Mansfield Housing Authority	40	18	\$10,140	\$563
Marlborough Assoc. Sr Hsg (MASH)	24	20	\$52,392	\$2,620
Milford Housing Authority	135	36	\$16,872	\$469
Monroe Housing Authority	30	23	\$29,484	\$1,282
Montville Housing Authority	80	33	\$20,220	\$613
New London Housing Authority	210	131	\$326,508	\$2,492
North Branford Housing Authority	60	40	\$33,864	\$847
Norwalk Housing Authority	30	17	\$20,448	\$1,203
Norwich Housing Authority	183	130	\$137,604	\$1,058
Oxford Housing Authority	34	25	\$38,088	\$1,524
Plymouth Housing Authority	60	19	\$23,532	\$1,239
Portland Housing Authority	70	43	\$52,020	\$1,210
Preston Housing Authority	40	22	\$19,476	\$885
Putnam Housing Authority	40	35	\$42,780	\$1,222
Ridgefield Housing Authority	60	34	\$41,376	\$1,217
Ryefield Manor (Old Lyme)	39	32	\$68,616	\$2,144
Seymour Housing Authority	40	34	\$51,960	\$1,528
Simsbury Housing Authority	70	20	\$13,224	\$661
South/Southwest Housing (Hartford)	36	31	\$71,052	\$2,292
Spanish American Development Agency, Inc. (SADA) Bridgeport Housing Authority (management agency)	24	22	\$65,436	\$2,974
Stamford Housing Authority	50	40	\$116,100	\$2,903
Stratford Housing Authority	113	82	\$90,900	\$1,109
The Atlantic (Stamford)	28	24	\$57,840	\$2,410
Tolland Housing Authority	30	20	\$18,144	\$907
Torrington Housing Authority	130	42	\$20,176	\$480
Vernon Housing Authority	134	22	\$6,372	\$290
Wallingford Housing Authority	155	73	\$60,504	\$829
Waterbury Housing Authority	154	107	\$127,255	\$1,189
Wethersfield Housing Authority	112	90	\$168,504	\$1,872
Willimantic Housing Authority	90	74	\$92,088	\$1,244
Windsor Locks Housing Authority	40	14	\$9,192	\$657
Total RAP Participants	3,575	2,009	\$2,812,823	\$1,400.11

**APPENDIX 5
ERAP, APRIL 2007**

<u>Sponsor/Owner</u>	<u># of Properties</u>	<u># of Units</u>	<u>Known FY 06-07 Need</u>	<u>Estimated FY 07-08 Need</u>	<u># of RAP Units</u>
Ansonia Housing Authority	1	40	\$155,676	\$163,460	40
Berlin Housing Authority	1	30	5100	\$5,355	8
Bethel Housing Authority	1	40	\$1,296	\$1,361	2
Clinton Housing Authority	1	30	\$2,112	\$2,218	0
Coventry Housing Authority	1	40	\$1,224	\$1,224	0
Darien Housing Authority	1	30	\$5,232	\$5,494	0
Derby Housing Authority	3	106	\$55,812	\$58,603	0
East Hampton Housing Authority	2	70	\$13,608	\$14,288	22
East Hartford Housing Authority	1	30	\$21,576	\$22,655	21
East Windsor Housing Authority	3	84	\$3,996	\$4,196	7
Ellington Housing Authority	2	42	\$4,824	\$5,065	7
Fairfield Housing Authority	2	38	\$1,128	\$1,184	3
Glastonbury Housing Authority	3	140	\$103,416	\$108,587	68
Greenwich Housing Authority	1	51	\$127,716	\$134,102	40
Griswold Housing Authority	2	60	\$120	\$120	1
Groton Housing Authority	4	175	\$17,340	\$18,207	13
Ledyard Housing Authority	1	30	\$6,240	\$6,552	8
Litchfield Housing Authority	2	66	\$35,222	\$36,983	8
Middletown Housing Authority	1	40	\$2,244	\$2,356	7
Naugatuck Housing Authority	5	194	\$54,840	\$54,840	87
North Canaan Housing Authority	1	40	\$13,248	\$13,248	23
North Haven Housing Authority	2	70	\$13,140	\$13,797	21
Plainfield Housing Authority	1	40	\$3,504	\$3,679	10
Plainville Housing Authority	3	120	\$3,120	\$3,276	7
Rocky Hill Housing Authority	2	70	\$1,860	\$1,953	5
Shelton Housing Authority	3	120	\$54,252	\$56,965	48
Somers Housing Authority	2	54	\$36	\$38	1
Southington Housing Authority	5	180	\$7,332	\$7,699	27
Stafford Housing Authority	3	110	\$37,356	\$39,224	27
Stonington Housing Authority	2	60	\$14,232	\$14,944	24
Suffield Housing Authority	3	60	\$14,772	\$15,511	20
Thomaston Housing Authority	2	62	\$33,088	\$34,742	1
Trumbull Housing Authority	4	186	\$14,904	\$15,649	17
Watertown Housing Authority	3	120	\$8,616	\$9,047	14
West Hartford Housing Authority	1	40	\$15,696	\$16,481	21
Westbrook Housing Authority	1	32	\$26,078	\$27,382	16
Winchester Housing Authority	1	40	\$7,248	\$7,610	14
Windsor Housing Authority	3	112	\$22,584	\$23,713	38
Total Non RAP Participants	80	2,852	\$909,788	\$951,808	676
Missing Housing Authorities				<u>Presume 10% Need</u>	
Farmington Housing Authority	1	40		\$5,672	4
Morris Housing Authority	1	20		\$2,836	2
Newington Housing Authority	3	106		\$15,031	11
South Windsor Housing Authority	2	70		\$9,926	7
Sprague Housing Authority	1	20		\$2,836	2
Thompson Housing Authority	2	70		\$9,926	7
Voluntown Housing Authority	1	20		\$2,836	2
Woodstock Housing Authority	1	24		\$3,403	2
	12	370		\$52,466	37
Totals	92	3,222		\$1,004,274	713