

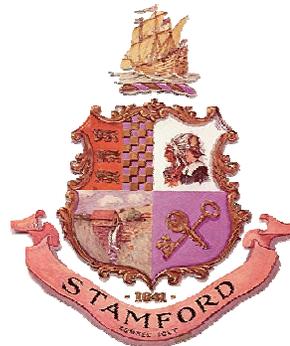
Neighborhood Stabilization Program 2

Grant Application Number 288975304



DECD

State of Connecticut
Department of Economic and
Community Development



Submitted to the
U.S. Department of Housing and Urban Development

By the
Connecticut Consortium
July 15, 2009

APPLICANT INFORMATION

Grantee Name	Connecticut Consortium
Name of Entity or Department Administering Funds	Connecticut Department of Economic & Community Development
Unique Application Number	288975304
DUNS #	807851043
EIN/TIN	EIN/TIN #30-0566789
CCR #	CAGE code- 5JOG4
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Web Address where application is posted	www.decd.org
Uniform Resource Locator (URL)	http://www.ct.gov/ecd/lib/ecd/housing_plans/posted_submitted_nsp2_application.pdf
Amount Grantee is Requesting	\$ 45,000,000

APPLICATION OVERVIEW

The *Connecticut Consortium* is made up of the major implementation entities engaged in housing, community and neighborhood development. Consortium participants have reached across their traditional sectors of activity to create a coordinated, statewide program for stabilizing neighborhoods impacted by foreclosure. Members were self selected and individually and collectively have the capacity to create large-scale impact either in a single community or across a broad geographic area. Representatives include state and municipal government, Community Development Financial Institutions (CDFIs)/Investors and nonprofits. The *Connecticut Consortium* members are:

- The Connecticut Department of Economic and Community Development (*Lead Applicant*)
- The City of Bridgeport
- The City of Hartford
- The City of New Haven
- The City of Stamford
- The Corporation for Independent Living
- The Greater New Haven Community Loan Fund
- Neighborhood Housing Services of Connecticut, Inc.

All of the members of the *Connecticut Consortium* operate under missions that directly impact community and housing development. This Consortium has designed a program for communities in the state that have been most impacted by foreclosure. The goal of Connecticut's program is to stabilize and transform Connecticut neighborhoods through the application of targeted, comprehensive strategies that promote physical revitalization, economic growth and opportunity, and enhanced quality of life.

The geographic focus of this program will be those census tracts with a high degree of foreclosure, vacancy rates and with an overall need for stabilization as identified through data provided by HUD. Foreclosure or Vacancy Scores of 17 or greater in the seventeen targeted NSP1 communities will be targeted for assistance under NSP2. In addition, a small number of census tract with a Foreclosure Score of 16, that are contiguous with higher score tracts will also be targeted. Priority will be given to those areas: 1.) currently undertaking stabilization activities through NSP1 funding; 2.) that can demonstrate where the capacity to implement the program will meet the need and 3.) achieve the program's goals. The *Connecticut Consortium* is requesting \$45 million dollars of NSP2 to implement this program.

Activities

The Connecticut Department of Economic and Community Development (DECD) will act as lead applicant for the *Connecticut Consortium* and, along with its members, will carry out this program to provide investment and services aimed at achieving this goal. DECD currently administers the NSP1 funds and is the Participating Jurisdiction administering the state's HOME Investment Partnerships (HOME) and Entitlement Small Cities Community Development Block Grant (SC/CDBG) programs.

Federal NSP2 Funds will be used to support the following activities as a part of this program:

- Acquisition & Rehabilitation
- Redevelopment
- Financing Mechanisms

Complementary activities that are expected to be leveraged against the NSP2 activity include:

- Code Enforcement & Demolition
- Infrastructure & Open Space development
- Housing Counseling & Services
- Community Safety & Services
- Comprehensive Community Partnerships

Up to \$1.5 M in administrative funds may be targeted to housing counseling, education, and job training services under the Mortgage Crisis Job Training Program nominated by The Workplace, Inc. This counseling and job training program is seen as a critical tool in the stabilization of deteriorating neighborhoods.

While a major portion of the implementation of this program is necessarily a local endeavor, there are aspects of the program that can benefit from regional and/or statewide economies of scale. The program designed by the *Connecticut Consortium* will address the needs for neighborhood stabilization at the local, regional and state level. Locally, the four partner municipal consortium members and their investor partners will work with developers to carry out the stabilization activities at the local, block level. These are the municipalities that have been most affected by the foreclosure crisis and are also currently undertaking stabilization efforts through the NSP1 funding program administered by DECD.

A financing toolkit is proposed as a key program element to serve all communities statewide including those that have also been impacted by foreclosure but not at the level or scale of the state's largest cities. These "Balance of State" communities (Danbury; Hamden; Killingly, Meriden, New Britain; New London; Norwalk; Norwich; Stratford; Waterbury; West Haven; Windham and Windsor) will have the program's resources delivered to them through regional and statewide intermediaries. Also, a regional or statewide mechanism will be identified to maximize Connecticut's success in use of the National Community Stabilization Trust.

The *Connecticut Consortium* program will make available NSP2 funding to distribute in the form of grants and loans to:

- Purchase and rehabilitate foreclosed properties in the targeted geographies in accordance with consortium members rehabilitation guidelines;
- Purchase and redevelop vacant foreclosed properties in the targeted geographies as part of a neighborhood stabilization strategy;

- Provide a loan loss reserve for participating NSP2 lenders up to 30% of the acquisition and rehabilitation financing; and
- Provide downpayment assistance to qualified buyers of rehabilitated foreclosed properties in the targeted geographies; and
- Provide acquisition support by utilizing the National Community Stabilization Trust (NCST) and other mechanisms to facilitate expedient and affordable purchases.

Program Development and Oversight

From the beginning, the planning for this program has been a collaborative process including the State of Connecticut, municipalities, CDFIs, nonprofit developers, and the Connecticut Housing Coalition. The cooperative nature of these discussions has made it possible to leverage high degrees of capacity and resources that will be available to NSP2.

The collaborative nature of Connecticut’s NSP2 planning work has been an asset to the process and to the community development industry. This asset will be continued in the implementation phase by creating a Steering Committee for the program. The Committee will represent the participants in the program and will have oversight on issues of policy and program development.

The implementation of the program will be carried out in accordance with the terms of the Consortium and funding agreements, and managed by the lead applicant, the Connecticut Department of Economic and Community Development (DECD). DECD will manage the program’s operation through the Consortium’s municipal and nonprofit members for specific activities within geography. A Steering Committee will be established to provide guidance to the Consortium on issues of policy related to neighborhood stabilization. It will also act as a communication body to provide feedback to the Consortium on the progress of the program from the community level.

Desired Outcomes:

The completion of the program undertaken by the *Connecticut Consortium* is anticipated to result in the:

- Acquisition and rehabilitation of 450 properties resulting in a minimum of 450 units of housing;
- The availability of a minimum of 135 units to households at or below 50% of Area Median Income (AMI) ; and
- Redevelopment of properties in conjunction with a specified neighborhood stabilization strategy

FACTOR 1: NEED/EXTENT OF THE PROBLEM

a. Geographical Target Areas:

The census data provided by HUD provided two comparisons; Foreclosure and Vacancy Scores. It is this application's intention to use the higher of either of these scores as the applicable index in determining the basis for the 125 geographic census tracts for inclusion in this activity. Further, using the methodology and data analysis in the Substantial Amendment for NSP1, many of the census tracts which have Foreclosure or Vacancy Scores of 17 or greater in the seventeen targeted NSP1 communities will be targeted for assistance under NSP1. In order to serve the areas of greater need and provide the most effective direct impact for stabilization, all of the original cities of NSP 1 are included along with census tracts in ten additional towns and cities to cover the state in a systematic approach. An average Score of at least 18 in the cumulative census tracts assisted will be maintained throughout the program. The level of assistance to be made available in each tract will be dependent in part upon the actual number of reported foreclosures which have been identified in those tracts using the HUD Mapping Tool. The list of these census tracts is attached in the Appendices. They are located in the communities of Bridgeport, Danbury, Hamden, Hartford Killingly, Meriden, New Britain, New Haven, New London, Norwalk, Norwich, Stamford, Stratford, Waterbury, West Haven, Windham and Windsor. Additional local data is also included in the Appendices. It reflects actual foreclosures for the period January 1, 2008 to March 31, 2009, which further supports the need for stabilization in these areas.

The areas of greatest need are areas that have been hard hit by the sub-prime mortgage market, and economic downturns in the manufacturing, administrative, and hospitality job industries.

Sub-prime Mortgage Impact

The current tracking of foreclosures indicates a continuing trend of sub-prime mortgage distress, *lis pendens* legal filings, 90-day mortgage delinquencies and an increase in "Deed in Lieu of Foreclosure Filings." This is supported by various independent data sources, including data from the Warren Group and the Federal Reserve Bank of Boston. Despite the creation of new federal and state legislation to help home owners, the expectant result has not occurred and foreclosures continue to rise. It is the State's belief that sub-prime mortgage lending is the leading cause of the foreclosure crisis in Connecticut, and this position is substantiated through a recent study of available data.

The two primary data sources used in the sub-prime analysis were:

- The Mortgage Bankers Association National Delinquency Survey.
- Data purchased from First American Loan Performance.

Utilizing these two data sources, as well as other secondary reports, a Task Force, established by Governor M. Jodi Rell, compiled an analysis of sub-prime lending in Connecticut. Some of the conclusions that can be drawn from that study include:

1. There are about 71,000 active sub-prime mortgage loans in the state according to the data sources utilized. The Mortgage Bankers Association National Delinquency Survey indicates 66,860 sub-prime loans in Connecticut and is based on data from the 2nd

Quarter 2007. The database acquired from First American Loan Performance documents just over 71,000 active sub-prime loans in Connecticut as of May 2007.

2. Approximately 8.4% of active sub-prime loans in Connecticut were seriously delinquent as of June 2007, according to the Mortgage Bankers Association National Delinquency Survey. Many of these sub-prime loans have since been foreclosed on, as detailed in the State of Connecticut’s Substantial Amendment submitted under the requirements for obtaining the original funding under the Neighborhood Stabilization Program.
3. Though sub-prime loans are about 13% of all loans they are about 61% of all seriously delinquent loans in Connecticut.
4. The National Center for Responsible Lending (NCRL) has provided an analysis of 2006 sub-prime originations in metro areas nationwide which indicates that overall about 20% of these originations will end in foreclosure and that this rate will vary considerably across the nation; estimates for Connecticut metro areas range from 10% to 16%.
5. During 2008, a record numbers of sub-prime resets occurred in Connecticut. Just over 21,000 adjustable rate sub-prime loans in Connecticut reached their initial resets.

There is a substantial concentration of sub-prime mortgages originated for purchase and refinancing in the state's major urban centers and “ring” communities. It is these communities that are being targeted for the NSP2 funds under this application. When we compare those towns identified with high numbers of sub-prime loans in Table 1: Communities with Sub-prime Mortgages, and the list of towns that have high Foreclosure Scores, the correlation is obvious. This further supports our efforts to target both these geographic areas, as well as substantiates our intention to prioritize both acquisition/rehabilitation and financing mechanisms as activities with the NSP2 funds.

The following table ranks communities by the number of sub-prime mortgages.

Table 1: Communities with Sub-prime Mortgages					
Town	Number of Loans	Amount of Loans (x \$1M)	Town	Number of Loans	Amount of Loans (x \$1M)
Bridgeport	5,213	\$973,907	Darien	986	\$479,058
New Haven	3,998	\$633,688	Milford	972	\$227,776
Waterbury	3,333	\$393,149	New Milford	969	\$202,038
Stamford	2,599	\$963,234	Naugatuck	953	\$146,146
Hartford	2,573	\$361,374	Norwich	953	\$139,220
West Haven	1,946	\$324,611	Torrington	950	\$124,145
Norwalk	1,923	\$636,425	Enfield	905	\$124,890
Danbury	1,854	\$423,527	Windsor	843	\$134,336
Meriden	1,757	\$240,158	Middletown	813	\$121,289
New Britain	1,717	\$219,963	Greenwich	776	\$643,588
Easton	1,614	\$360,909	Bloomfield	727	\$107,252
East Hartford	1,504	\$202,526	West Hartford	681	\$132,830
Bristol	1,377	\$194,069	Wallingford	668	\$122,773
Manchester	1,126	\$163,883	New London	631	\$103,696
Hamden	1,064	\$187,164	Shelton	610	\$151,515

Source: Loan Performance, amount of loans \$1,000,000

Unemployment Impact

Connecticut continues to experience a rise in the rate of unemployment following the bleak report of the nation's unemployment rate (currently at 9.4%). Continued months of job loss coupled with the continued rate of foreclosure, Connecticut's foreclosure market is now reflecting the trends that most other states experienced many months ago. Table 2: Areas of Unemployment (Rates), illustrates the increase in the unemployment rates in the labor market regions within Connecticut, and demonstrates that unemployment is, in part, a significant driver in the increase in foreclosures.

Table 2: Areas of Unemployment (Rates)			
	April 2008	April 2009	March 2009
Connecticut	4.6%	7.8%	7.8%
Bridgeport-Stamford	4.2%	7.4%	7.2%
Danbury	3.5%	6.9%	6.8%
Enfield	4.7%	7.4%	7.5%
Hartford	4.7%	7.7%	7.8%
New Haven	4.8%	7.7%	7.6%
Norwich-New London	4.6%	7.8%	7.8%
Torrington	4.3%	7.9%	8.2%
Waterbury	6.5%	10.7%	10.5%
Willimantic-Danielson	5.6%	8.9%	9.4%

Source: CT Department of Labor, Office of Research, Last Updated: May 21, 2009

Employment data has a direct effect on population and the subsequent need for housing. For the period covering 2006 to 2015, Connecticut's employment growth is projected to be 0.78%. Table 3: Production Need Based on Different Employment Scenarios indicates that various employment scenarios generate a range of production needs for the State to account for the affects of a changing economic environment. Lower than expected employment projections will reduce the need for housing production.

Table 3: Production Need Based on Different Employment Scenarios				
Employment Growth Assumptions	Total Annual Production Need			
Annual Growth Rate	Annual Employment Growth	Owner	Renter	Total
1.08%	18,859	9,048	3,992	12,637
0.78%	13,457	6,220	2,744	8,604
0.48%	8,182	3,542	1,576	4,798
0.18%	3,032	886	410	1,016

Source: CT Housing Supply and Demand Model

Neighborhood stabilization, as a concept, can be achieved or impacted in many different ways; these include the stabilization of population, jobs, housing costs, housing stock, retail/commercial stock, transportation facilities, community services, community facilities and

economic growth. The role of housing, or rather the role of housing construction and maintenance, as an economic driver is fairly well understood and recognized. Construction activity is economic activity; goods and materials are produced, sold and purchased, and jobs are created. The largest portion of most people's personal consumption is related to housing.

The National Association of Home Builders (NAHB) estimates that for every 100 single-family homes built in a "typical U.S. metropolitan area" \$16 million in local income and \$1.8 million in taxes and other revenue for local governments are generated and 284 local jobs are created. These are "one-year impacts that include both the direct and indirect impact of the construction activity itself and the impact of local residents who earn money from the construction activity spending part of it within the local area." These same 100 units will also generate \$3.2 million in local income, \$648,000 in taxes and other revenue for local governments, and 63 local jobs annually.

NAHB also estimates that "the one-year local impacts" of building 100 multifamily units in the "typical U.S. metropolitan area include, \$7 million in local income, \$710,000 in taxes and other revenue for local governments, and 133 local jobs" (one-year impacts). These same 100 units will also generate "\$3.2 million in local income, \$461,000 in taxes and other revenue for local governments, and 52 local jobs."

Home building and housing services account for approximately 15.24% of Connecticut's gross domestic product, about \$31 billion annually. At 15% of the state's economy, it is clear that housing is an important economic driver, however, equally important is the role housing plays as a facilitator of economic growth and stability. In today's global economy, businesses are highly mobile and fixed investments aren't as fixed as they were 15 years ago, so instead of investing in housing for their workers, companies locate where workforce housing is readily available. Mobility is not just true for businesses. Today's workforce is equally mobile. Advances in communications technology (the internet, email, cell phones, etc.) and the availability, diversity and relatively low cost of transportation have made it possible for long distance relationships to be maintained in a highly personal and near "real time" way.

Real Estate Owned (REO) Impact

Stabilizing these neighborhoods will serve a multi-tiered purpose; to prevent further decline in the physical conditions of those neighborhoods; to promote economic growth and stability of the neighborhood; to reduce the transitory nature of the local workforce; and to promote the availability and use of public transportation in those neighborhoods.

A recent analysis of the Real Estate Owned (REO) properties in the tri-state market (Connecticut/Massachusetts/Rhode Island) was conducted by the Federal Home Loan Bank of Boston (FHLB), and it shows a number of severely impacted pockets throughout the State of Connecticut. These pockets correlate directly with the targeted areas for NSP2 funds. Analysis of this data shows that there is a significant stock of single and multifamily REO properties that has not been reabsorbed by the market.

This is particularly true in the urban centers, such as, Bridgeport, Hartford, New Britain and New London. It is anticipated that these single-family and multi family REO units will show a

dramatic reversal when stabilization funds are used to subsidize their acquisition and rehabilitation. Other smaller sized and more rural communities included in our census tracts for stabilization have fewer REO properties; however the local communities have been unable to absorb them in the market place due to unemployment and inflated values, thereby creating further distress on the overall housing. To further compound the REO issue, REO properties that require extensive rehabilitation need to have subsidies to bring the values in line with the current market. Many of these properties, such as ones in the City of Stamford, have been on the market for nine months or more. This is a common problem in all 17 targeted communities. The activities proposed for the use of NSP2 funds will significantly eliminate further de-stabilization of these neighborhoods.

Housing Cost Impact

The American Community Survey (ACS) data shows that in 2007, occupied housing units in Connecticut totaled 1,320,714; one half of them were owner-occupied with mortgages. Nineteen percent of the units carried no mortgages and the remaining units were renter-occupied. Of the homeowners with mortgages, 25.1% carried monthly mortgages between \$1,500 and \$1,999, while 48.6% of owners had mortgages of \$2,000 or more per month.

Ninety-three percent (93.6%) of homeowners without a mortgage have housing related costs of \$400 or more each month. The median monthly housing cost was \$1,971 for mortgaged owners, \$716 for non-mortgaged owners, and \$931 for renters according to the 2007 ACS. Further, 47.5% of renters in Connecticut spent 30% or more of their household income on housing.

b. Market Conditions:

(1) a. Housing Supply and Demand Forecast

DECD makes housing supply and demand projections from baseline indicators. The supply and demand framework has a historical basis from which housing production can be estimated. This analysis uses 2015 and 2025 as short- and long-term reporting years as these years coincide with available data sources.

b. Forecasted Demand vs. Actual Supply of New Housing in Connecticut

Table 4: Estimated Demand Projections for Housing, compares estimated demand projections for housing based on projected employment growth to actual production that occurred for 2006. Actual production data was compiled from Census residential permit data. A side-by-side comparison for each county reveals discrepancies useful for identifying housing need. In Fairfield and New Haven counties actual 2006 production was below forecasted production need. Assuming that housing production will not meet the demand in these counties, it can also be assumed that the market will not meet the demand for housing. In the other counties production surpassed demand resulting in a housing surplus for that year.

Table 4: Estimated Demand Projections for Housing		
	Forecasted Growth in Annual Residential Housing Needs 2006-2010	Total Residential Permits
County	Employment Based Estimate	2006
Fairfield	2,608	1,939
Hartford	1,961	2,305
Litchfield	22	541
Middlesex	241	634
New Haven	2,339	1,654
New London	866	1,006
Tolland	170	699
Windham	157	458
State Total	8,364	9,236

Source: 2006 Census data, CT Housing Model

(2) Affordability Need

Affordable housing is a serious concern in the State of Connecticut. Despite the fact that Connecticut residents enjoy high median incomes relative to the rest of the country, the sharp increase in housing prices from 2000 to 2007 produced a significant affordability gap in the housing market. This gap has begun to close in recent years, but the effects of the housing bubble continue to be felt by Connecticut citizens. Since affordability is such a major issue in Connecticut, this program proposes to directly address affordability needs in the context of neighborhood stabilization activities.

Table 5: Homebuyer Affordability Index: United States vs. Connecticut, shows a comparison of housing affordability between the United States and Connecticut. There are six variables used to calculate the composite affordability index: median priced home, mortgage rate, monthly principal and interest payment (P&I), payment as a percentage of income, median family income, and qualifying income. The composite affordability index measures whether or not a typical family could qualify for a mortgage loan on a typical home. A typical home is defined as the national median priced, existing single-family home as calculated by the National Association of Realtors (NAR). The typical family is defined as one earning the median family income as reported by the U.S. Bureau of the Census. The prevailing mortgage interest rate is the effective rate on loans closed on existing homes from the Federal Housing Finance Board. These components are used to determine if the median income family can qualify for a mortgage on a typical home. To interpret the index we give the following examples. An index value of 100 means that a family earning the median income has exactly enough income to qualify for a mortgage on a median priced home. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median priced home, assuming a 20% down payment. For example, a composite Housing Affordability Index (HAI) of 120 means a family earning the median family income has 120% of the income necessary to qualify for a conventional loan covering 80% of a median priced existing single-family home. An increase in the HAI, then, shows that this family is more able to afford the median priced home. The calculation assumes a down payment of 20% of the home price and it

assumes a qualifying ratio of 25%. That means the monthly principal and interest payment cannot exceed 25% of the median family monthly income.

Table 5: Homebuyer Affordability Index: United States vs. Connecticut							
	Median Priced Home	Mortgage Rates	Monthly P&I Payment	Payment as a % of Income	Median Family Income	Qualifying Income	Composite Affordability Index
United States							
2006	\$ 221,900	6.58	\$ 1,131	23.6	\$ 57,612	\$ 54,288	106.1
2007	\$ 217,900	6.52	\$ 1,104	22.4	\$ 59,224	\$ 52,992	111.8
Connecticut							
2006	\$ 315,300	6.49	\$ 1,593	25.2	\$ 75,834	\$ 76,464	99.2
2007	\$ 265,900	6.52	\$ 1,347	20.9	\$ 77,428	\$ 64,656	119.8

Source: Connecticut Association of REALTORS

Table 6: Household Income in the Past 12 Months, shows the distribution of household incomes of Connecticut homeowners (in 2007 inflation adjusted dollars)

Table 6: Household Income in the Past 12 Months			
	Total Occupied	Owner-Occupied	Renter-Occupied
Less than \$5,000	2.02%	0.78%	4.92%
\$5,000 to \$9,999	3.03%	1.00%	7.76%
\$10,000 to \$14,999	4.05%	1.94%	8.99%
\$15,000 to \$19,999	4.24%	2.53%	8.25%
\$20,000 to \$24,999	4.19%	2.89%	7.25%
\$25,000 to \$34,999	7.97%	5.71%	13.27%
\$35,000 to \$49,999	12.35%	10.84%	15.88%
\$50,000 to \$74,999	18.04%	18.58%	16.77%
\$75,000 to \$99,999	13.85%	16.17%	8.44%
\$100,000 to \$149,999	16.32%	20.94%	5.54%
\$150,000 or more	13.93%	18.62%	2.95%
Median Household Income	\$65,967	\$83,037	\$34,634

Source: 2007 American Community Survey (ACS)

The National Low Income Housing Coalition (NLIHC) publishes an annual report, *Out of Reach*, which provides a comparison of wages and rents in various jurisdictions within each state. Using the affordability standard that households should not pay more than 30% of their income on housing expenditures, the NLIHC calculates the wage a household must earn in order to afford various sized rental units based on each area's Fair Market Rent (FMR). The hourly wage necessary to afford a two bedroom unit is called the housing wage. In the 2008 study, the housing wage for Connecticut was \$21.11. In the 2009 study, Connecticut's housing wage increased to \$21.60.

Demographic Forecast (Estimated)

Employment and population growth at both the state and county level increases the demand for housing. Employment projections are subject to great fluctuation as a result of changing economic conditions, thus we analyze production results for a range of different scenarios. Population projections are typically more consistent, but are still subject to economic conditions.

Table 7: Statewide Population Projections shows Connecticut State Data Center population projections, which were used to generate a forecast of housing demand. The population projections are made on five-year intervals with respect to household population, group quarters population, and total population. The “group quarters” population refers to people living in an institution, college dormitory, or shelter.

Table 7: Statewide Population Projections			
	2010	2015	2025
Household Population	3,393,184	3,436,658	3,538,655
Group Quarters Population	127,472	127,472	127,472
Total State Population	3,520,656	3,564,130	3,666,127

Source: Connecticut State Data Center

Regional Economic Modeling Indicator Policy Insight model projections of county-level employment were incorporated into the model. Employment data has a direct effect on population and the subsequent need for housing. For the period covering 2006 to 2015, Connecticut’s employment growth is projected to be 0.78%. In Table 8: Production Need Based on Different Employment Scenarios, various employment scenarios generate a range of production needs for the state to account for the affects of a changing economic environment. Lower than expected employment projections will reduce the need for housing production.

Table 8: Production Need Based on Different Employment Scenarios				
Employment Growth Assumptions		Total Annual Production Need		
Annual Growth Rate	Annual Employment Growth Rate	Owner	Renter	Total
1.08%	18,859	9,048	3,992	12,637
0.78%	13,457	6,220	2,744	8,604
0.48%	8,182	3,542	1,576	4,798
0.18%	3,032	886	410	1,016

Source: CT Housing Supply and Demand Model

Table 9: Statewide Population Estimates Based on Three Projection Methods shows the statewide estimates of population for the year 2015 from each of the three methodologies. From the population projections, the model estimates total households that are further categorized as renters or owners. At the state level, employment projections are larger than population projections, a trend that is consistent with historical data. The difference in population is the result of the distinct methodological approaches from which to estimate demand for housing.

Table 9: Statewide Population Estimates Based on Three Projection Methods			
Statewide Total	2015 State Employment Projection	2015 County Employment Projection	2015 Population Projection
Total Population	3,577,326	3,581,780	3,564,130
Households	1,383,940	1,383,345	1,376,182
Owners	958,402	958,030	954,288
Renters	425,538	425,314	421,894

Source: CT Housing Supply and Demand Model

(3) Cost Burden Trends and Current Picture

a. Income Distribution

Table 10: 2000 Income Distribution by AMI (Area Median Income) and Homeownership shows the statewide distribution of households by income group and ownership for Connecticut in 2000. There are a larger number of renters in the low-income groups relative to homeowners.

Table 10: 2000 Income Distribution by AMI and Home Ownership			
Income Group	Homeowners	Renters	Total
Under 30% AMI	77,635	136,839	214,474
Under 50% AMI	164,109	221,636	385,745
Under 60% AMI	211,388	258,261	469,649
Under 80% AMI	311,976	315,387	627,363
Under 100% AMI	415,111	352,904	768,015
Under 120% AMI	510,005	382,143	892,148
All Homeowners	869,742	431,928	1,301,670

Source: Census 2000

Cross-tabulations of household income and household size provide greater segmentation of cost burden. Cross-tabulation provides detailed insight into demographic characteristics needed to construct an estimate of future housing supply and housing demand.

Table 11: 2000 Household Income Distribution by Household Size shows the statewide distribution of households by income range and household size. The income groupings are related to Area Median Income (AMI) and are adjusted for family size. Family sizes are classified as the following:

- 1 person household = studio
- 2 person household = 1 bedroom
- 3 persons = 2 bedroom
- 4 person household = 3 bedroom
- 5 person household = 4 bedroom
- 6+ persons = 5 or more bedroom units.

The first three income ranges are the traditional HUD definitions.¹ The others were added to provide a broader spectrum of housing need, calculated according to the methodology provided in the *Overview of HUD Public Housing Section 8 Income Limits*.

These income groups span the spectrum of household income. With these income levels cross-tabulated with household size, the baseline housing need could be further identified. A low-income level coupled with a high number of people in the household indicates a high level of existing need. In Table 11: 2000 Household Income Distribution by Household Size, a low-income level coupled with a high number of people in the household indicates the severest level of cost burden and starts to introduce the issue of housing overcrowding.

Table 11: 2000 Household Income Distribution by Household Size						
2000 Area Median Family Income	Household Size by Number of Persons					
	1	2	3	4	5	6
Less than 30% AMI	9,445	51,247	56,622	46,208	13,941	3,189
30-50% AMI	5,318	30,237	55,094	55,253	15,320	3,282
50-80% AMI	3,798	30,540	70,028	73,920	21,572	5,279
80-100% AMI	2,452	20,106	53,530	76,424	30,034	6,118
100-125% AMI	636	6,965	20,646	36,112	14,013	2,838
125-150% AMI	1,038	12,468	43,446	85,660	38,042	6,387
150-200% AMI	239	4,276	15,450	37,019	18,234	3,892
Greater than 200% AMI	814	8,149	31,022	80,402	61,947	18,359
Totals	23,740	163,988	345,838	490,998	213,103	49,344

Source: Census 2000 interpolation by DECD

In general, renters tend to have lower income than homeowners. The 2007 median household income in Connecticut was about \$66,000. However, people in owner-occupied housing had median household income of \$83,000 while people in renter-occupied housing had median household income of about \$35,000.

b. Cost Burdened Households

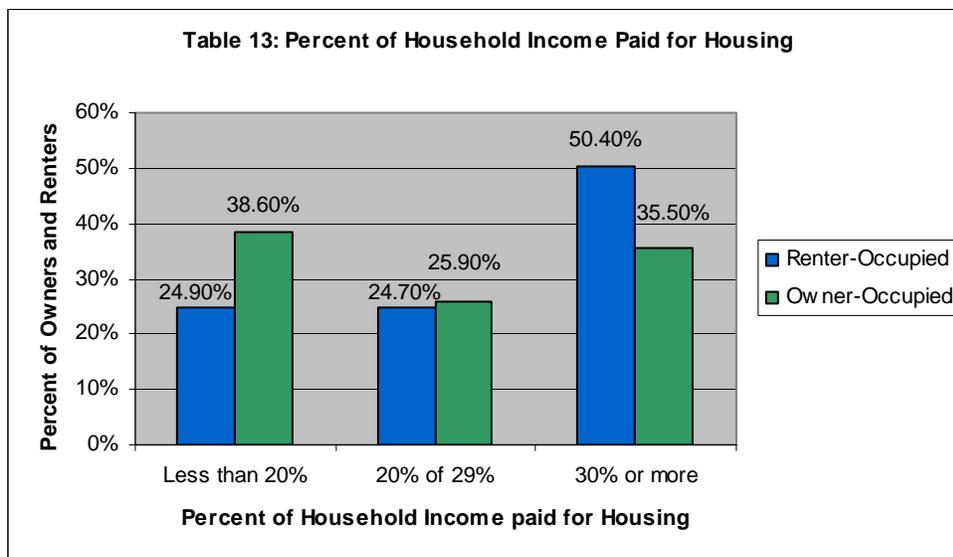
Households are considered cost burdened when 30% or more of their income is spent on housing costs. With nearly half a million households in Connecticut paying more than 30% of their incomes for housing, it is extremely important to preserve the affordable housing that is currently in Connecticut and add to the affordable housing stock in the state. This is especially true in certain target areas and towns such as New Haven and Fairfield Counties, where the cost of living is generally higher than in other areas of the state. Table 12: Owner and Renter Costs as a Percentage of Median Income, shows the cost burden levels in each county for both renters and owners.

¹ See http://www.huduser.org/datasets/il/il07/FY07_StateIncomeLimits.doc.

Table 12: Owner and Renter Costs as Percentage of Median Income								
County	Homeowner Costs as a % of Median Household Income				Renter Costs as a % of Median Income			
	< 20%	20% – 29%	30% +	Unknown	< 20%	20% – 29%	30% +	Unknown
Fairfield	36.60%	23.70%	39.30%	0.40%	21.60%	24.90%	49.80%	3.70%
Hartford	40.70%	26.60%	32.20%	0.40%	26.20%	25.00%	44.30%	4.50%
Litchfield	39.10%	26.80%	33.80%	0.40%	29.70%	20.50%	41.00%	8.90%
Middlesex	38.10%	28.20%	33.70%	0.00%	24.70%	25.20%	46.80%	3.20%
New Haven	35.80%	28.00%	35.80%	0.50%	19.90%	22.60%	51.70%	5.70%
New London	41.70%	25.60%	32.70%	0.00%	21.40%	27.80%	47.40%	3.40%
Tolland	43.20%	28.10%	28.40%	0.40%	26.30%	24.30%	42.60%	6.80%
Windham	41.30%	28.30%	30.10%	0.40%	28.50%	21.60%	40.70%	9.20%
Total	38.50%	26.30%	34.80%	0.40%	23.30%	24.20%	47.60%	4.90%

Source: CT Housing Finance Authority (CHFA)

Renters are generally more likely to pay a greater portion of their incomes for housing than owners are. In 2007, half of the renter-occupied households paid more than 30% of their household income for housing while 36% of owners paid more than 30% of their household income for housing. Refer to Table 13: Percent of Household Income Paid for Housing, for the percentage of renters and homeowners based on the percentage of household income that is spent on housing needs.



Source: U.S. Census, American Community Survey 2007

By county there is a similar disparity between owners and renters with renters more likely to be paying more than 30% of their household income for housing.

What is most striking is that those households with the lowest incomes are the households that are most likely to be paying more than 30% of their incomes for housing. Almost all (93%) of

homeowners who earn less than \$20,000 pay more than 30% of their household incomes for housing. For renters in this same income category, 85% are paying more than 30% of their household income for housing. For those making the highest incomes, \$75,000 or more, only 4% of renters and 18% of owners are paying more than 30% of their household incomes for housing.

1. Renters

Table 14: Cost Burdened Rental Households, historically tracks the renter population with economic characteristics of excessive cost burden. The total number of renters with excessive cost burden decreased from 1990 to 2000. However, the number of renters with excessive cost burden increased for households earning less than 30% of the area median income.

Table 14: Cost Burdened Rental Households			
Housing Cost Burden at 30%+ for Monthly Costs	1990	2000	Change 1990-2000
Renters: Total Pay 30%+ for Gross Rent	161,317	155,324	-5,993
Under 30% AMI	80,693	93,043	12,350
Under 50% AMI	123,471	133,902	10,431
Under 60% AMI	138,541	145,347	6,806
Under 80% AMI	155,473	151,878	-3,595
Under 100% AMI	159,202	153,772	-5,430
Over 100% AMI	2,095	1,504	-591

Source: Census 1990 and 2000, difference calculated by CT Housing Model

Table 15: Gross Rent Greater than 30% of Income, shows the number and percentage of renters that have gross rent exceeding the HUD guideline of 30% for each county in Connecticut in 2007. For a renter household to be considered affordable, housing expenses should not exceed 30% of the household's total income. Fairfield County had the greatest gap and need for affordable housing, as 50.8% of renters were burdened with excessive housing costs. Several other counties follow closely behind, with Windham County having the lowest percentage of burdened renters at 34.7%.

Table 15: Gross Rent Greater than 30% of Income			
	Total Number of Renters	Gross Rent Greater than 30% of Income	Percentage with Rent Greater than 30% Income
Connecticut	395,875	188,072	47.5%
Fairfield County	91,465	46,429	50.8%
Hartford County	112,394	52,059	46.3%
Litchfield County	15,755	6,664	42.3%
Middlesex County	15,980	5,656	35.4%
New Haven County	105,789	53,451	50.5%
New London County	30,194	13,793	45.7%
Tolland County	12,388	5,891	47.6%
Windham County	11,910	4,129	34.7%

Source: 2007 American Community Survey (ACS)

2. Homeowners

Table 16: Cost Burden Data for Connecticut Homeowners, shows cost burden data for Connecticut homeowners, for whom there was at each income level an increase except for those homeowner households earning more than 100% of the AMI.

Table 16: Cost Burden Data for Connecticut Homeowners			
Housing Cost Burden at 30%+ for Monthly Costs	1990	2000	Change 1990-2000
Single-family Homeowners - Cost Burden @ 30%+	159,296	171,452	12,156
Under 30% AMI	33,676	39,480	5,804
Under 50% AMI	55,420	71,107	15,687
Under 60% AMI	65,932	86,184	20,252
Under 80% AMI	88,991	117,772	28,781
Under 100% AMI	116,598	138,916	22,318
Over 100% AMI	41,405	32,836	-8,569

Source: Census 1990 and 2000, difference calculated by CT Housing Model

For each county, the 1990-2000 distribution of households categorized by income and size is included in the housing baseline, which shows the current housing situation. Using cumulative distribution data, future housing production is segmented to meet the demand for specific housing characteristics such as size and affordability. County level data provides a more detailed account of the need for housing in specific locations. This information is useful to identify and help target areas of need for policy makers.

Table 17: Homeowner Costs Greater than 30% of Income			
	Total Number of Homeowners	Ownership Costs Greater than 30% of Income	Percentage with Costs Greater than 30% Income
Connecticut	924,839	327,479	35.4%
Fairfield County	232,383	91,456	39.4%
Hartford County	224,768	73,533	32.7%
Litchfield County	57,977	20,340	35.1%
Middlesex County	48,790	15,712	32.2%
New Haven County	215,414	80,106	37.2%
New London County	72,801	23,482	32.3%
Tolland County	40,989	12,301	30.0%
Windham County	31,717	10,549	33.3%

Source: 2007 American Community Survey (ACS)

Table 17: Homeowner Costs Greater than 30% of Income, shows the number and percentage of Connecticut homeowners that have housing costs exceeding 30% of their household income. Again, housing is considered affordable for homeowners when housing costs do not exceed 30% of the household income. The qualifying income for a median priced home in Connecticut in

2008 was \$69,000.² All eight counties have a current need for homeowner housing units that are affordable for these overextended households. Fairfield County exhibits the greatest need, with 39.4% of homeowners being burdened by housing costs. Tolland County has the least need compared to the other counties, with 30% of homeowners being burdened.

Table 18: Household Income in the Past 12 Months, shows the distribution of household incomes of Connecticut homeowners (in 2007 inflation adjusted dollars)

Table 18: Household Income in the Past 12 Months			
	Total Occupied	Owner-Occupied	Renter-Occupied
Less than \$5,000	2.02%	0.78%	4.92%
\$5,000 to \$9,999	3.03%	1.00%	7.76%
\$10,000 to \$14,999	4.05%	1.94%	8.99%
\$15,000 to \$19,999	4.24%	2.53%	8.25%
\$20,000 to \$24,999	4.19%	2.89%	7.25%
\$25,000 to \$34,999	7.97%	5.71%	13.27%
\$35,000 to \$49,999	12.35%	10.84%	15.88%
\$50,000 to \$74,999	18.04%	18.58%	16.77%
\$75,000 to \$99,999	13.85%	16.17%	8.44%
\$100,000 to \$149,999	16.32%	20.94%	5.54%
\$150,000 or more	13.93%	18.62%	2.95%
Median Household Income	\$65,967	\$83,037	\$34,634

Source: 2007 American Community Survey (ACS)

The National Low Income Housing Coalition (NLIHC) publishes an annual report, *Out of Reach*, which provides a comparison of wages and rents in various jurisdictions within each state. Using the affordability standard that households should not pay more than 30% of their income on housing expenditures, the NLIHC calculates the wage a household must earn in order to afford various sized rental units based on each area’s Fair Market Rent (FMR). The hourly wage necessary to afford a two bedroom unit is called the housing wage. In the 2008 study, the housing wage for Connecticut was \$21.11. In the 2009 study, Connecticut’s housing wage increased to \$21.60.

(4) Connecticut’s Urban Crisis

The term “The Two Connecticut” is often used to describe the state’s condition of concentrated urban poverty surrounded by suburban affluence. In Connecticut’s cities, low and moderate income residents face conditions of poverty and blight, along with a shortage of decent safe and affordable housing. In addition to these conditions, most of the high foreclosure and high vacancy census tracts are located in these cities. It is clear to see that Connecticut’s foreclosure crisis has occurred against a backdrop of concentrated urban poverty. The practices of to sub-prime and predatory lending, and now increased unemployment, have made the most distressed neighborhoods of the state more vulnerable. Without intervention, their ability to recover is severely limited.

² Klepper-Smith, Don. *Updated Perspectives on the Need for Affordable Housing within Connecticut*, January 2008

Data from the U.S. Census Bureau’s American Community Survey (2005-2007) shows the trends of urban poverty for the larger cities included in this NSP2 application in Table 19: Urban Poverty Trends in Connecticut NSP2 Application Cities.

Table 19: Urban Poverty Trends in Connecticut NSP2 Application Cities							
Geographic Area	(1) % of Populat ion Below Poverty Level	(2) % of Children Below Poverty Level	(3) % of Renters Paying 30% or More on Rent and Utilities	(4) % of Homeowner s With a Mortgage Paying 30% or More of Income on Homeowner ship Costs	(5) Home- ownership Rate	(6) Mobility: % of People Over 1 Year Old Who Lived Somewher e Else One Year Ago	(7) Un- employ- ment Rate
Bridgeport city	19.2	28.5	56.5	62	46.6	16.6	11.6
Hartford city	31.5	44.3	55.4	49.5	25.5	22.1	13.5
New Britain city	18	30.3	47.8	51.4	45.4	14.9	11.3
New Haven city	24	32.4	54.4	48.6	31.9	23	10.5
Waterbury city	18.8	29.7	53.9	44.2	50.6	15.3	13
Average	22.3	33	53.6	51.1	40	18.4	12
Statewide	8.2	11.2	46.6	38.2	69.7	12.6	7.9

Source: U.S. Census American Community Survey 3-Year Estimates, 2005

(1) GCT1701: Percent of People Below Poverty Level in the Past 12 Months (For Whom Poverty Status is Determined). Universe: Population for whom poverty status is determined

(2) Percent of Children Under 18 Years Below Poverty Level in the Past 12 Months (For Whom Poverty Status is Determined).

(3) GCT2515: Percent of Renter-Occupied Units Spending 30 Percent or More of Household Income on Rent and Utilities. Universe: Renter-occupied housing units.

(4) GCT2513: Percent of Mortgaged Owners Spending 30 Percent or More of Household Income on Selected Monthly Owner Costs. Universe: Owner-occupied housing units with a mortgage.

(5) GCT2512: Percent of Occupied Housing Units that are Owner-Occupied. Universe: Occupied housing

This data show a much higher percentage of households in poverty in Connecticut’s urban centers, especially among children. The poverty rates for these cities as a group is 2.7 times that of the state as a whole. For children, the rate is nearly 3 times the state rate.

In these cities, residents often pay a higher percentage of their limited income on housing, for both rental or homeownership. Because of limited income, and relatively expensive housing markets, achieving the goal of homeownership has been difficult for many urban families. This is evident in the lower urban homeownership rates in the cities.

Due in large part to these challenging economic realities, Connecticut's urban poor tend to be more mobile than the state's population as a whole. Whether from foreclosure, eviction, having to stay with friends or family, or simply an ongoing search for housing a family can afford, many families lack a stable home. There are negative effects on health, education and employment due to the mobility that make it difficult for a family to build the economic stability that they need to prosper. Stabilizing neighborhoods and providing an adequate supply of affordable housing will help to stabilize families as well.

The current unemployment picture is exacerbating the crisis of poverty and foreclosure in Connecticut's urban center. As seen in the last column of the table above, the unemployment rates for the major cities are 51.9% higher than that of the state as a whole. With higher unemployment, there are even fewer economic resources to withstand an expensive and turbulent housing market and the wave of foreclosures.

FACTOR 2: DEMONSTRATED CAPACITY

The *Connecticut Consortium* is made up of public agencies, municipalities and nonprofit organizations whose missions include community and housing development. This Consortium has designed a program for communities in the state that have been most impacted by foreclosure. The goal of Connecticut's program is to stabilize and transform Connecticut neighborhoods through the application of targeted, comprehensive strategies that promote physical revitalization, economic growth and opportunity, and enhanced quality of life.

Collectively, the *Connecticut Consortium* members have effected the development or rehabilitation of more than 1,400 units housing with an additional 700 projected for completion within the 24 month pipeline. Total costs for these activities exceed \$125 million and represent public and private investment throughout the state. The Consortium members in the aggregate provide expertise in municipal and state planning, real estate development and financing, housing counseling and residential mortgage financing, and overall community development programming.

a. Past Experience:

The *Connecticut Consortium* is made up of the following:

- The Connecticut Department of Economic and Community Development (*Lead Applicant*)
- The City of Bridgeport
- The City of Hartford
- The City of New Haven
- The City of Stamford
- The Corporation for Independent Living
- The Greater New Haven Community Loan Fund
- Neighborhood Housing Services of Connecticut, Inc.

State Member:

Department of Economic and Community Development (DECD)

The Connecticut General Assembly has designated DECD as the Lead Agency responsible for housing, community and economic development. DECD's funding programs include grants and technical assistance for municipal development planning, business lending, loans and grants to develop and preserve affordable housing. DECD administers several programs that support the development and preservation of affordable housing through programs established in statute and funded through legislative appropriation. DECD is also the Participating Jurisdiction administering the state's HOME and Entitlement Small Cities CDBG programs whose combined annual allocation is approximately \$25 million. The staff of the DECD offices associated with housing and community development will support the efforts of the NSP2 grant funded activity. Tables 20: State Funded Housing Development FY 2007-08 and Table 21: Federally Funded Housing Development FY 2007-08 summarize the level of investment through state and federal funding for State fiscal year 2007 – 2008. These tables show a combined investment of state and federal dollars of approximately \$37 million, creating or rehabilitating nearly 900 units and leveraging higher than a 5:1 ratio.

Table 20: State Funded Housing Development FY 2007-08					
State Funds	Total Number of Projects	Total Units	Total Development Cost	Total DECD Investment	Leverage Ratio
FY 2007-08 Total	21	728	\$181,950,676	\$28,901,554	5.3
Rental	7	415	\$ 89,133,278	\$ 17,558,993	4.08
Home Ownership	6	293	\$ 15,372,973	\$ 5,191,608	1.96
Combination Rental & Ownership	3	20	\$ 4,508,290	\$ 807,045	4.59
Pre-development & Non-development*	5	N/A	\$ 72,936,135	\$ 5,343,908	12.65
DECD's Per Unit Cost - Rental	\$ 42,311				
DECD's Per Unit Cost - Home Ownership	\$ 17,719				
*Non-development projects include program funding such as technical assistance, rental assistance, etc.					

Source: CT Department of Economic and Community Development Annual Report 2007-2008

As the Lead Agency responsible for housing, community and economic development, DECD is also responsible for the Statewide planning, design and implementation of affordable housing policy through documents such as the State Long Range Housing Plan, The Five-Year Consolidated Plan for Housing and Community Development (ConPlan), Annual Action Plans and collaborating on the State Plan of Conservation and Development.

DECD markets its programs and requires its applicants to develop and implement Affirmative Fair Housing Marketing Plans for all of its assisted properties for outreach and marketing strategies to ensure fair housing choice to the greatest extent possible.

Table 21: Federally Funded Housing Development FY 2007-08					
Federal Funds	Total Number of Projects	Total Units	Total Development Cost	Total DECD Investment	Leverage Ratio
FY 2007-08 Total*	8	154	\$ 56,741,730	\$ 8,048,592	6.05
Rental	7	136	\$ 53,525,992	\$ 6,427,854	7.33
Home Ownership	0	0	\$ -	\$ -	N/A
Combination Rental & Ownership	1	18	\$ 3,215,738	\$ 1,620,738	0.98
DECD's Per Unit Cost - Rental	\$ 47,264				
DECD's Per Unit Cost - Home Ownership	N/A				
*DECD Program Funding Projects (non-development projects), such as technical assistance programs, rental assistance programs, etc. are not included in the calculations above					

Source: CT Department of Economic and Community Development Annual Report 2007-2008

Municipal Members:

Four of the municipalities most severely affected by foreclosure and its concomitant effects are members of the *Connecticut Consortium*. All of these municipalities are entitlement communities under the CDBG and HOME programs and are also responsible for developing their ConPlans and Action Plans and to manage the funding and the processes to create stabilized neighborhoods in their communities. All of the municipal members are recipients of NSP1 funds undertaking the program as described through the State of Connecticut 2008 Action Plan Substantial Amendment for the Neighborhood Stabilization Program and have completed their local action plans. Each municipality's organizational chart is included in the Appendices.

The City of Bridgeport

Bridgeport has developed over 506 units of housing in the last 18 months through its own initiatives and through collaborative development initiatives with nonprofits, private developers, and the Bridgeport Housing Authority. These units are a mixture of rehabilitation of existing housing stock and new construction. Bridgeport has also been acquiring and disposing of properties as a regular course of business due to neighborhood revitalization efforts, tax foreclosures, economic development, and housing initiatives.

Bridgeport will expand upon its current NSP1 program to provide NSP2 services to the area. The Bridgeport Redevelopment Agency (BRA), and arm of the City's Office of Planning and Economic Development (OPED), will be the lead agency and has a 40 plus year history of experience with projects of this magnitude. The City's Department of Central Grants and Community Development, which oversees all of the City's federal formula grant programs such as CDBG, HOME, Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) as well as federal, state and philanthropic competitive grants for Bridgeport will support the BRA in this effort. Both Alanna Kabel, Deputy Chief Administrative Officer for Central Grants and Community Development and Diane Toolan, Senior Housing and Community Development Manager, each have over 30 years of experience in the area of affordable housing and community development.

The City of Hartford

Hartford has developed and provided financing mechanisms to 389 units of affordable housing in the last 24 months, by providing assistance to homeowners to renovate and preserve 152 housing units; down payment and closing cost assistance to eligible homebuyers for the purchase of 133 units and developing 104 units of affordable housing.

Hartford has a long history of implementing investment strategies to support the creation of homeownership and maintenance of existing housing stock throughout the City. The following illustrates two of the City's most successful programs: The Homeownership Appraisal Gap Program and the Housing Preservation Loan Fund Program. Combined, these two highly effective programs represent over \$3,300,000 in direct neighborhood stabilizing investment.

In order to maximize this impact, the Hartford has aggressively focused funding and attention on those neighborhoods where strategic investments will stabilize and redirect market forces, improve property values, reduce disinvestment, and stabilize the tax base. The City will partner with developers, lending institutions and community based organizations to strategically leverage resources through the *Connecticut Consortium's* program in designated neighborhoods. In addition to the Section 8 Home Ownership Program, the City will use NSP2 funds in conjunction with another successful City housing program, House Hartford, which provides down payment and closing cost assistance to eligible homebuyers. The City will utilize NSP2 funds to comprehensively achieve its goals through the following activities: acquisition, rehabilitation, and redevelopment.

The City of New Haven

New Haven currently administers HOME Investment Partnerships Program (HOME), Community Development Block Grant Program (CDBG), Lead Hazard Control Grant Program (LEAD), Emergency Shelter Grant Program (ESG), and Housing Opportunities for Persons with AIDS Program (HOPWA) federal formula grant funds to produce a vibrant, healthy mix of housing opportunities and choices, cities like New Haven must have a variety of resources to respond to housing needs. In meeting this mission The City of New Haven has developed over 245 units of affordable housing in the last 24 months through its own development initiatives and through the partnerships with the local Community Development Corporations and the Housing Authority of the New Haven. These units are a mixture of rehabilitation of existing housing stock and new construction of vacant land. New Haven has also been acquiring and disposing of properties for the last 15 years; however, in the last 24 months it has acquired 30 and disposed of 98 city owned properties. As part of the affordable housing program the New Haven has issued 62 soft second loans to persons of low- and moderate-incomes. New Haven also issues an Elderly/Disabled Emergency Rehabilitation program to assist in emergency repairs or handicap ramps which has rehabilitated 50 units over the last 24 months. The City of New Haven with the collaboration of local partners such as Hill Development Corporation of New Haven, Inc., NeighborWorks New Horizon, Neighborhood Housing Services of New Haven, Inc., Edgewood Elm Housing, Inc., Greater Dwight Development Corporation, and Corporation for Urban Homeownership continue to work collectively to meet the priorities and objectives of the New Haven housing and community development strategy contained in the Five-Year Consolidated Plan 2005-2009. In June 2007, the City of New Haven established Real Option Overcome Foreclosure (ROOF) which is a collaboration of the City of New Haven, Yale Law School,

Neighborhood Housing Services of New Haven, Inc. and Greater New Haven Community Loan Fund to assist residents in foreclosure and/or at risk of going into foreclosure with outreach, mediation, negotiations and restructuring which has provided assistance to 267 households residing in New Haven and a total of 776 statewide. The City of New Haven remains active in preserving the neighborhoods in its community with outreach and quality affordable housing.

The City of Stamford

Stamford Community Development (SCD) administers all federal, state and local housing and community development programs on behalf of the City of Stamford to assure that investment occurs in a manner consistent with its Consolidated Plan and Action Plan. SCD has administered the Community Development Block Grant (CDBG) program for 35 years. Since inception of the program, HOME funds have come through SCD as well. In addition, SCD is the administering agency for the NSP1 grant, the City Capital Budget for housing, the City's Inclusionary Zoning Housing Trust Fund and the Linkage Trust Fund. Investments in affordable housing from the inclusionary and linkage funds have meant that of 1,253 units subject to the local ordinances, 138 are affordable to households earning between 25% to 60% of Area Median Income (AMI). Stamford through its CDBG and HOME programs assisted renovation and /or new construction of 132 units in year 32 (7/06-6/07), and 164 units in year 33 (7/07-6/08). Work ranged from loans only to specifications, bid, and construction monitoring. SCD has built strong relationships with nonprofit partners in Stamford. Stakeholder partners in Stamford's NSP1 include the nonprofit affordable housing developers: Mutual Housing Association of Southwest Connecticut, New Neighborhoods Inc., and Habitat for Humanity. SCD consults with neighborhood organizations, including those that serve the two target tracts: the Stamford West Side Neighborhood Revitalization Zones (NRZ,) Inc, which serves tract 215, and the East Side Partnership which represents the NSP2 target census tract, 218.02.

Nonprofit Members:

Connecticut benefits from a wide range of nonprofit organizations whose missions include the provision of affordable housing and the creation of whole and healthy communities. Three of these organizations have agreed to participate in the *Connecticut Consortium* and will be available statewide in the implementation of this program. They have the experience of providing financing at the local level in the development and rehabilitation of housing, assisting developers in implementing revitalization plans at the neighborhood level as well as developing properties themselves. Their organizational charts are included in this application as Appendices.

The Corporation for Independent Living (CIL)

Founded in 1979 CIL was established by a coalition of service providers to create small residences in residential neighborhoods for people with disabilities. CIL is a nonprofit housing development corporation whose products include community housing for people with developmental disabilities, accessible homes for people with physical disabilities, affordable multifamily housing as well as homes for first time home buyers of low-income.

CIL offers development services to other nonprofit organizations throughout Connecticut and Massachusetts. CIL is experienced in all facets of housing development from the planning stages, site inspection and evaluation, and application for capital financing. CIL provides full technical assistance as the development consultant throughout all the stages of project development. CIL's housing developers will assist with the selection of project professionals as

well as construction contractors. CIL has also acted as the general contractor for hundreds of units of single-family and multifamily housing throughout Connecticut.

CIL has demonstrated capacity to secure funding for the many projects it has developed, working with local, national and international financial institutions to accomplish housing development objectives including tax exempt bond financing through the Connecticut Development Authority, the Connecticut Housing Finance Authority (CHFA) and the Massachusetts Health and Educational Facilities Authority; lines of credit and conventional mortgages from local banks; federal financing programs like HUD 202/811; and low-income housing tax credit program financing. In 29 years CIL has developed nearly 1800 homes of all types and served over 6,000 people. Over the past two years, CIL has developed and/or sold over 100 units.

The Greater New Haven Community Loan Fund

The Greater New Haven Community Loan Fund (GNHCLF) is a 21-year-old Community Development Financial Institution which promotes neighborhood stabilization by providing short and medium term financing for affordable housing development as well as administering forgivable loan programs for purchase and renovation of homes by low- and moderate-income individuals and families. Over the past 24 months GNHCLF has financed the development or rehabilitation of 148 units of housing, has underwritten 42 forgivable downpayment and second mortgage loans, as well as 62 lead abatement and rehabilitation loans. The Fund also provides foreclosure mitigation services.

The GNHCLF is an established partner with the National Community Stabilization Trust (NCST) and has purchase agreements with NCST participating banks and servicers. Greater New Haven Community Loan Fund will also act as an acquisition intermediary to acquire foreclosed upon property through the NCST on behalf of participating Consortium members.

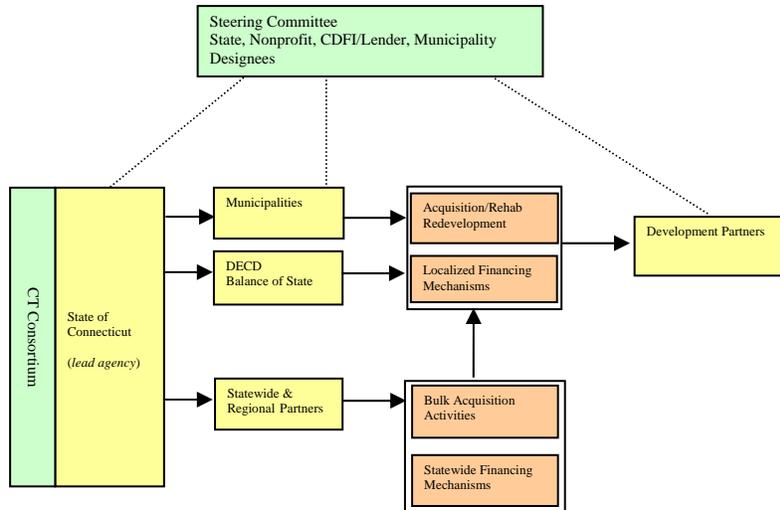
The Neighborhood Housing Services of Connecticut, Inc.

Neighborhood Housing Services of Connecticut, Inc. was incorporated in 1984 as a 501(c)(3) nonprofit corporation with a mission of raising funds to support the NeighborWorks[®] Organizations (NWOs) in Connecticut and undertaking various affordable housing development activities in Connecticut. Specifically, it was designed to work in areas that would not necessarily be served by any of the existing NWOs. Each of the six NWOs in Connecticut has established an impressive, successful track record in undertaking affordable housing initiatives that include the following:

- Neighborhood Housing Services of New Britain has developed 85 homeownership opportunities and 91 affordable rental units for its clients over the past 30 years.
- NeighborWorks New Horizons has developed 5 homeownership units and 300 affordable rental units over the past 15 years.
- Neighborhood Housing Services of New Haven has developed 217 homeownership units and 175 affordable rental units over the past 29 years.
- NHS of Waterbury has developed 63 homeownership opportunities and 2 community centers over the past 10 years.
- Mutual Housing Association of Southwestern Connecticut has developed 72 homeownership units and 225 rental units over the past 10 years.

b. Management Structure:

Table 22: Connecticut Consortium Organization



The *Connecticut Consortium* is comprised of the State of Connecticut DECD Bridgeport, Hartford, New Haven, Stamford, Corporation for Independent Living (CIL), Greater New Haven Community Loan Fund (GNHCLF), and Neighborhood Housing Services of Connecticut, and a Steering Committee. DECD is the lead applicant and will enter into funding agreements with each of the municipal members to receive direct NSP2 funding to implement the acquisition/rehabilitation, financing mechanisms and redevelopment activities in their targeted neighborhoods. DECD will also enter into separate funding agreements with the nonprofit Consortium members to implement the NSP2 strategies of acquisition/rehabilitation and financing mechanisms in targeted communities identified as “Balance of State.” These communities are: Danbury; Hamden; Killingly, Meriden, New Britain; New London; Norwalk; Norwich; Stratford; Waterbury; West Haven; Windham and Windsor.

DECD will disburse funds to Consortium members as eligible costs are incurred. Each Consortium member receiving either a direct NSP2 allocation from DECD or funding for individual properties will be responsible for ensuring compliance with all American Recovery and Rehabilitation Act (ARRA) and DECD requirements, including but not limited to Environmental Review (24 CFR Part 58), Davis Bacon and Related Acts as required under ARRA, Uniform Relocation Act requirements (49 CFR 24), and Section 3 requirements (12 U.S.C. 1701u).

DECD will monitor each recipient to assess compliance and program performance. Each municipal Consortium member is responsible for monitoring recipients of its NSP2 funding. Nonprofit Consortium members will be monitored directly by DECD in accordance with DECD’s established monitoring schedules and procedures.

Steering Committee:

Steering Committee
State, Nonprofit, CDFI/Lender, Municipality Designees,

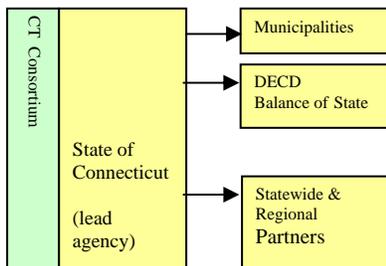
The NSP2 program submitted by the *Connecticut Consortium* will be guided in its implementation through a Steering Committee. The Steering Committee will provide guidance to the Consortium on issues of policy related to neighborhood stabilization. It will also act as a communication body to provide feedback to the Consortium on the progress of the program from the community level. The Steering Committee will be comprised of *Connecticut Consortium* members as well as representatives from local and regional nonprofits, private lenders and neighborhood organizations. The Steering Committee will assist in identifying additional resources and programs that can connect with NSP2 in order to increase the impact of the program. It will also review, analyze and recommend re-distribution of program income.

Upon the *Connecticut Consortium’s* award of NSP2 funding, the Connecticut Housing Coalition (Coalition) will continue to play the role of convener and facilitator of the Steering Committee, including these functions:

- convene the Steering Committee on a regular basis to ascertain the progress in meeting the goals of the NSP2 program and discuss potential state or regional strategies to improve neighborhood stabilization efforts;
- convene regional meetings of local communities included in the NSP2 programs to share challenges and successes and provide public input on the program;
- convene quarterly meetings of all Consortium members to exchange information and address common issues; these sessions may identify common themes regarding barriers or best practices that can inform technical assistance needs of the Consortium; and
- share timely information about the NSP2 program with the Coalition’s wider network of nonprofit developers, for-profit developers, financial institutions, service providers, property managers, municipalities and state agencies.

State Members:

Table 24: Connecticut Consortium State Members



DECD is identified as the lead applicant for the *Connecticut Consortium*. In this capacity it will act as the primary point of contact regarding all NSP2 program activities and will coordinate

program activities with the rest of the Consortium members. DECD program and management staff will manage the NSP2 initiative. As lead applicant, DECD will be responsible for ensuring that the program is carried out in compliance with all NSP2 requirements. Two Community Development Agents will be directly responsible for the day-to-day management of the program, with at least 20 years of housing and community development experience in municipal, state and federal funding programs. NSP2 funds will flow from DECD to Consortium members in accordance with the terms of the funding agreements, to which the application will be attached.

DECD is the Responsible Entity (RE) for environmental reviews to be conducted pursuant to 24 CFR Part 58,. DECD will utilize the tiering process to obtain release of funds as described in Part 58.15 for activities contemplated by each municipality and nonprofit consortium member. Each member must submit a statutory checklist for these activities; DECD will conduct an initial environmental review and aggregate the activities for the initial Request for Release of Funds (RROF) procedure to HUD. Subsequent to HUD approval of DECD's RROF, each municipal Consortium member will be required to perform its own environmental review for each specific property being considered for funding and retain the Environmental Review Record in the property files. The nonprofit Consortium members operating in the "Balance of State" must create property specific statutory checklists for each property being considered for NSP2 funding and submit to DECD for approval prior to incurring any choice limiting actions. Additionally, each municipal Consortium member will be required to manage its respective compliance with Davis Bacon, Relocation, Fair Housing and Section 3 requirements. DECD will assume responsibility to ensure compliance by nonprofit Consortium members and "Balance of State" municipalities reporting directly to DECD for these components.

The *Connecticut Consortium's* municipal members (Bridgeport, Hartford, New Haven, and Stamford) will each receive NSP2 funds from DECD to administer the program in their respective census tracts. The three nonprofits will receive funding directly from DECD for the purpose of acquisition, rehabilitation and re-sale of specific foreclosed upon properties in the remaining communities not served by the four municipal members.

The Consortium members will make NSP2 funds available to for-profit or nonprofit organizations to acquire abandoned and foreclosed properties and redevelop vacant properties for re-sale to eligible Low-, Moderate-, and Middle-Income (LMMI) families. DECD will make NSP2 funding available to Consortium members who will solicit participating developers and leverage private funds, including construction loans from NSP2 stakeholders such as the Hartford Community Loan Fund (HCLF) and other Community Development Finance institutions (CDFIs). Greater New Haven Community Loan Fund (GNHCLF) will also act as an acquisition intermediary to acquire foreclosed upon property through the National Community Stabilization Trust (NCST) on behalf of participating Consortium members.

Qualified nonprofit and for-profit developers will acquire the properties, provide for the renovation, and resale to qualified LMMI homebuyers.

For any rental housing developed, NSP2 recipients must utilize the Fair Market Rent levels and Utility Allowances as defined for NSP2 and provide project owners with information on updated rent limits so that rents levels meet federal requirements. It is anticipated that the majority of

NSP2 assisted properties will be sold to LMMI buyers shortly after construction or rehabilitation is complete.

An organizational chart of the DECD is included in this application in the Appendices.

Municipal Members:

Table 25: Connecticut Consortium Municipal Members



The City of Bridgeport will meet the program’s goals by addressing revitalization and affordability using all of the identified strategies that respond to the needs of the target neighborhoods. Homeownership and affordable rental and supportive housing are all crucial parts of the stabilization strategy. The program will be implemented in Bridgeport in accordance with the approved Acquisition, Rehabilitation, and Financing Mechanisms activities. The City will work with its NSP1 partners and expand its collaborative efforts to include additional community nonprofit partners and will extend its stabilization strategies to new target neighborhoods where the use of NSP2 funds can stem neighborhood decline caused by foreclosure.

The Bridgeport Redevelopment Agency (BRA) will handle all program management and coordination, in addition to program reporting. The City will subcontract with Housing Development Fund (NSP1 partner) and Community Capital Fund to handle property management and to provide debt financing for acquisition and rehabilitation activities, leveraged with NSP2 guarantee funds, and will administer the local NSP2 financing mechanism. A management team consisting of the City, BRA, Housing Development Fund and Community Capital Fund leadership will guide policy decisions on all acquisitions and dispositions. Qualified nonprofit and for-profit developers will acquire properties from these Funds and do the necessary renovations for ultimate sale to homeowners or use as affordable rental or supportive housing. The City will continue to reach out through additional resources to fund tenant, landlord and homebuyer counseling programs in order to make people aware of Fair Housing laws and their responsibilities as landlords and tenants, and provide property owners access to Lead Hazard Control Grant funds through its Bridgeport Lead Safe Families program for lead mitigation if eligible. The City of Bridgeport will be responsible for reporting compliance activities for NSP2 funds received by the City.

The City of Hartford, through its NSP2 participating developers/partners will execute the program by acquiring abandoned and foreclosed properties and redeveloping vacant properties for resale to eligible low-, moderate-, and middle-income families. NSP2 participating developers will leverage private funds, including construction loans from two NSP2 stakeholders; the Hartford Community Loan Fund (HCLF) and other CDFIs. Funds will be leveraged so that they have a significant and sustainable neighborhood impact. A major

impediment to housing choice for Hartford residents is the lack of income. According to 2000 census, the median income in Hartford was \$24,820 and the per capita income was \$13,428.

Qualified nonprofit and for-profit developers will acquire the properties; provide for the renovation and resale to qualified homebuyers. For any rental housing developed, the City will utilize the Fair Market Rent Levels and Utility Allowances as defined for NSP2 and provide project owners with information on updated rent limits so that rents may be in accordance with federal requirements. The City fully expects that NSP2 assisted properties will be sold to LMMI buyers shortly after construction or rehabilitation is complete.

Further, through its Fair Housing Officer, the City will assure that families and developers are well informed and notified of the provisions of the Fair Housing requirements. The City will concentrate on the purchase of foreclosed one to four unit properties and redevelop vacant properties. All homebuyers purchasing an NSP2 subsidized property will be required to complete an eight hour homebuyer education class to be provided by a HUD approved counseling agency.

NSP2 will be administered by the Department of Development Services, Division of Housing and Property Management. Yasha Escalera, the Division's Director will be designated as the Project Manager. Additional City of Hartford project staff includes: Lionel Rigler, Environmental Review; Thomas Rotchford, Rehabilitation Specialist; Elda Sinani, Fair Housing Marketing; Edison Silva, Permitting; Owen Humphries, Homeownership Coordinator/Underwriter. In addition, staff from the Departments of Finance and Purchasing, Health and Human Services, Corporation Council and Public Works will participate as needed.

The City of New Haven program will address both the Revitalization and Affordability Consortium goals, utilizing all of the identified strategies, depending on the needs of the target neighborhoods. Homeownership and affordable rental and supportive housing are all crucial parts of the stabilization strategy. New Haven's NSP2 activities will include Acquisition and Rehabilitation and Financing Mechanisms. The City will work with the same partners as in NSP1 and will continue to focus on existing target neighborhoods where necessary and will extend its stabilization strategies to new target neighborhoods where the use of NSP2 funds can stem neighborhood decline caused by foreclosure.

The City of New Haven will be responsible for reporting and compliance activities for NSP2 funds received by the City. It will also be responsible for both Property Management and Program Management activities. The Economic Development Corp. (EDC) of New Haven will be the acquisition and holding entity for all NSP2 properties; staffing for all of the acquisition and disposition of the properties for EDC will be performed by the Greater New Haven Community Loan Fund (GNHCLF). GNHCLF will also provide debt financing for acquisition and rehabilitation activities, leveraged with NSP2 guarantee funds, and will administer the local NSP2 financing mechanism. An ad hoc committee of the EDC, with representation of the three partner agencies, the New Haven Board of Aldermen and three at large members with real estate experience, will guide policy decisions on acquisition and disposition. Qualified nonprofit and for-profit developers will acquire the properties from EDC and do the necessary renovations for ultimate sale to homeowners or use as affordable rental or supportive housing. The City will

continue to reach out through additional resources to fund tenant, landlord and homebuyer counseling programs in order to make people aware of Fair Housing laws and their responsibilities as landlords and tenants.

The City of Stamford will utilize the program activities of Acquisition and Rehab, and Financing Mechanisms to stabilize the targeted neighborhoods, in conjunction with blight and code enforcement, outreach to neighborhood residents through the West Side Neighborhood Revitalization Zone (NRZ) Inc. and the East Side Partnership Inc. and capital improvements for public infrastructure and facilities.

Stamford Community Development (SCD) offers continuity of leadership, and extensive experience in the community development field.

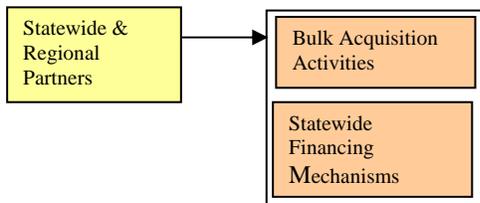
- Housing Development Manager: Sarah Pour brings 31 years of supervisory experience in government programs and administration, including HUD funded housing finance and rehabilitation projects. This person will be compensated from other funds, but provide 50% of her time to NSP2 related work, including integrating the NSP2 funded activities with other funded activities (HOME, CDBG, City Capital funded projects, 1012-1013 required work).
- Housing Construction Specialist: Ralph Mastromonaco has 33 years of diversified experience in residential construction, with specific experience in project management, bidding procedures, specification writing and cost estimating.
- Grants Coordinator: Erik Larson will continue his work monitoring foreclosure impact on neighborhoods, and assist in processing necessary contracts/payments for services provided for the NSP2 project by its partners and appraiser(s). He will provide detailed review of buyer financing packages to assure compliance with sound lending practices outlined above, and income eligibility.

The above day-to-day staff will report to the Project Director; the Community Development Director, Timothy R. Beeble who serves as overall project director for the NSP2 grant. The SCD Director has more than 33 years experience in managing HUD housing rehabilitation programs.

In addition to SCD staff, the program will draw upon certified City Housing Health and Code Inspectors as it implements NSP2. SCD also maintains a lawyer, consultant, and an appraiser conversant in NSP2 requirements.

Nonprofit Members:

Table 26: Connecticut Consortium Nonprofit Members



The Corporation for Independent Living (CIL), will participate as a *Connecticut Consortium* member as a nonprofit developer in the communities of Danbury, Killingly, Meriden, Norwich,

Waterbury, Windham and Windsor. The properties targeted in each community will further two established Consortium goals, Revitalization and Affordability. CIL will either purchase properties through the National Community Stabilization Trust or through realtors. CIL will either develop the properties or contract with the seven designated communities or local nonprofits to acquire and rehabilitate homes for income eligible buyers and/or create new affordable rental units for families whose income ranges from 120% to <50% of AMI. CIL will utilize the NSP2 funds to purchase the properties and obtain financing through the Consortium financing partners. David McKinley, Vice President Development, will function in program administration, program overview and executing of contracts between the “Balance of State” communities and/or service delivery agencies. Elaine Schmidt, Senior Housing Developer, will be the main contact with communities, realtors and financial partners. She will be responsible for the program implementation, coordination and compliance. She brings 17 years of experience in the administration of an entitlement community’s HUD Community Development Block Grant Program. Hector Pena, Controller, will be responsible for establishing the financial accounts, payment approval, fund requisitions and financial accountability. His staff will process the accounts payables. William Lennon, Vice President Construction, is the General Contractor for CIL and will execute contracts and provide construction overview. Ken Martin, Project Manager, will be responsible for the project management, specification preparation, bid process, and job oversight.

The Greater New Haven Community Loan Fund (GNHCLF) will serve as an intermediary to the National Community Stabilization Trust (NCST) for any Consortium member (“Participant”) who has not already established their own relationship with the NCST (the Trust). Property acquisition through the NCST Trust provides priority access to acquisition in targeted areas immediately after the properties have gone through foreclosure. Participants will identify their areas of interest which the GNHCLF will convey to the Trust. When properties become available in those areas, the information will be given to the Participant by the GNHCLF. Participant is responsible for property due diligence activities. If the Participant chooses to acquire a property, GNHCLF will convey the offer to the Trust. As required by the Trust, the GNHCLF will be the one point of closing for all transactions; the GNHCLF will then immediately convey properties to the appropriate Participant. Participants will make funds available for the property acquisition but the GNHCLF will make bridge financing available where necessary. The Executive Director of the GNHCLF, Carla Weil, will oversee GNHCLF staff as well as the relationship with the Trust and the Participants. Communication between the Trust and Participants on a day-to-day basis, as well as all as reporting and compliance, will be managed by Eva Heintzelman, Real Option Overcome Foreclosure (ROOF) Program Director and Naveed Sobhan, Neighborhood Stabilization Director.

The Neighborhood Housing Services of Connecticut, Inc. (NHSC) will undertake the program by focusing on the acquisition and rehabilitation of foreclosed properties for both homeownership and affordable rental housing in order to effect neighborhood stabilization throughout Connecticut. Financing mechanisms that further assist low-income families wishing to purchase homes through this program will also be utilized.

NeighborWorks[®] organizations (which are comprised of individual Neighborhood Housing Services (NHS) Organizations in Connecticut) that do homeownership developments are

committed to rehabilitation work that will not place new homebuyers in a position where their houses require work that they cannot afford. Organizations specializing in high quality, affordable rental housing cannot subject themselves to major repairs and related expenses that were not factored into their original development proformas. In addition to development subsidies, there is a growing need for new downpayment assistance programs for low-income homebuyers who lack the downpayment required to purchase a home. A portion of the program's funding will be targeted to financing programs that would assist low-income homebuyers.

In the three year period following approval of NSP2 funding, NHSC will acquire, rehabilitate and either sell or rent no fewer than 150 units of housing to low-income families. Statewide, all funds will benefit families at or below 120% of AMI, with at least 30% of the housing units acquired and rehabilitated under this program benefiting families at or below 50% of AMI. Targeting will focus on the geographic areas in those communities referenced below, and will concentrate on the census tracts throughout Connecticut where foreclosures have had the most deleterious impact. NSP2 funding will provide the unique opportunity to address two primary objectives simultaneously: revitalizing neighborhoods that have been plagued by foreclosed properties, and creating affordable homeownership and rental opportunities for low-income families. Without the intervention by NHSC in the designated target communities, decay and disinvestment would accelerate as an increasing number of residents lose confidence in the long term stability of their neighborhoods. Such adverse, long term consequences could threaten the viability of once vibrant neighborhoods throughout the State of Connecticut.

NSHC's member organizations currently have the resources to serve the following communities in Connecticut, in addition to Bridgeport, Hartford, New Haven and Waterbury: Danbury; Hamden; New Britain; New London; Norwalk; Norwich; Stratford; Waterbury; West Haven; Windsor.

Additional municipalities and individual census tracts can be added, based on a demonstrable need for services.

TABLE 27 CONNECTICUT CONSORTIUM MEMBERS REFERENCES

CT Partner	Reference	Organization	Address	Phone	Email
Department of Economic and Community Development	Timothy Coppage	Connecticut Housing Finance Authority	999 West St. Rocky Hill, CT 06067	(860)571-4269	timothy.coppage@chfa.org
	Calvin Vinal	Connecticut Housing Investment Fund	121 Tremont St. Hartford, CT 06105	(860)586-2028	cvinal@chif.org
City of Bridgeport	Philip Kuchma	Kuchma Corporation	277 Fairfield Avenue Bridgeport, CT 06604	(203) 366-3761	philip@kuchmacorporation.com
	Kevin F. Gremse	National Development Council	277 Fairfield Ave, 4 th Flr Bridgeport CT 06604	(203) 367 7740	kgremse@nationaldevelopmentcouncil.org
City of Hartford	Julio Concepcion	Metro Hartford Alliance	31 Pratt Street, 5 th Floor Hartford, CT 06103	(860) 525-4451 ext. 282	jconcepcion@metrohartford.com
	Alan Green	Hartford Housing Authority	180 Overlook Terrace Hartford, CT 06106	(860) 723-8420	agreen@hartfordhousing.org
City of New Haven	Jimmy Miller	Housing Authority of the City of New Haven	Orange Street New Haven, CT 06510	(203) 498-8800 x 1032	jmiller@newhavenhousing.org
	David Alvarado	Hill Development Corp. of New Haven	649 Howard Avenue New Haven, CT 06519	(203) 776-3759	dma49er@aol.com
City of Stamford	Peter Blomstrom	Retired HUD CPD Representative	390 Cedar Lane Cheshire, CT 06410	(203) 250-7073	nblomstrom@aol.com
	Ross Burkhardt	New Neighborhoods, Inc.	40 Stillwater Avenue, Stamford, CT	(203) 359-2215 x15	rossb@nnistamford.org
Corporation for Independent Living	Armand D'Amico	Eagle Advisors a division of CCHIS, Inc	98 Whitney Dr. Meriden, CT	(203) 237-6000	adamico@cchis.com
	Lesbia Hernandez	William Raveis Real Estate,	125 LaSalle Rd West Hartford, CT	(860) 521-4311	hernandezle@raveisre.com
Greater New Haven Community Loan Fund	Robin Golden	Yale Law School	121 Wall Street New Haven, CT 06511	(203) 432-4640	robin.golden@yale.edu
	Andrea Pereira	Local Initiatives Support Corporation	227 Lawrence St Hartford, CT	(860) 525-4821	apereira@lisc.org
Neighborhood Housing Services of Connecticut	Mary Jane Kononchik	Connecticut Housing Finance Authority	999 West Street Rocky Hill, CT 06067	(860) 571-4302	maryjane.kononchik@chfa.org
	Floyd Ozeck	Floyd Ozeck & Co., P.C.	3190 Whitney Avenue, Hamden, CT 06518	(203) 248-3076	fozeckcpa@snet.net

FACTOR 3: SOUNDNESS OF APPROACH

The *Connecticut Consortium* has adopted two overarching goals as guiding principles for the design and implementation of its NSP2 initiative. The first goal must be revitalization, utilizing NSP2 funds to stabilize distressed neighborhoods and transform them into vital communities. The second goal is to ensure long term affordability by creating opportunities for low- and moderate-income residents to reside in decent, safe and affordable quality housing in these neighborhoods.

Various strategies will help achieve these goals. For revitalization, the restoration of foreclosed properties will return abandoned, neglected assets to the market and will help reinvigorate the local tax base and the housing market in general. Rehabilitation activities will focus on blighted and abandoned properties and thus increase the available housing stock in target neighborhoods. Both homeownership and rental housing units will be created, offering housing choices to residents in the targeted neighborhoods. Rehabilitation of targeted neighborhoods is an already proven strategy which concurrently increases investment in public facilities, like parks and community centers, to complement the residential investments. There are also the demonstrable increases in public safety and availability of public services where such revitalization efforts are undertaken, which also create and encourage opportunities for small and minority businesses to participate in the benefits of the enhanced community partnerships which are thus developed and which sustain the revitalization. In addition, housing counseling, education, job training, and other related services may be enhanced through the use of administrative funds in these census tracts in order to better stabilize these neighborhoods.

Affordability of housing is a critical issue in communities throughout the State of Connecticut. The *Connecticut Consortium* has determined that the NSP2 program implementation must insure opportunity for low- and moderate-income residents in the targeted neighborhoods. The NSP2 program will support homeownership opportunities for low- and moderate-income residents by creating and financing affordable homeownership in neighborhoods which have suffered a decline in owner occupancy. Requirements for housing counseling and financial literacy services will increase the chances for sustainability of homeownership. The NSP2 program design recognizes the value of affordable rental housing opportunities as much as the need for homeownership; the program design also targets the creation of quality, affordable rental housing in targeted areas and the provision of service enriched housing as part of an overall revitalization strategy. Affordability is also considered a critical factor in the energy efficiency measures required of development designs for long term utility and maintenance costs of rehabilitated structures.

As part of ongoing marketing requirements, the program participants will be responsible for conducting outreach to a variety of populations in need to connect them with housing opportunities. The concept of the Consortium as a statewide, but local, response to the issues of affordable housing has brought together groups from across the state which thus fosters partnerships to enhance economic opportunity for a statewide revitalization effort aimed at concurrent enhancements to education, jobs and child care.

a. Proposed Activities:

(1) Description

The State of Connecticut NSP2 Consortium proposes to utilize NSP2 funding in the amount of \$45 million for ARRA eligible uses; (a) Financing Mechanisms, (b) Acquisition and Rehabilitation and (e) Redevelopment. Funds will be used to establish financing mechanisms to purchase and redevelop foreclosed residential property and to purchase and rehabilitate abandoned or foreclosed residential property to sell or rent them to income eligible households. Four specific municipal Consortium members are being targeted to receive funding from DECD directly in this initiative due to either their communities' low homeownership rates or evidence of decreasing ownership as a result of the blighting influence of foreclosed properties as well as their individual administrative capacity to manage the compliance components of the NSP2 and CDBG Program requirements. The State of Connecticut (DECD) will manage the balance of statewide activities utilizing two nonprofit Consortium members with statewide capacity. This strategic targeting of communities and neighborhoods presents an opportunity to increase homeownership and to contribute to the neighborhoods' overall transformation from blight to desirability. The rehabilitation of these neighborhoods stabilizes real estate values and stimulates private reinvestment on the blocks where foreclosed upon houses are located. If these properties were to remain neglected, more houses in the area would most likely become blighted, and the neighborhood would continue to decline.

NSP2 funding will provide needed investment to continue what is in most of these communities an ongoing effort to stem the decline in target neighborhoods. Funds will fill the affordability or appraisal gap between acquisition/rehabilitation costs and the sale of the houses either as a subsidy to the project developer or a direct subsidy to the buyer or both. This is a traditional neighborhood stabilization model which presumes a significant amount of oversight and management by the Consortium member, as well as the private sector. Activities include downpayment and closing cost assistance, homebuyer counseling, pre and post purchase education including general home maintenance skills and landlord training. *Connecticut's Consortium* communities have a cadre of sophisticated nonprofit housing organizations who provide these services as part of their neighborhood stabilization initiatives. NSP2 funding will supplement existing state bond funding and local private sector financing in many cases to expand upon current activities, and in other cases to allow for implementation of new neighborhood initiatives.

The quality of rehabilitation projects in targeted neighborhoods often spurs reinvestment on the part of other property owners, and creates a momentum that improves and revitalizes the neighborhood and attracts households of diverse incomes to achieve economic integration. Homeownership in the targeted neighborhoods is underrepresented and the acquisition/rehabilitation/resale model help create economically and ethnically diverse neighborhoods. It is anticipated that the State (DECD) will utilize an aggressive schedule to obligate and expend NSP2 funds in order to achieve the maximum impact in the targeted neighborhoods.

(2) Use of Funds

(a) Funds Budgeted and Proposed Activity

The *Connecticut Consortium* proposes to utilize NSP2 funds in the amount of \$45 million for eligible use (a) Financing Mechanisms, eligible use (b) Purchase and Rehabilitation and eligible use (e) Redevelopment. In addition, the Consortium will utilize the appropriate level of funds for administrative expenses, as noted in Table 28: Total NSP2 Budget Including Public and Private Investment. DECD will provide funds to the four municipal Consortium members for their exclusive use in their specific targeted neighborhood strategies. DECD will provide NSP2 funding through the statewide nonprofit Consortium members to utilize for those activities selected from the balance of the state’s targeted communities.

In addition, GNHCLF (a nonprofit Consortium member) will utilize its acquisition capacities to provide acquisition financing, utilizing NSP2 funding for activities related to bulk portfolio acquisitions or the Neighborhood Stabilization Trust.

The *Connecticut Consortium* proposes to use \$6.75 million of NSP2 funding to create a loan loss reserve mechanism to act as a credit enhancement to leverage private sector financing for NSP2 activities. The Connecticut Housing Finance Authority (CHFA) will be the administrator of this financing mechanism.

CHFA will create a loan loss reserve fund. Both Community Development Financial Institutions (CDFIs) and banks will be eligible to utilize the fund. CHFA will prequalify and enroll lenders into this program. Eligible lenders will be able to request a 30% loan loss reserve be placed in the account for each acquisition and/or rehabilitation loan that is to be closed. The availability of this mechanism could leverage as much as \$20 million dollars of private investment. CHFA will draw down the NSP2 funds and hold them in the account. In the event of a default, the lender will be entitled to collect those funds to mitigate their loss on the loan. Any NSP2 funds that are not used in the account will be re-programmed to serve the purposes of the NSP2 program.

Proposed use of funds is in Table 28: Total NSP2 Budget: Including Public and Private Investment.

Table 28: Total NSP2 Budget: Including Public and Private Investment				
NSP2 Eligible Activity	NSP2 Funds	State \$	Local \$	%
Administration	\$ 4,275,000	\$0	\$0	9.5%
Financing Mechanisms 24 CFR 570.206	\$14,737,500	\$2,000,000	\$3,950,000	32.75%
Acquisition and Rehabilitation 24 CFR 570.201 and 202	\$14,737,500	\$	\$3,950,000	32.75%
Redevelop demolished or vacant properties as housing 24 CFR 570.201 and 202	\$ 4,500,000	\$	\$	10%
Loan Loss Reserve 24 CFR 570.206 24 CFR 570.201 and 202	\$6,750,000	\$	\$	15%
Totals	\$ 45,000,000	\$2,000,000	\$7,900,000	100%

The Connecticut Consortium intends to participate in the REO property acquisition and leveraged financing programs offered by the National Community Stabilization Trust. These activities are complementary with and non duplicative of neighborhood stabilization activities that the Consortium is undertaking locally. In order to participate in the financing programs offered by the Stabilization Trust, the Consortium intends to establish a financing approach consistent with HUD NSP requirements which, through collaboration with the Stabilization Trust, will leverage significantly more private loan capital to finance the acquisition and rehabilitation of vacant and foreclosed homes than would be possible without coordination with the Stabilization Trust.

(b) Proposed Activities

The primary goal of the acquisition and rehabilitation activities within the NSP2 initiative is to foster neighborhood stabilization through an improved real estate market. Enhanced exterior of homes will increase curb appeal of targeted neighborhoods. Rehabilitated, quality properties will be purchased by NSP2 counseled, responsible homeowners who can manage their new homes. Thus, each improved home will increase the neighborhood's marketability, increasing its appeal to a wide variety of mixed-income buyers.

Consortium members and their development partners must inspect potential properties to determine the level of improvements necessary to meet state and local codes, as well as conduct other required inspections prior to the NSP2 participating developers making an offer to purchase a property. Housing Quality Standards (HQS) inspections will establish requirements to correct health and safety issues including environmental hazards such as lead based paint, asbestos, and mold. It is anticipated that these inspections may ultimately result in home improvements such as vinyl siding installation (when historically appropriate), window replacement, new roofs, furnaces and landscaping improvements as needed and whenever financially feasible. Energy Star qualified products and practices will be utilized whenever applicable.

Although some structures or condominium units may require only modest improvements that can be completed by a prospective owner as per NSP2 specifications, the majority of rehabilitation will be either moderate or major gut rehabilitation. Homes in poor condition, deemed to be salvageable, will be categorized as major gut rehab. Major gut rehabs will be rehabilitated with the same stringent standards as new construction. It is anticipated that most homes will fall into the category of moderate rehabilitation. Participating developers will rehabilitate properties in accordance with the NSP2 requirements, state and local codes and then sell the properties to NSP2 eligible LMMI buyers.

Redevelopment activity funds may also be used to construct new homes in specific census tracts on previously developed vacant land. Newly constructed homes built on vacant lots as part of this redevelopment activity will be designed as adaptable units and will meet Energy Star standards, which lower utility bills, improve comfort and increase property values, all of which benefit income qualified persons. With homeownership as a key underlying theme of many of Connecticut's urban cities, redevelopment as an NSP2 activity will continue in key targeted areas where this activity has already begun as a stabilization effort.

NSP2 Funds will fill the affordability or appraisal gap between acquisition/rehabilitation or redevelopment costs and the sale of the houses either as a subsidy to the project developer or a direct subsidy to the buyer or both. NSP2 funds will be provided to homebuyers in the form of downpayment assistance grants with resale deed restrictions to ensure long term affordability. The downpayment assistance will fill an affordability gap allowing LMMI households, where incomes are less than or equal to 120% AMI, to purchase homes with a reasonably comfortable level of first lien mortgage debt.

Any homebuyer activities must include a copy of a written agreement with a HUD-approved housing counseling agency to provide pre- and post-housing counseling services and a copy of the proposed curriculum. Any homebuyer activities must ensure that a buyer's payment of Principal, Interest, Taxes, Insurance (PITI) and Association Fees (if applicable) cannot exceed 30% of the household's anticipated gross annual income for eligible persons or families. However, if the purchase is part of an approved governmental first mortgage program, that governmental agency's higher ratios may be considered. Approved governmental programs include, but are not limited to Connecticut Housing Finance Authority (CHFA), United States Department of Agriculture (USDA), Federal Home Loan Bank, Fannie Mae, Connecticut CDFI Alliance, or Federal Housing Administration (FHA).

All properties assisted with NSP2 funding will be occupied by households meeting the LMMI standard. All assisted properties will assure affordability consistent with the HOME Investment Partnerships Program (HOME) by requiring the use of deed restrictions, restrictive covenants, or other such mechanisms running with the land. Loan terms as well as affordability periods will be consistent with the HOME Program Standards at 24 CFR 92.252(a), (c), (e) and (f) and 24 CFR 92.254.

Funds may be made available as grants or loans, and may be used as appraisal gap, affordability gap or a combination thereof. Interest rates may range from 0% to 5% and will be determined based on standard underwriting practices. It is anticipated that most loans will be at 0% per annum. However, interest rates may not exceed 5% and it is anticipated that rates above 0% will only be used for projects with rental properties where the operating proforma indicates that the project operating budget can support the proposed debt coverage ratios from 1.15 to 1.25.

(c) Status of Commitment of Other Funds

Additional funds being provided as leverage to the NSP2 application are listed below in Table 29: Leverage Amount by Organization. All funds are committed and copies of commitment letters are, as required by the NOFA, included as Appendices.

Table 29: Leverage Amount by Organization		
Organization	Leverage Amount in Millions	Type
Greater New Haven Community Loan Fund	\$1.5 M	Cash
City of Stamford	\$3.5 M	Cash
Community Capital Fund	\$0.9 M	Cash
Corporation for Supportive Housing	\$0.5 M	Cash
CT Housing Finance Authority (DPA & Counseling)	\$2.0 M	Cash
Housing Development Fund	\$3.0 M	Cash
Hartford Community Loan Fund	\$1.0M	Cash
National Community Stabilization Trust	\$14.5 M	Cash
TOTAL	\$27.0 M	Cash

(d) Demolition and Preservation

Applications submitted that contemplate the use of demolition as a revitalization strategy will be considered only if a fund source other than NSP2 is committed for the demolition component of the project. Additionally, such applications must address why, based on market conditions, the proposed mix of demolition of housing units versus preservation was selected, and must identify the information required in the NSP2 NOFA, published by HUD on May 4, 2009, more specifically, requirements for demolition on page 24 of the NOFA [Rating Factor 3 a. (2)(ii)] as part of the NSP2 application submission.

b. Project Completion Schedule:

The funding timeframes listed in Table 30 will apply regarding the commitment of funds, expenditure of funds, and occupancy of units for the Consortium’s performance:

Table 30: Funding Timeframes	
Obligation of Funds	
1 year	25% of allocation under contract for eligible activities
18 months	50% of allocation under contract for eligible activities
2 years	90% of allocation under contract for eligible activities
30 months	100% of allocation under contract for eligible activities
Expenditure of Funds	
1 year	10% of funds expended
18 months	25% of funds expended
2 years	50% of funds expended
30 months	90% of funds expended
3 years	100% of funds expended
Occupancy of Units	
18 months	10% of units occupied/sold
21 Months	25% of units occupied/sold
27 months	50% of units occupied/sold
3 years	90% of units occupied/sold
40 months	100% of units occupied/sold

In addition, the *Connecticut Consortium* will measure its success by: tracking results associated with number of properties acquired and/or rehabilitated including rental and owner-occupied, the number of households receiving housing counseling and/or downpayment assistance, changes in the rate of occupancy and/or ownership in the targeted geographies, and, the amount of nonfederal acquisition/rehab financing leveraged.

These measures will assist in demonstrating how the program has improved the physical character of the targeted geographies through the reduction of blight and abandonment as well as its positive impact on the economic stability of the neighborhoods.

c. Income Targeting for 120% and 50% of Median:

All NSP2 funds must benefit persons whose incomes do not exceed 120% of area median income and 25% of each grant must be used for purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house families or individuals with incomes at or below 50% of Area Median Income (AMI). The estimated amount of funds appropriated or otherwise made available under NSP2 to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of AMI is \$13,500,000.

It is the *Connecticut Consortium's* intention to identify and target two to four unit foreclosures for low-income homeownership opportunities within the designated census tracts. These multiple unit dwellings, with the rental income generated by the additional unit, will provide a fertile starting ground for assisting low-income families to realize an opportunity for homeownership. In addition, these same scattered site two to four unit foreclosures will be reviewed for inclusion within a supportive housing atmosphere. These activities are consistent with Connecticut General Statutes (CGS) Section 8-250 (45) to utilize foreclosed residential properties for the purpose of providing affordable and supportive housing. To the extent practicable, but at a value of not less than \$13,500,000, the *Connecticut Consortium* will prioritize requests for supportive housing and low-income homeownership opportunities dedicated to mitigating homelessness and serving families at or below 50% of AMI.

The requirement for low-income targeting, however, need not be targeted to any specific eligible activity. To the extent practicable, DECD will prioritize applications for supportive and affordable housing dedicated to mitigating homelessness and serving families at or below 50% of AMI.

If NSP2 funds are used to assist a property that was previously assisted with HOME program funds but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure. The grantee must revive the HOME program affordability restriction for the greater of the remaining period of HOME program affordability or the continuing affordability requirements adopted by the locality.

d. Continued Affordability:

NSP2-assisted units must meet the affordability requirements for not less than the applicable period specified in Table 31: Rental Housing Period of Affordability, and Table 32: Homeownership Period of Affordability, commencing upon project completion. The

affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They must be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by DECD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. Consortium members or their development partners must maintain copies of the recorded instruments in their project files.

Consortium members or their development partners may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record, before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

Minimum Period of Affordability in Years

- Rental: Each Consortium member or development partner is encouraged to exceed the minimum periods of affordability as determined below for the longest feasible term.

Table 31: Rental Housing Period of Affordability	
Rental Housing Activity	Minimum Period of Affordability in Years
Rehabilitation or acquisition of existing housing per unit amount of NSP2 funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New Construction or acquisition of newly constructed rental housing (24 CFR 92.252.e)	20
The refinancing of existing debt secured by housing that is being rehabilitated with NSP funds (24 CFR 92.206.b)	15

Source: 24 CFR 92.252e

- Homeownership: Each Consortium member or development partner is encouraged to exceed the minimum periods of affordability as determined below for the longest feasible term.

Table 32: Homeownership Period of Affordability	
Homeownership NSP2 Assistance Amount Per Unit	Minimum Period of Affordability in Years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Source: 24 CFR 92.254a.4

e. Consultation, Outreach, Communications:

(1) Consultation

In 2008 members of the Connecticut Housing Coalition (Coalition) saw that abandoned, foreclosed properties were blighting the neighborhoods in which they worked, threatening to reverse years of progress in community development. The Coalition invited to the table; municipalities, nonprofit developers, intermediaries, Department of Economic and Community Development (DECD), Connecticut Housing Finance Authority (CHFA) and others to assess the problem, deliberate strategies and prepare for the anticipated Federal resources. A Foreclosed Properties Working Group (Working Group) representing all concerned stakeholders, began with eight to ten participants and quickly grew to 30 and more.

As the first Neighborhood Stabilization Program (NSP1) rolled out, DECD was responsible for designing the Connecticut program and disbursing funds. The Working Group submitted comments to the first application and decided to continue to work together on the foreclosure issue. An unprecedented level of cooperation slowly evolved among the Working Group participants.

With the enactment of NSP2, the Working Group held facilitated conversations, reaching agreement to apply as a Consortium comprised of representatives of these sectors: state, municipalities, nonprofit developers and financial intermediaries. A Steering Committee was formed representing each of these sectors and the Coalition is facilitating the participants through the application process.

(2) Outreach

Utilizing the members of the Steering Committee, DECD will ensure that outreach as to the availability of NSP2 funding is achieved. Successful applicants must demonstrate administrative capacity to qualify eligible families. In addition, each subrecipient must develop and maintain an Affirmative Fair Housing Marketing Plan to provide local outreach to qualified households. DECD will ensure that all of subrecipients sign the required certifications as a condition of their contract for NSP2 funds. In addition, subrecipients must certify that they have a current Fair Housing Action Plan and all other fair housing /civil rights documents that make up that plan including an Affirmative Fair Housing Marketing Plan (AFHMP) and tenant selection methodology in accordance with state law. The Consortium will require each subrecipient to provide a narrative on how the grant will be used to overcome the impediments to fair housing choice including racial and ethnic integration in accordance with their own Analysis of Impediments (AI) if they are an entitlement community or the state's AI for non entitlement communities. As a part of this submission, each entity must also include a discrimination complaint procedure.

(3) Ongoing Communication, Progress, Complaint Processing

The Connecticut Housing Coalition (Coalition), in its role as the state association for the community development industry, has a long history of providing training and technical assistance, offering educational forums, communicating best practices and facilitating development practitioners to address common concerns.

In the implementation of NSP2, the Coalition will continue to provide convening and facilitation services for the Steering Committee and *Connecticut Consortium* members, the role it served throughout the development of the NSP2 application.

f. Performance Monitoring:

DECD will monitor Consortium members and their development partners' compliance with NSP program requirements in accordance with 24 CFR 92.508 and 24 CFR 570.492 for the HOME and Small Cities CDBG Programs respectively. This practice will continue for the NSP2 funds.

DECD utilizes HUD's Risk Assessment Methodology to develop an annual monitoring schedule for its federally funded programs.

The state reserves the right to deobligate funds from a Consortium member based on failure to carry out their contract activities in a timely manner. DECD and each Consortium member will be required to establish specific achievement goals related to the purchase and resale of foreclosed properties. Consortium members and any development partners will be required to establish goals, objectives and timeframes for each activity, consistent with the performance indicators in the HUD NSP2 NOFA.

All subrecipients are required to submit monthly and quarterly compliance reports required by HUD in the Disaster Relief Grant Reporting (DRGR) system, and which are used to track program progress and timely expenditure of funds. Additionally, each activity is monitored for programmatic compliance on site at least once during the contract budget period.

All administrative funds must be drawn down on a pro-rata basis equal to the percentage of funds obligated. Any property specific activity obligation for which administrative funds have been drawn must be completed within timeframes noted above or the administrative funds may be subject to recapture.

To meet the requirements of the NSP2 NOFA, DECD's fiscal compliance examiners will staff the internal audit function in order to examine member or partner program; operations, management, and to provide feedback to NSP2 DECD staff in areas such as identification of risky management practices, problematic internal controls, or potential non-compliance areas. Each Consortium member subject to state or federal single audit requirements will be required to submit these as scheduled for review by DECD's fiscal compliance examiners as well.

FACTOR 4: LEVERAGING OTHER FUNDS, OR REMOVAL OF SUBSTANTIAL NEGATIVE EFFECTS

The *Connecticut Consortium* is pleased to have available a number of institutions willing to provide commitments of cash as well as in-kind services to support this NSP2 application. These leveraged resources represent a portion of the network of resources available throughout the state that finance and support the development of affordable housing. These commitments include the availability of financing from predevelopment through rehabilitation and construction phases as well as income/population targeting, downpayment assistance, and counseling. The total commitment value represents a leverage ratio of 1:26. Letters of Commitment are located in Appendices and are summarized in Table 33: Commitments Leveraged.”

Table 33: Leverage Amount by Organization		
Organization	Leverage Amount in Millions	Type
Greater New Haven Community Loan Fund	\$1.5 M	Cash
City of Stamford	\$3.5 M	Cash
Community Capital Fund	\$0.9 M	Cash
Corporation for Supportive Housing	\$0.5 M	Cash
CT Housing Finance Authority (DPA & Counseling)	\$2.0 M	Cash
Housing Development Fund	\$3.0 M	Cash
Hartford Community Loan Fund	\$1.0M	Cash
National Community Stabilization Trust	\$14.5 M	Cash
TOTAL	\$27.0 M	Cash

FACTOR 5: ENERGY IMPROVEMENT AND SUSTAINABLE DEVELOPMENT FACTORS

Connecticut’s development decisions statewide recognize and continue to emphasize the impacts, both fiscally and environmentally, that green building, energy efficiency and sustainable development strategies produce. The state’s overarching policy guidelines are found in the State’s Plan of Conservation and Development, a document which governs the state’s development, resource management and public investment policies. It is the intention of the *Connecticut Consortium* to improve environmental quality by developing buildings and open space utilizing sustainable and energy efficient building and landscaping techniques.

a. Transit Accessibility:

One of the State’s guiding principles is to concentrate development around transportation nodes and along major transportation corridors to support the viability of transportation options. The *Connecticut Consortium* members include four of the state’s largest and distressed urban communities. As such, a majority of the activities to be performed with NSP2 funding will by default occur in neighborhoods that are currently transit accessible.

Members and development partners will be required to prioritize transit accessibility for each property proposed to be selected for NSP2 financing by coordinating the property locations with the Connecticut Transit District or Amtrak arterial maps. Properties to be acquired or redeveloped must be reviewed in conjunction with their neighborhood conditions with an emphasis on proximity to downtown locations, business centers, and transportation accessibility.

b. Green Building Standards:

Energy-saving features typically make new construction or substantial (“gut”) rehabilitation properties 20–30% more efficient than standard homes. These features will enable developers to create affordable, sustainable and environmentally friendly housing units. As Connecticut has a large volume of historic properties, these efforts will also allow preservation and sustainable ownership opportunities for the existing housing stock. All construction projects utilizing NSP2 funds will be required to comply with the following green rehabilitation and new construction standards:

1. New Construction and Gut Rehabilitation

Each property being developed with NSP2 funds must receive an energy audit prior to commencing work. Energy audit conclusions will guide the development of green building standards for each property.

NSP2 recipients must exceed the Energy Star New Construction standard in all residential new construction and gut rehabilitation for properties three stories or less. Residential properties developed by NSP2 recipients must be at least 15% more energy efficient than homes built to the 2004 International Residential Code (IRC).

Additional requirements will include replacement windows, boilers and hot water heaters to be Energy Star rated. Replacement appliances must be Energy Star certified: refrigerators, dishwashers, stoves, washer/dryer. Replacement light fixtures and Compact Fluorescent Light bulbs (CFL) must be Energy Star certified, and installed in all existing light fixtures. Replacement light fixtures should be Energy Star certified such as fluorescent fixtures, LED lighting or EPA approved equivalent. Replacement toilets, shower heads and sink faucets must be high efficiency water conserving. High Efficiency toilets must be certified to meet Water Sense criteria as established by the U.S. Environmental Protection Agency. Bathroom sink faucets must be certified to meet WaterSense criteria as established by the U.S. Environmental Protection Agency. Shower heads must be low flow or Energy Star.

2. Moderate Rehabilitation or Energy Retrofits

Each property being rehabilitated with NSP2 funds must receive an energy audit prior to commencing work. Energy audit conclusions will guide the development of the green building standards for each property.

Additional Requirements for these activities are that all replacement appliances must be Energy Star certified, such as refrigerators, dishwashers, stoves, washer/dryer. All replacement windows must be Energy Star rated. All replacement light fixtures and CFL light bulbs must be Energy Star certified, specifications must require installation of Compact Fluorescent Light bulbs (CFL) in all existing light fixtures and replacement light fixtures should be Energy Star certified: fluorescent fixtures, LED lighting or EPA approved equivalent. Replacement toilets, shower heads and sink faucets must be high efficiency water conserving. High efficiency toilets must be certified to meet WaterSense criteria as established by the U.S. Environmental Protection Agency. Bathroom sink faucets must be certified to meet WaterSense criteria as established by the U.S. Environmental Protection Agency. Shower heads must be low flow or Energy Star

- c. **Re-Use of Cleared Sites:** The *Connecticut Consortium* does not anticipate any demolition will be performed utilizing NSP2 funds.
- d. **Deconstruction:** Although NSP2 funds will not directly fund demolition activities, any demolition performed on properties utilizing NSP2 funds must be undertaken utilizing developer's best efforts to reuse or ensure the reuse of recyclable materials.

e. Other Sustainable Development Practices:

1. **Sustainable and Energy Efficient Landscaping:** In order to reduce energy costs for properties, improve air quality and create attractive neighborhoods, trees should be planted on the north and south sides of building lots. Suggested trees include Red or Sugar Maple and Shadblow trees.
2. **Energy efficient materials and practice:** Use of the following will be encouraged as part of the preparation of work specifications for each NSP2 assisted property:
 - a) **Durable Materials**
 - (1) **Property Exteriors:** When possible, developers should utilize sustainable materials, durable materials such as brick, composite wood, or minimally pressure treated wood and vinyl in order to reduce replacement costs and refuse.
 - (2) **Minimize Paving:** Asphalt driveways absorb heat and emit heat during summer months. Driveways and parking lots should be kept at minimum possible size.
 - b) **Resource Efficient Materials**
 - (1) **Flooring:** Wherever possible, hardwood, composite or commercial grade linoleum should be used in lieu of vinyl and carpeting. These sustainable flooring materials reduce waste, minimize replacement costs and are more environmentally friendly to produce.
 - (2) **Heating:** Setback temperature controls with four programmable temperature settings per day must be installed whenever possible.
 - c) **Healthy Homes**
 - (1) **Green Label Certified Floor Covering:** Wherever possible, hardwood, composite or commercial grade linoleum should be used in lieu of vinyl and carpeting. These sustainable flooring materials reduce waste, minimize replacement costs and are more environmentally friendly to produce.
 - (2) If carpet is used, must install Carpet and Rug Institute's Green Label certified carpet and pad.
 - (3) **Tub and Shower Enclosures:** Must use one piece fiberglass or similar enclosure or, if using any form of grouted material, use backing material such as cement board, fiber cement board, fiberglass reinforced board or cement plaster.
 - (4) **Green Maintenance Guide:** Developers must provide new renters and homeowners with a Green Operations and Maintenance Toolkit and Buyers Guide, approved by HUD and produced by Local Initiatives Support Corporation (LISC).
 - d) **Resident Orientation:** Upon sale or rental of property, developer, owner, or agency representative must provide a walk through of the property to orient the homeowner or new tenants with available amenities and green improvements.
 - e) **Energy Saving Initiatives:** Maximize the utilization of energy savings offered by Connecticut's utility companies. Connecticut's major electric companies have joined together to offer energy saving incentives for developers throughout the state. These companies are United Illuminating Company (UI) and Northeast Utilities (NU). This program is available to CT developers performing gut rehabilitation, or building new residential properties three stories or less, and includes single and multifamily projects; both for sale and rent. Subsidies are available in rebate form, upon final verification of the property's Home Energy Rating System (HERS) rating and energy savings components added.

FACTOR 6: NEIGHBORHOOD TRANSFORMATION AND ECONOMIC OPPORTUNITY

(1) Consistency with an Established Plan

DECD hereby certifies that its NSP2 Application is consistent with the goals and strategies of the five-year Connecticut State Long Range Housing Plan and the five-year Connecticut Consolidated Plan for Housing and Community Development. The latter plan, required by the US Department of Housing and Urban Development (HUD), governs the state's administration of four federal formula grant programs; HOME Investment Partnerships Program (HOME), Small Cities Community Development Block Grant (SC/CDBG), Emergency Shelter Grant Program (ESG), and Housing for Persons with AIDS Program (HOPWA), while the State Long Range Housing Plan governs the administration of state funded housing programs.

The State Long Range Housing Plan is located at www.ct.gov/ecd/lib/ecd/2005-2009_slrhp.pdf. The CT Consolidated Plan for Housing and Community Development is located at www.ct.gov/ecd/lib/ecd/decd_consolidated_plan_for_housing_and_community_development.pdf.

The availability of quality affordable housing is an important issue in Connecticut. The state recognizes that a realistic and comprehensive housing strategy is vital to the future economic prosperity of Connecticut and that serious housing challenges continue to be present that must be addressed.

Census statistics on specific income levels identify where the population pockets are that may require the most assistance. Just 13 Connecticut communities currently house half of the low-income population in the entire state. In the vast majority of these communities, this population accounts for over one third of all of the households in the jurisdiction. Many of these jurisdictions are among the largest cities in Connecticut.

Connecticut also has a large inventory of older housing. Overall, almost six of ten homes (58%) are 45 years old or older. Two of ten homes (22%) are at least 74 years old. Another 22% is relatively new having been built between 1980 and 2000. Because of high costs, there is a lack of affordable housing. Connecticut residents spend a lot of their income on housing whether they rent or own.

Throughout Connecticut, persons and households in the lowest income brackets have the fewest housing choices. These citizens are severely limited as to where they can reside because of the cost of housing in many communities. Housing costs in neighboring communities can vary considerably. Within a few miles, sales prices and rent levels can more than double in many areas limiting the options of lower-income families in regard to housing choice and opportunity. Lower-income families are economically restricted to areas where affordable housing is available.

The State's Long Range Housing Plan identifies as its two most important goals equally: encouraging homeownership and expanding the supply of quality affordable housing.

(2) NSP2 Activities in Relation to State's Long Range Housing Plan Goals

The strategies outlined in DECD's NSP2 application provide an opportunity for the state, in conjunction with housing providers and the private sector, to have a significant ability to effectively achieve several of the State's Long Range Housing Plan goals.

Chief among these are the following:

- Improve the ability of low- and moderate-income residents to access homeownership opportunities.
- Preserve and increase the supply of quality affordable housing available to all low- and moderate-income households.
- Promote housing mobility and choice across income levels utilizing current infrastructure and the preservation of existing residential neighborhoods and housing stock.
- Promote support for mixed income developments in areas that currently under serve low- and moderate-income households.
- Provide incentives for individuals to live within walking distance to public transportation facilities through strategies such as location efficient mortgages that allow the mortgage applicant to apply more income toward the monthly mortgage payment as a result of lower monthly personal transportation costs.
- Encourage fuller use of already developed places with existing infrastructure, particularly deteriorated areas where site abandonment or neglect are responsible for lack of investment, job loss and neighborhood flight.
- Promote and encourage the revitalization and reuse of town center main streets in rural community centers, regional centers and older suburban towns.
- Focus funding decisions on utilizing existing infrastructure to build on a community's assets.
- Focus on improvement of existing infrastructure to support redevelopment and infill, and discourage intensive development in rural areas not already supported by local infrastructure, or where development is not consistent with state, regional and local land use policy.

Those strategies with a focus on homeownership activities create additional economic opportunities for the ultimate beneficiaries. Homeownership builds wealth, stabilizes communities, and encourages people to become more involved in the life of their communities. Households living in communities with higher rates of homeownership experience less crime, have higher educational test scores, have fewer teenage pregnancies, and have a generally higher overall level of well being.

Those strategies with a focus on rental activities aim to alleviate the problems of the lack of affordability and quality of life for tenants. These activities seek to expand the availability of quality affordable housing. Many of Connecticut's most vulnerable citizens need this housing; this includes the poor, the homeless, veterans, the elderly and frail elderly, persons with disabilities, and persons seeking to return to their communities from nursing facilities. Low-income renters may pay excessive rent that puts them in danger of homelessness. Some persons may require health and/or social services to allow them to age in place or to mainstream into the community at large; others simply need the most basic level of shelter to get off the streets before making the transition back into society.

Geo ID (Census Tract)	City	County	Foreclosure Score	Vacancy Score	Higher Rated Score	Foreclosures
						Total 2008 and 1st Q 2009
09001070200	Bridgeport	Fairfield County	17	12	17	12
09001070300	Bridgeport	Fairfield County	14	17	17	N/R
09001070600	Bridgeport	Fairfield County	18	14	18	N/R
09001070900	Bridgeport	Fairfield County	20	14	20	14
09001071000	Bridgeport	Fairfield County	18	16	18	16
09001071100	Bridgeport	Fairfield County	19	15	19	19
09001071200	Bridgeport	Fairfield County	19	15	19	8
09001071300	Bridgeport	Fairfield County	20	14	20	12
09001071400	Bridgeport	Fairfield County	19	17	19	7
09001071600	Bridgeport	Fairfield County	20	18	20	3
09001071700	Bridgeport	Fairfield County	19	18	19	4
09001071800	Bridgeport	Fairfield County	17	14	17	10
09001071900	Bridgeport	Fairfield County	18	14	18	15
09001072000	Bridgeport	Fairfield County	17	12	17	13
09001072100	Bridgeport	Fairfield County	19	19	19	22
09001072200	Bridgeport	Fairfield County	17	17	17	12
09001072300	Bridgeport	Fairfield County	18	11	18	21
09001072400	Bridgeport	Fairfield County	18	1	18	N/R
09001072500	Bridgeport	Fairfield County	19	1	19	1
09001072600	Bridgeport	Fairfield County	19	8	19	24
09001072700	Bridgeport	Fairfield County	18	5	18	14
09001072800	Bridgeport	Fairfield County	19	11	19	28
09001072900	Bridgeport	Fairfield County	20	10	20	27
09001073000	Bridgeport	Fairfield County	17	13	17	6
09001073100	Bridgeport	Fairfield County	19	9	19	15
09001073200	Bridgeport	Fairfield County	16	7	16	N/R
09001073300	Bridgeport	Fairfield County	18	11	18	N/R
09001073400	Bridgeport	Fairfield County	18	10	18	11
09001073500	Bridgeport	Fairfield County	19	18	19	16
09001073600	Bridgeport	Fairfield County	19	10	19	N/R
09001073700	Bridgeport	Fairfield County	19	13	19	32
09001073800	Bridgeport	Fairfield County	19	15	19	7
09001073900	Bridgeport	Fairfield County	19	17	19	11
09001074000	Bridgeport	Fairfield County	19	12	19	6
09001074300	Bridgeport	Fairfield County	19	18	19	17
09001074400	Bridgeport	Fairfield County	20	17	20	23
09001210200	Danbury	Fairfield County	16	14	16	N/R
09001210400	Danbury	Fairfield County	18	13	18	11
09001210700	Danbury	Fairfield County	18	14	18	17
09001211200	Danbury	Fairfield County	17	13	17	6
09009165500	Hamden	New Haven County	18	15	18	20
09009165600	Hamden	New Haven County	17	14	17	15
09009165700	Hamden	New Haven County	17	13	17	16
09009165900	Hamden	New Haven County	17	9	17	9
09003500100	Hartford	Hartford County	18	17	18	N/R
09003500200	Hartford	Hartford County	18	14	18	10
09003500400	Hartford	Hartford County	15	17	17	N/R
09003501000	Hartford	Hartford County	19	19	19	3
09003501200	Hartford	Hartford County	18	20	20	2

Geo ID (Census Tract)	City	County	Foreclosure Score	Vacancy Score	Higher Rated Score	Foreclosures Total 2008 and 1st Q 2009
09003501300	Hartford	Hartford County	17	19	19	6
09003501400	Hartford	Hartford County	17	19	19	N/R
09003501500	Hartford	Hartford County	18	19	19	18
09003501700	Hartford	Hartford County	19	20	20	19
09003501800	Hartford	Hartford County	19	20	20	19
09003502400	Hartford	Hartford County	17	15	17	N/R
09003502700	Hartford	Hartford County	16	17	17	N/R
09003502800	Hartford	Hartford County	16	20	20	N/R
09003502900	Hartford	Hartford County	14	18	18	N/R
09003503000	Hartford	Hartford County	18	19	19	8
09003503300	Hartford	Hartford County	14	18	18	N/R
09003503400	Hartford	Hartford County	18	18	18	4
09003503500	Hartford	Hartford County	18	20	20	N/R
09003503700	Hartford	Hartford County	18	18	18	5
09003503900	Hartford	Hartford County	18	13	18	20
09003504000	Hartford	Hartford County	17	12	17	6
09003504600	Hartford	Hartford County	17	1	17	N/R
09015904100	Killingly	Windham County	18	18	18	18
09015904400	Killingly	Windham County	14	18	18	N/R
09015904500	Killingly	Windham County	17	19	19	34
09009170100	Meriden	New Haven County	18	13	18	11
09009170200	Meriden	New Haven County	18	16	18	11
09009170300	Meriden	New Haven County	17	20	20	12
09009170800	Meriden	New Haven County	17	16	17	19
09009170900	Meriden	New Haven County	17	19	19	18
09009171000	Meriden	New Haven County	17	18	18	17
09009171200	Meriden	New Haven County	17	10	17	12
09009171500	Meriden	New Haven County	17	17	17	21
09003415300	New Britain	Hartford County	16	19	19	1
09003415500	New Britain	Hartford County	15	17	17	N/R
09003415600	New Britain	Hartford County	16	17	17	N/R
09003415700	New Britain	Hartford County	15	17	17	N/R
09003415900	New Britain	Hartford County	17	17	17	2
09003416100	New Britain	Hartford County	17	18	18	17
09003416500	New Britain	Hartford County	14	20	20	N/R
09003416700	New Britain	Hartford County	16	18	18	N/R
09009140500	New Haven	New Haven County	18	17	18	30
09009140600	New Haven	New Haven County	18	20	20	35
09009140700	New Haven	New Haven County	17	15	17	9
09009140800	New Haven	New Haven County	17	19	19	14
09009141200	New Haven	New Haven County	17	17	17	21
09009141500	New Haven	New Haven County	19	19	19	52
09009141600	New Haven	New Haven County	17	19	19	N/R
09009142100	New Haven	New Haven County	16	18	18	N/R
09009142300	New Haven	New Haven County	18	18	18	29
09009142400	New Haven	New Haven County	19	19	19	45
09009142602	New Haven	New Haven County	17	14	17	17
09009142700	New Haven	New Haven County	17	12	17	19
09011690300	New London	New London County	17	16	17	60

Geo ID (Census Tract)	City	County	Foreclosure Score	Vacancy Score	Higher Rated Score	Foreclosures Total 2008 and 1st Q 2009
09011690400	New London	New London County	18	19	19	25
09011690500	New London	New London County	19	18	19	24
09011690700	New London	New London County	16	18	18	N/R
09001043800	Norwalk	Fairfield County	16	13	16	N/R
09011696400	Norwich	New London County	17	18	18	N/R
09001021500	Stamford	Fairfield County	15	18	18	22
09001021802	Stamford	Fairfield County	16	11	16	N/R
09001080200	Stratford	Fairfield County	16	11	16	N/R
09001080400	Stratford	Fairfield County	19	11	19	22
09009350200	Waterbury	New Haven County	18	20	20	30
09009350300	Waterbury	New Haven County	18	20	20	23
09009350400	Waterbury	New Haven County	19	20	20	36
09009350500	Waterbury	New Haven County	17	18	18	12
09009350800	Waterbury	New Haven County	16	20	20	N/R
09009351000	Waterbury	New Haven County	17	15	17	23
09009351100	Waterbury	New Haven County	16	18	18	N/R
09009351200	Waterbury	New Haven County	17	19	19	16
09009351300	Waterbury	New Haven County	17	17	17	N/R
09009351400	Waterbury	New Haven County	17	18	18	N/R
09009351500	Waterbury	New Haven County	17	14	17	23
09009351700	Waterbury	New Haven County	18	20	20	29
09009352000	Waterbury	New Haven County	17	7	17	14
09009352702	Waterbury	New Haven County	17	15	17	21
09009154100	West Haven	New Haven County	19	11	19	38
09009154400	West Haven	New Haven County	17	12	17	18
09009154700	West Haven	New Haven County	17	5	17	11
09009155000	West Haven	New Haven County	17	13	17	21
09015800500	Windham	Windham County	17	12	17	14
09015800600	Windham	Windham County	18	14	18	10
09003473100	Windsor	Hartford County	18	7	18	14
09003473700	Windsor	Hartford County	18	7	18	12
Average Score					18.1783	

U.S. DEPARTMENT OF HUD 03/2009
STATE:CONNECTICUT

----- 2009 HOME PROGRAM RENTS -----

PROGRAM	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Bridgeport, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	742	795	953	1102	1230	1356	1484
HIGH HOME RENT LIMIT	788	1013	1214	1399	1540	1681	1823
For Information Only:							
FAIR MARKET RENT	788	1019	1214	1451	1762	2026	2291
50% RENT LIMIT	742	795	953	1102	1230	1356	1484
65% RENT LIMIT	944	1013	1218	1399	1540	1681	1823
Danbury, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	937	1004	1205	1392	1552	1713	1874
HIGH HOME RENT LIMIT	977	1180	1418	1630	1799	1966	2134
For Information Only:							
FAIR MARKET RENT	977	1186	1505	1801	2233	2568	2903
50% RENT LIMIT	937	1004	1205	1392	1552	1713	1874
65% RENT LIMIT	1100	1180	1418	1630	1799	1966	2134
Stamford-Norwalk, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	1070	1146	1376	1590	1773	1956	2140
HIGH HOME RENT LIMIT	1110	1191	1431	1644	1815	1984	2153
For Information Only:							
FAIR MARKET RENT	1119	1362	1703	2219	2681	3083	3485
50% RENT LIMIT	1070	1146	1376	1590	1773	1956	2140
65% RENT LIMIT	1110	1191	1431	1644	1815	1984	2153
Hartford-West Hartford-East Hartford, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	696	798	957	1106	1233	1361	1489
HIGH HOME RENT LIMIT	696	835	1021	1226	1521	1687	1830
For Information Only:							
FAIR MARKET RENT	696	835	1021	1226	1521	1749	1977
50% RENT LIMIT	745	798	957	1106	1233	1361	1489
65% RENT LIMIT	948	1017	1222	1404	1546	1687	1830
Southern Middlesex County, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	824	868	1087	1256	1402	1546	1692
HIGH HOME RENT LIMIT	824	868	1104	1416	1615	1857	2094
For Information Only:							
FAIR MARKET RENT	824	868	1104	1416	1615	1857	2100
50% RENT LIMIT	846	906	1087	1256	1402	1546	1692
65% RENT LIMIT	1080	1159	1392	1600	1765	1929	2094
Millford-Ansonia-Seymour, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	750	803	963	1114	1242	1371	1499
HIGH HOME RENT LIMIT	858	995	1113	1414	1556	1700	1844
For Information Only:							
FAIR MARKET RENT	858	995	1113	1417	1556	1789	2023
50% RENT LIMIT	750	803	963	1114	1242	1371	1499
65% RENT LIMIT	955	1024	1232	1414	1558	1700	1844

U. S. DEPARTMENT OF HUD 03/2009
STATE:CONNECTICUT

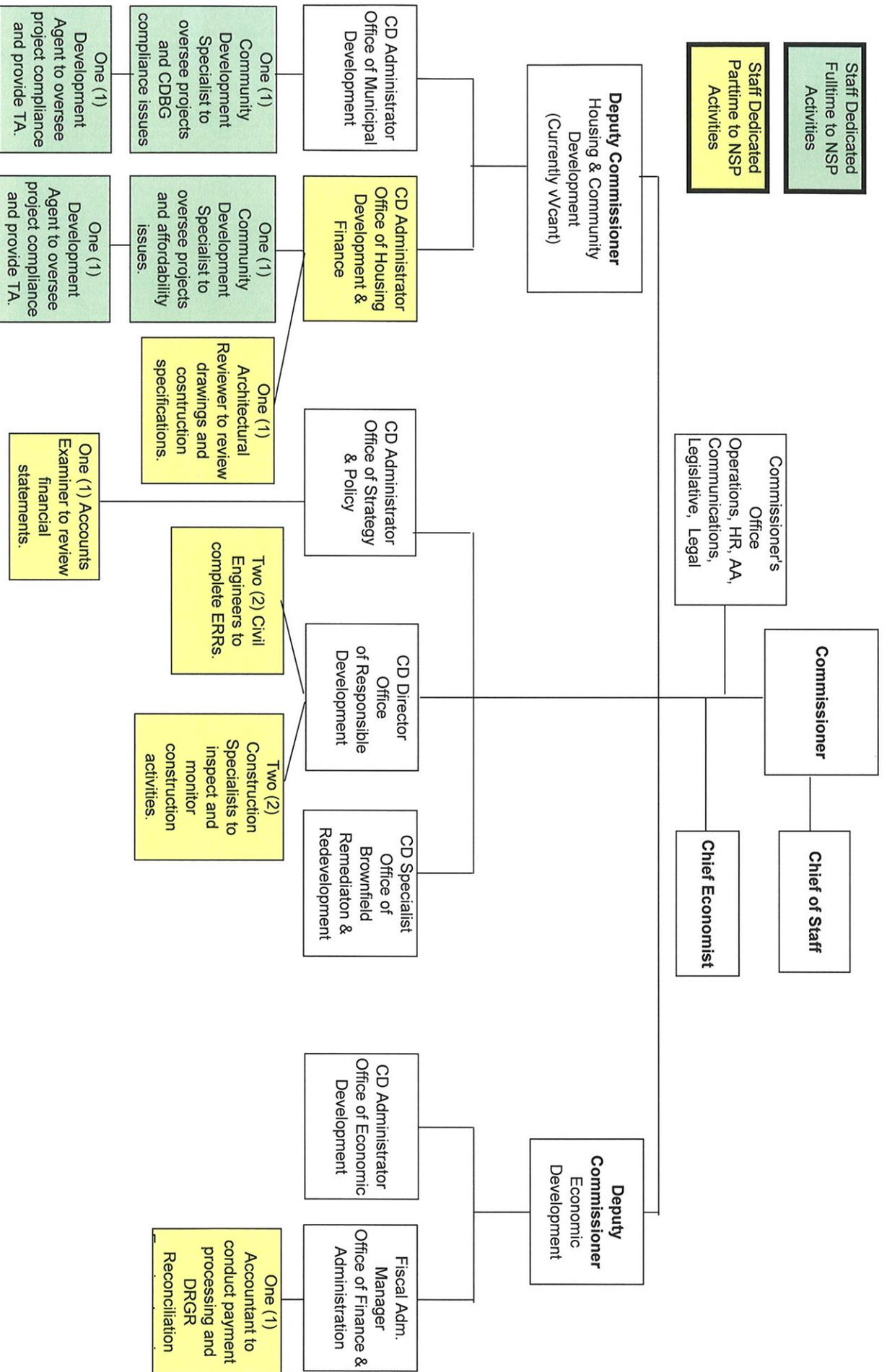
		2009 HOME PROGRAM RENTS					
PROGRAM	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
New Haven-Meriden, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	702	752	903	1043	1163	1285	1405
HIGH HOME RENT LIMIT	774	915	1101	1316	1430	1589	1721
For Information Only:							
FAIR MARKET RENT	774	915	1101	1316	1430	1645	1859
50% RENT LIMIT	702	752	903	1043	1163	1285	1405
65% RENT LIMIT	894	959	1153	1324	1456	1589	1721
Waterbury, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	581	752	894	1043	1114	1281	1405
HIGH HOME RENT LIMIT	581	752	894	1070	1114	1281	1448
For Information Only:							
FAIR MARKET RENT	581	752	894	1070	1114	1281	1448
50% RENT LIMIT	702	752	903	1043	1163	1285	1405
65% RENT LIMIT	894	959	1153	1324	1456	1589	1721
Norwich-New London, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	699	755	906	1046	1167	1288	1408
HIGH HOME RENT LIMIT	699	830	961	1175	1299	1494	1689
For Information Only:							
FAIR MARKET RENT	699	830	961	1175	1299	1494	1689
50% RENT LIMIT	705	755	906	1046	1167	1288	1408
65% RENT LIMIT	896	962	1156	1327	1461	1593	1726
Colchester-Lebanon, CT HUD Metro FMR Area							
LOW HOME RENT LIMIT	700	821	1028	1188	1325	1461	1599
HIGH HOME RENT LIMIT	700	821	1078	1289	1330	1530	1729
For Information Only:							
FAIR MARKET RENT	700	821	1078	1289	1330	1530	1729
50% RENT LIMIT	800	856	1028	1188	1325	1461	1599
65% RENT LIMIT	1020	1094	1314	1510	1665	1819	1973
Litchfield County, CT							
LOW HOME RENT LIMIT	632	813	972	1126	1257	1386	1517
HIGH HOME RENT LIMIT	632	823	972	1248	1404	1615	1825
For Information Only:							
FAIR MARKET RENT	632	823	972	1248	1404	1615	1825
50% RENT LIMIT	758	813	975	1126	1257	1386	1517
65% RENT LIMIT	966	1037	1246	1431	1576	1721	1866
Windham County, CT							
LOW HOME RENT LIMIT	584	707	851	1043	1136	1285	1405
HIGH HOME RENT LIMIT	584	707	851	1071	1136	1306	1477
For Information Only:							
FAIR MARKET RENT	584	707	851	1071	1136	1306	1477
50% RENT LIMIT	702	752	903	1043	1163	1285	1405
65% RENT LIMIT	894	959	1153	1324	1456	1589	1721

STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES
Section 8 HCV
Allowance for Tenant's Utilities
effective July 1, 2008

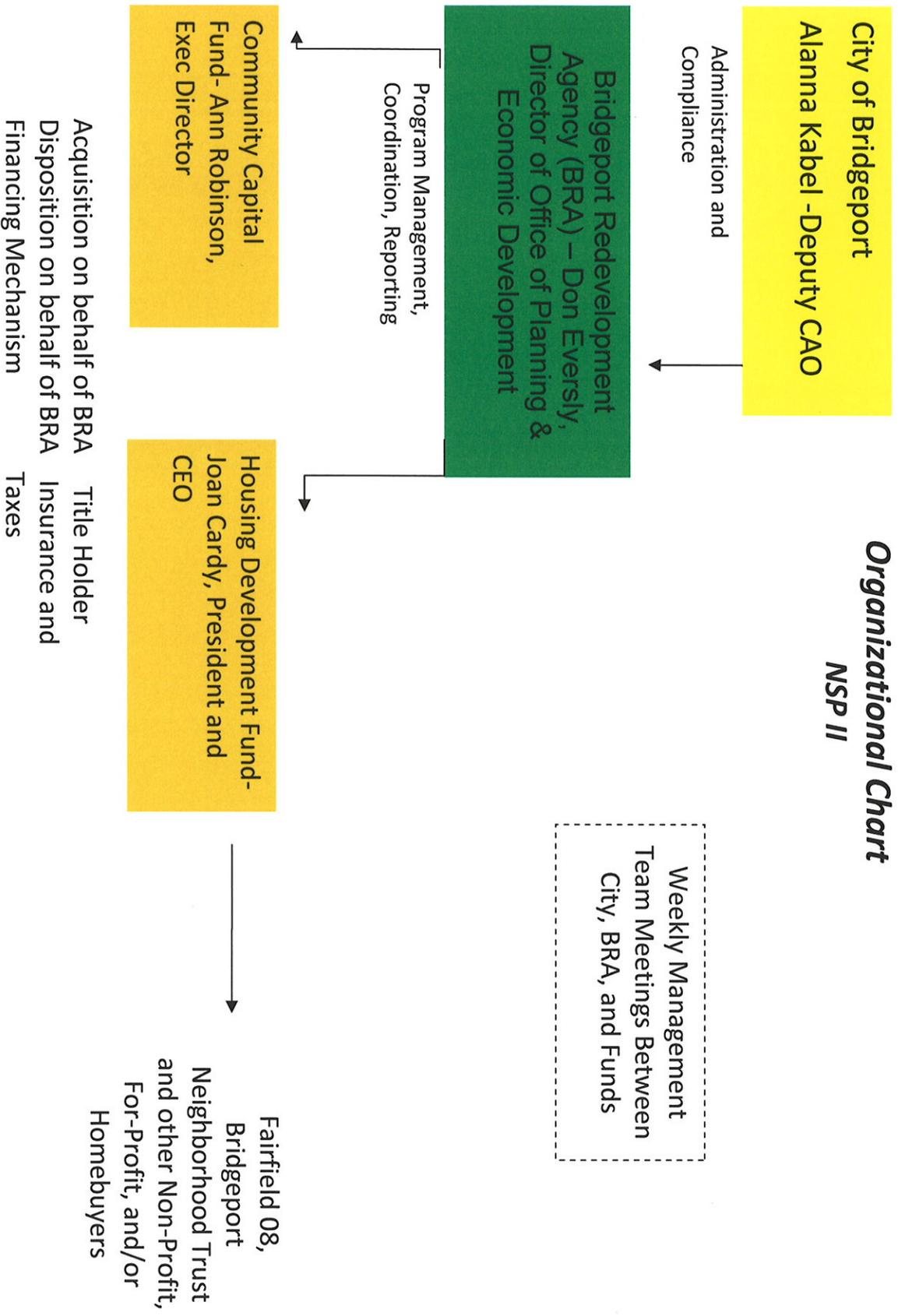
2008-09 Utility Allowance Schedule

Bedroom Size	0	1	2	3	4	5	6
<u>Heating - Single Family Detached</u>							
Natural Gas	72	97	118	135	164	183	202
Oil	108	126	144	169	208	251	280
Electric	123	154	201	233	264	295	339
Propane	93	124	155	180	217	242	273
<u>Heating - Row House & Garden Apts.</u>							
Natural Gas	53	78	107	126	145	164	183
Oil	79	104	129	154	180	205	230
Electric	104	127	170	201	233	265	311
Propane	84	96	130	161	186	217	248
<u>Heating - High Rise</u>							
Natural Gas	44	69	97	116	126	145	164
Oil	72	90	118	144	154	180	205
Electric	82	107	139	185	208	249	279
Propane	56	81	124	149	186	217	248
<u>Heating - Manufactured Housing (Mobile Home)</u>							
Oil	93	115	136	162	194		
Propane	90	109	146	171	202		
Kerosene	96	115	168	201	235		
<u>Cooking:</u>							
Natural Gas	11	17	21	25	32	38	46
Electric	19	25	32	41	46	58	69
Propane	20	25	35	45	55	64	74
<u>Water Heating:</u>							
Natural Gas	25	40	55	80	105	131	156
Oil	25	39	54	79	104	129	154
Electric	67	83	98	127	154	183	215
Propane	37	54	74	103	132	165	194
General Electric	35	52	69	92	115	141	159
Water	14	19	30	41	52	63	74
Sewer	6	9	11	14	18	20	23
Trash Collection	33	33	33	33	33	33	33
Range Allowance	2	2	3	3	4	4	4
Refrigerator Allowance	3	3	3	3	4	4	4

DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT



City of Bridgeport Organizational Chart NSP II



City of Hartford
Neighborhood Stabilization Program (NSP I, NSP II)
ORGANIZATIONAL CHART

Yasha Escalera, Director
Housing & Property Management
(Program Management)
(Reporting Compliance)

Lionel Rigler
(Environmental Review)

Thomas Rotchford
(Specifications Construction Monitoring)

Eida Sinani
(Affirmative Fair Housing Marketing)

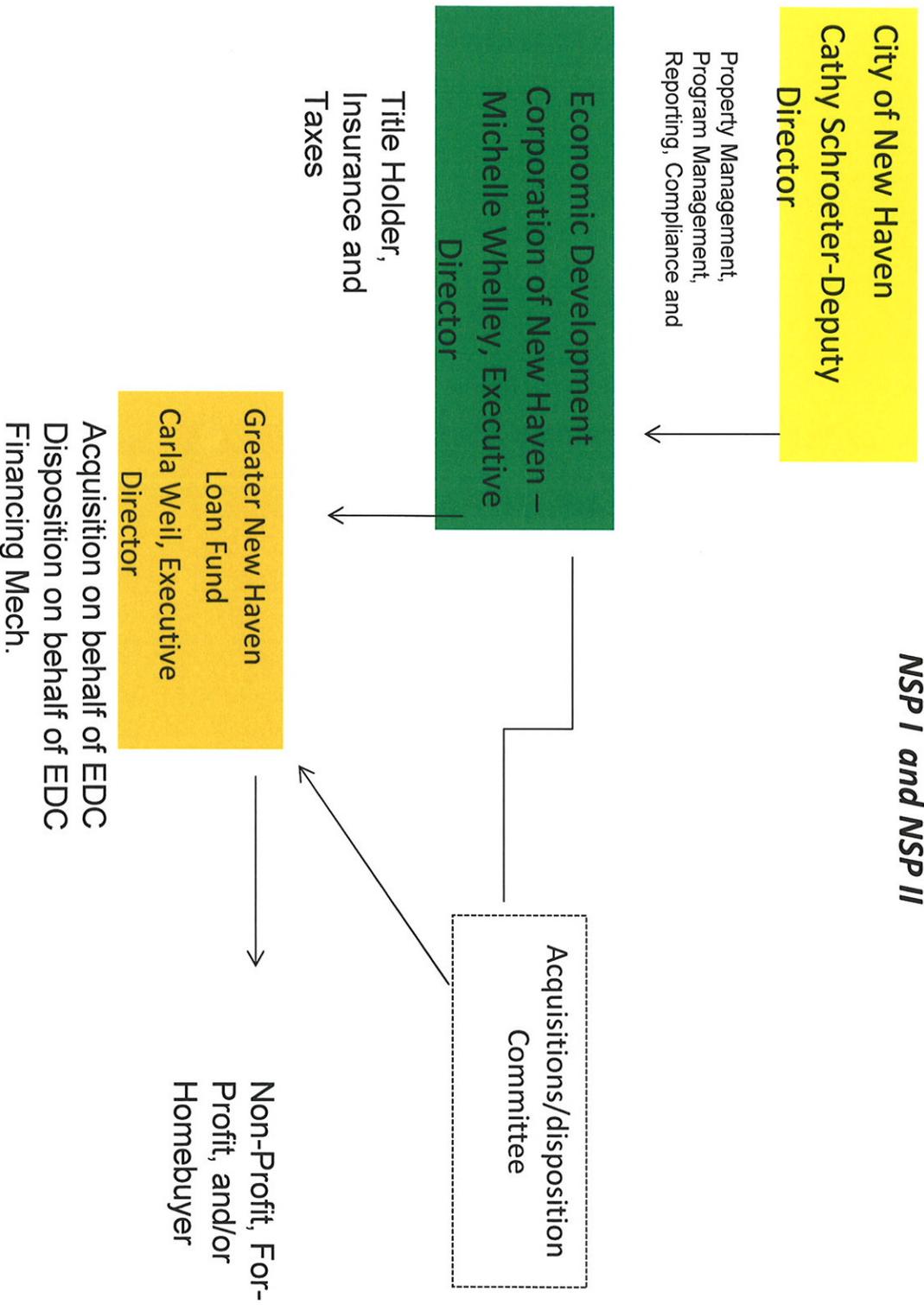
City of Hartford
On Call Appraisers

Edison Silva
(Permitting)

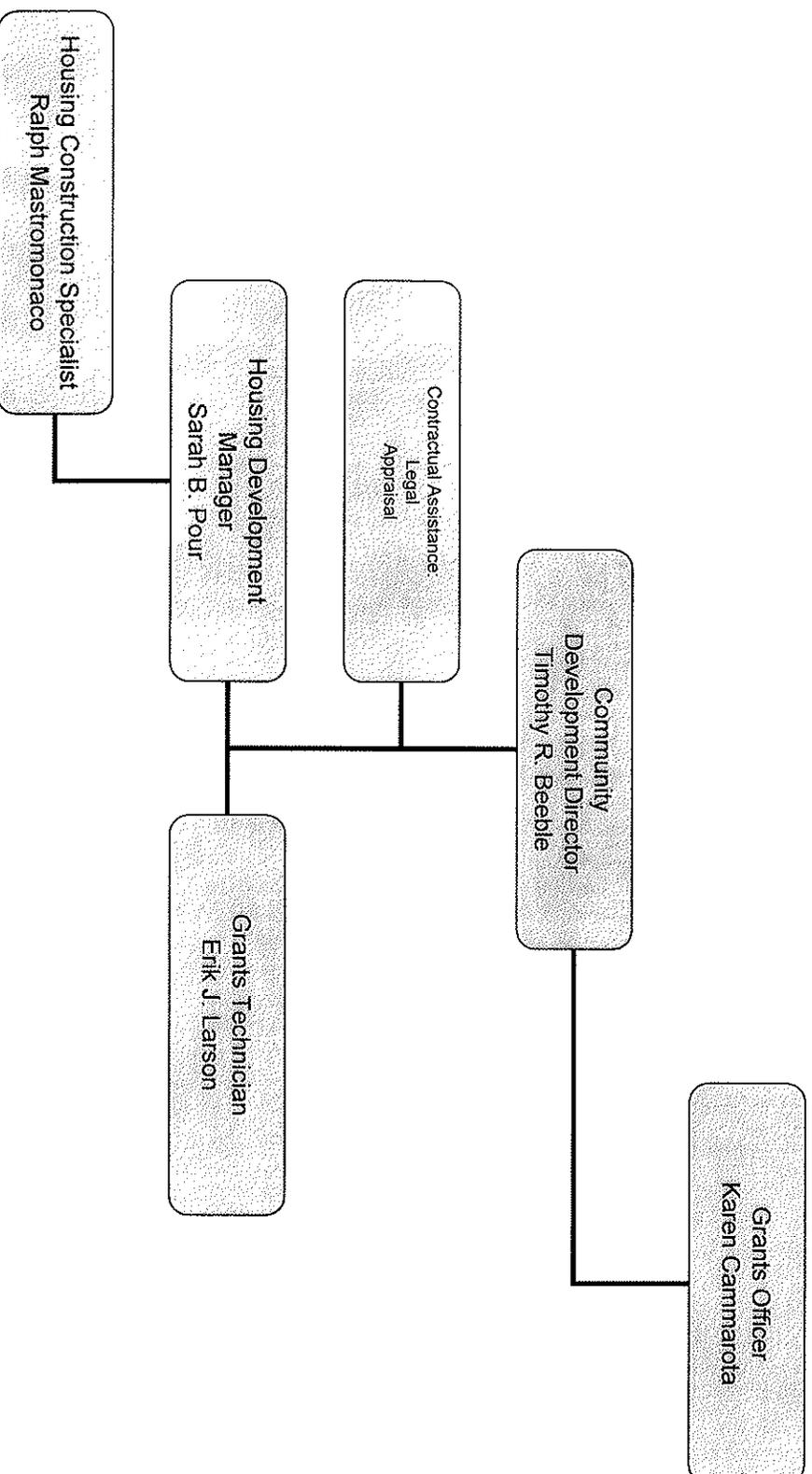
Owen Humphries
(Homeowner Coordinator, Underwriting)

DEVELOPERS (NON-PROFIT, FOR PROFIT) HOMEBUYERS
(Acquisition, Renovation, Construction, Disposition, Counseling)

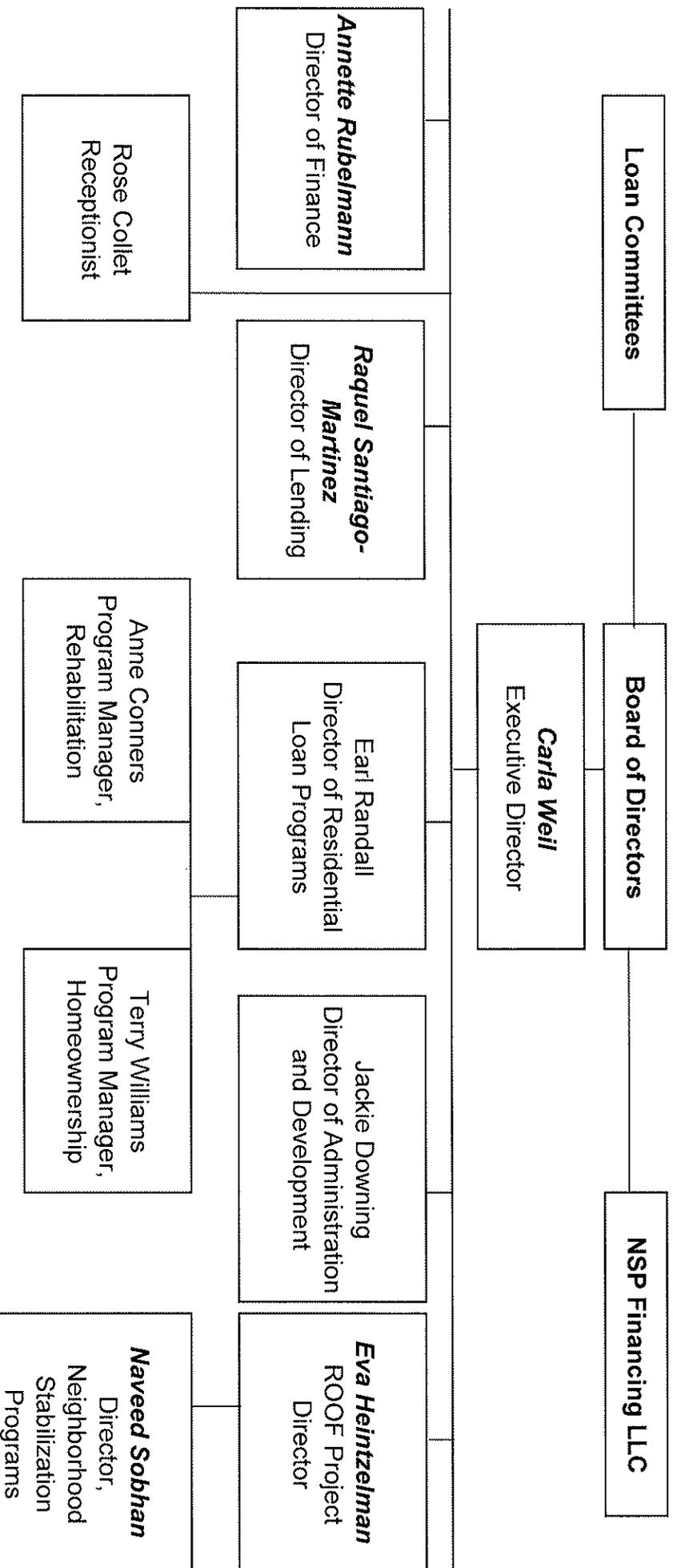
**City of New Haven
Organizational Chart
NSP I and NSP II**



NSP II Stamford Management



**GREATER NEW HAVEN COMMUNITY LOAN FUND
ORGANIZATION CHART
2009**

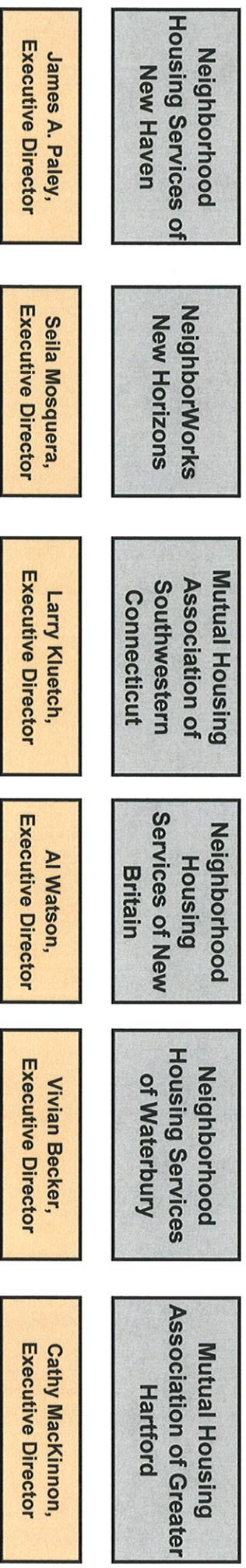


Neighborhood Housing Services of Connecticut, Inc.

Jun-09

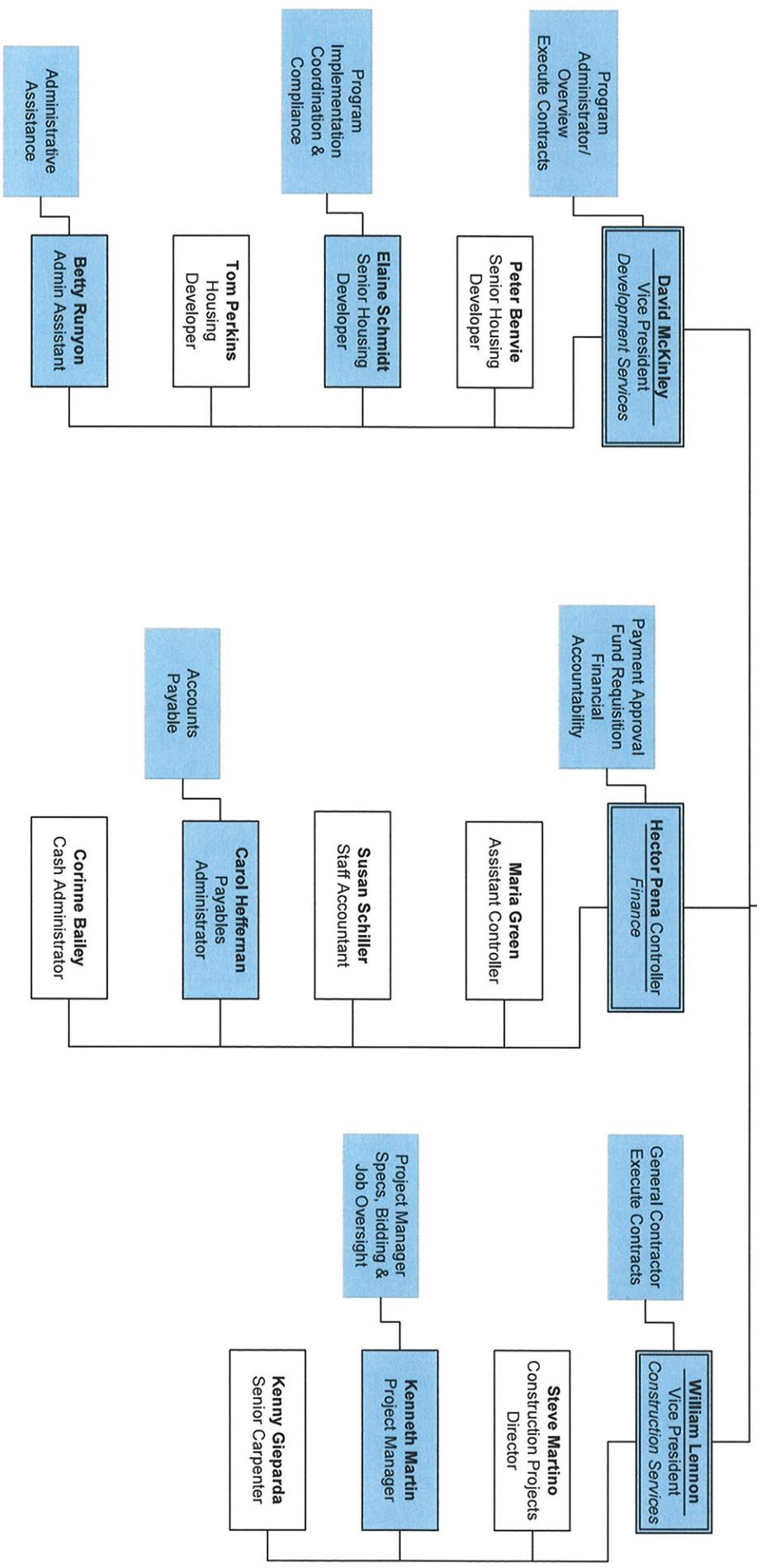
Organizational Chart

Board of Directors: James A. Paley, President



NSP2
Balance of State

Martin Legault
President/CEO
CORPORATION FOR INDEPENDENT LIVING



DEFINITIONS AND DESCRIPTIONS

Abandoned A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days.

Foreclosed A property “has been foreclosed upon” at the point that, under State or local law, the mortgage or tax foreclosure is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with State or local law.

Current Market Appraised Value The current market appraised value means the value of a foreclosed upon home or residential property that is established through an appraisal made in conformity with the appraisal requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer made for the property by a grantee, subrecipient, developer, or individual homebuyer.

Blighted Structure A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety and public welfare.

Connecticut General Statutes (CGS) § 7-148(c)(7)(H)(xv) empowers municipalities to make and enforce regulations preventing housing blight, provided such regulations: define housing blight; establish a duty of the owner to maintain property; and specify standards to determine if there is neglect. If a municipal ordinance is more stringent than the definition above, the local ordinance shall apply.

“**Affordable Rents**” means rents that are at or below the Fair Market Rent Levels as defined in the Appendices (Note: Fair Market Rent include utilities, therefore if a tenant is paying their own utilities, the Utility Allowance also included in the Appendices must be used to adjust the maximum rent level downward; or a fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111); or rents that do not exceed 30% of the adjusted income of a family whose annual income equals 80% of AMI, as determined by HUD, with adjustments for number of bedrooms in the unit; or rents that do not exceed 30% of the family’s adjusted income, if the unit receives Federal project-based rental subsidy or 40% of the family’s adjusted income if the unit receives State project-based rental subsidy (i.e., tenant contribution plus project-based rental subsidy) and the rent allowable under the Federal or State project-based rental subsidy program.

NOTE: Affordable rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes.

Subrecipients must provide project owners with information on updated rent limits so that rents may be in accordance with the written agreement between the subrecipient and the owner. Owners must annually provide the subrecipient with information on rents and occupancy of NSP2-assisted rental units to demonstrate compliance with this section.

Periods of Affordability NSP2-assisted units must meet the affordability requirements for not less than the applicable period specified in the Tables 33 and 34 below commencing upon project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They must be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by DECD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. Subrecipients must maintain copies of the recorded instruments in their project files.

Subrecipients may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record, before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

Minimum Period of Affordability in Years

Rental - Each subrecipient is encouraged to exceed the minimum periods of affordability as determined below for the longest feasible term.

Table 34: Rental Housing Period of Affordability	
Rental Housing Activity	Minimum Period of Affordability in Years
Rehabilitation or acquisition of existing housing per unit amount of NSP2 funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New Construction or acquisition of newly constructed rental housing (24 CFR 92.252.e)	20
The refinancing of existing debt secured by housing that is being rehabilitated with NSP2 funds (24 CFR 92.206.b)	15

Source: 24 CFR 92.252e

- Homeownership: Each subrecipient is encouraged to exceed the minimum periods of affordability as determined below for the longest feasible term.

Table 35: Homeownership Period of Affordability	
Homeownership NSP2 Assistance Amount Per Unit	Minimum Period of Affordability in Years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Source: 24 CFR 92.254a.4

Housing Quality Standards An owner of rental housing assisted with NSP funds must maintain the housing in compliance with all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401.

Income Certification of NSP2 Assisted Rental Units The income of each tenant must be determined initially in accordance with 24 CFR 92.203(a)(1)(i). In addition, each year during the period of affordability the project owner must reexamine each tenant's annual income in accordance with one of the options in 24 CFR 92.203 selected by the participating jurisdiction. An owner of a multifamily project with an affordability period of ten years or more who reexamines tenant's annual income through a statement and certification in accordance with 24 CFR 92.203(a)(1)(ii), must examine the income of each tenant, in accordance with 24 CFR 92.203(a)(1)(i), every sixth year of the affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with 24 CFR 92.203(a)(1)(ii) is not required to examine the income of tenants in multifamily or single-family projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income.

Fixed and Floating NSP2 Units In a property containing NSP2 assisted and other units, the subrecipient may designate fixed or floating NSP2 units. This designation must be made at the time of project commitment. Fixed units remain the same throughout the period of affordability. Floating units are changed to maintain conformity with the requirements of this section during the period of affordability so that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated NSP2 assisted unit.

Housing Rehabilitation Standards Housing that is rehabilitated with NSP2 funds must meet all applicable local codes, rehabilitation standards, ordinance, and zoning ordinances at the time of project completion, except as noted for homeownership housing later in this section. The subrecipient must have written standards for rehabilitation that ensure that NSP-assisted housing is decent, safe and sanitary. In the absence of a local code for rehabilitation, NSP2 assisted rehabilitation must meet, as applicable: one of four model codes; State Building Code, Uniform Building Code (ICBO), National Building Code (BOCA), Standard (Southern) Building Code (SBCCI), or the Council of American Buildings Officials (CABO) one or two family code, or the Minimum Property Standards (MPS) in 24 CFR 200.925 or 200.926. A subrecipient may rely on a Minimum Property Standards (MPS) inspection performed by a qualified person.

All other NSP2 assisted housing (e.g., acquisition) must meet all applicable state and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401. NSP2 assisted housing must meet the accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 794) and covered multifamily dwellings, as defined at 24 CFR 100.201, and must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).

NSP2 assisted housing must be energy efficient and incorporate cost effective green improvements. All gut rehabilitation (i.e. general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes. All gut rehabilitation of mid -or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 % (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).

Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star labeled products. Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed. Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

Homeownership Units The following requirements apply to housing for NSP2 assisted ownership units that are to be rehabilitated after transfer of the ownership interest:

1. Before the transfer of the NSP2 assisted ownership unit, the subrecipient must;
 - Inspect the housing for any defects that pose a danger to health, and
 - Notify the prospective purchaser of the work needed to cure the defects and the time by which defects must be cured and applicable property standards met.
2. The housing must be free from all noted health and safety defects before occupancy and not later than six months after the transfer; and
3. The housing must meet the property standards of this section not later than two years after the transfer of the ownership interest.

Purchase Discount Each foreclosed upon home or residential property shall be purchased at a discount of at least 1% from the current market appraised value of the home or property.

30% Rule for Homeownership Activities

1. NSP2-assisted ownership units shall be considered “affordable” when the Principal, Interest, Taxes, Homeowner Insurance, (PITI) required association fees and mortgage insurance premiums on the property are no less than 25% but do not exceed 30% of the gross annual income for NSP program eligible persons or families. However, if the purchase is part of an approved governmental program, DECD may accept that agency’s higher ratios upon the written request of the developer. Approved government programs include, but are not limited to, those sponsored by Connecticut Housing Finance Authority (CHFA), FHA, or the Federal Home Loan Bank.

2. The borrower total debt to income ratio, including long-term non-housing debt, also known as “back-end” ratios, shall not exceed 40%, except that waivers may be granted by DECD in the cases of “approved government mortgages” as referenced in #1.

Limit on Debt to Buyer As part of the financing of NSP2 units, NSP2 funds may be needed as development subsidy or as direct buyer subsidy. The amount of debt to be transferred to the buyer may not exceed the Fair Market Value of the NSP2 assisted property.

Program Income Any program income generated by NSP2 activities is to be governed by regular Small Cities CDBG program income rules and will belong to the *Connecticut Consortium*.

Subrecipient Consortium members receiving funds directly from DECD, developing partners apply for funds from Consortium members.

Maps - Microsoft Internet Explorer

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Address http://www.huduser.org/nspgis/map.aspx

A new version of NSP System released that generates application number.

Search by address (or) Zoom in 4 more level(s) to view and select the desired census tracts He

View Target Geographies E

HUD User Census Tract Information [X]

You have submitted the Target Geography Connecticut.
Your application ID is 288975304.

View Saved Target Geographies

Target Geography Name	Status	Added On	Download
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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5321-N-01]

**Notice of Fund Availability (NOFA) for the Neighborhood Stabilization Program 2 under
the American Recovery and Reinvestment Act, 2009**

Appendix 3 - Application Checklists and Aids

a. Application Forms: (Not subject to the page limitations.)

x		SF-424, Application for Federal Assistance (signed by the Authorized Organization Representative (AOR) who is legally authorized to submit the application on behalf of the applicant
	Not applicable to lead applicant	SF-424 Supplement, Survey on Ensuring Equal Opportunities for Applicant ("Faith Based EEO Survey (SF-424-SUPP)")
x		NSP2 Non-profit Organization Qualification-- Narrative describing qualification as an eligible applicant and Evidence of Nonprofit or and Tax Exempt Status (in accordance with this NOFA).
x		Consortium Agreement, if applicable.
x		Program Summary

b. Narrative Statements Addressing: (Subject to the page limitations described above.)

x		Factor 1 – Need and Market Conditions
x		Factor 2 – Demonstrated Capacity
x		Factor 3 - Soundness of Approach
x		Factor 4 - Leveraging, integration, removal of negative effects
x		Factor 5 - Energy efficiency
x		Factor 6- Neighborhood transformation and economic opportunity

c. Disclosures: (Not subject to the page limitations.)

x		SF-LLL, Disclosure of Lobbying Activities, as applicable.
x		HUD-2880, Applicant/Recipient Disclosure/Update Report. ("HUD Applicant Recipient Disclosure Report")

d. Appendices: (Not subject to the page limitations.)

x		A copy of your code of conduct.
x		Leveraging documentation—firm commitment letters. (See factor 4.)
x		Signed Certifications. (See Appendix 4 for the relevant certifications.)
	Not using	Calculation of removal of negative effects using HUD provided rubric
x		Summary of citizen comments including URL where plan is posted

Other information should not be submitted and will not be considered in scoring the application.

Application for Federal Assistance SF-424

Version 02

*1. Type of Submission:		*2. Type of Application		* If Revision, select appropriate letter(s)
<input type="checkbox"/> Preapplication	<input checked="" type="checkbox"/> Application	<input checked="" type="checkbox"/> New	<input type="checkbox"/> Continuation	*Other (Specify)
<input type="checkbox"/> Changed/Corrected Application	<input type="checkbox"/> Revision			_____

3. Date Received:	4. Applicant Identifier:
-------------------	--------------------------

5a. Federal Entity Identifier: 288975304 Unique Application Number	*5b. Federal Award Identifier:
-----------------------------------------------------------------------	--------------------------------

State Use Only:

6. Date Received by State:	7. State Application Identifier:
----------------------------	----------------------------------

8. APPLICANT INFORMATION:

*a. Legal Name: State of Connecticut, Department of Economic and Community Development

*b. Employer/Taxpayer Identification Number (EIN/TIN): 30-0566789	*c. Organizational DUNS: 807851043
----------------------------------------------------------------------	---------------------------------------

d. Address:

*Street 1: 505 Hudson Street

Street 2: _____

*City: Hartford

County: _____

*State: Connecticut

Province: _____

*Country: USA

*Zip / Postal Code 06106-7106

e. Organizational Unit:

Department Name: Department of Economic and Community Development	Division Name: Office of Housing Development and Finance
----------------------------------------------------------------------	-------------------------------------------------------------

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: _____ *First Name: Michael

Middle Name: C.

*Last Name: Santoro

Suffix: _____

Title: Community Development Specialist

Organizational Affiliation:

*Telephone Number: 860-270-8171 Fax Number: 860-270-8200

*Email: michael.santoro@ct.gov

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

Consortium- State Government Agency as lead applicant

***10 Name of Federal Agency:**

U.S.Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.256 _____

CFDA Title:

Neighborhood Stabilization Program _____

***12 Funding Opportunity Number:**

*Title:

13. Competition identification Number:

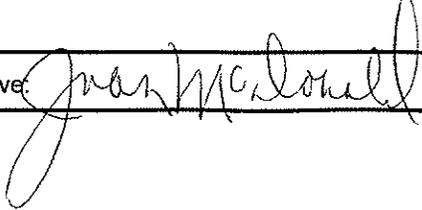
Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

state wide -Connecticut

***15. Descriptive Title of Applicant's Project:**

Neighborhood Stabilization Program

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
*a. Applicant: 1 st , 2 nd , 3 rd , 4 th , 5 th		*b. Program/Project: 1 st , 2 nd , 3 rd , 4 th , 5 th
17. Proposed Project:		
*a. Start Date: 9/1/2009		*b. End Date: 9/1/2012
18. Estimated Funding (\$):		
*a. Federal	\$45,000,000	
*b. Applicant		
*c. State		
*d. Local		
*e. Other		
*f. Program Income		
*g. TOTAL	\$45,000,000	
*19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____ <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input checked="" type="checkbox"/> c. Program is not covered by E. O. 12372		
*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001) <input checked="" type="checkbox"/> ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions		
Authorized Representative:		
Prefix: _____	*First Name: <u>Joan</u> _____	
Middle Name: _____		
*Last Name: <u>McDonald</u> _____		
Suffix: _____		
*Title: Commissioner		
*Telephone Number: 860-270-8010		Fax Number: 860-270-8008
* Email: joan.mcdonald@ct.gov		
*Signature of Authorized Representative: 		*Date Signed: <u>7/14/09</u>

Application for Federal Assistance SF-424

Version 02

***Applicant Federal Debt Delinquency Explanation**

The following should contain an explanation if the Applicant organization is delinquent of any Federal Debt.

not applicable

NON-PROFIT ORGANIZATION QUALIFICATION

The *Connecticut Consortium* is made up of public agencies, municipalities and non-profit organizations whose missions include community and housing development. Three of these members are qualified non-profit organizations who have been working in the field of affordable housing individually for over 20 years. Copies of each organization's tax-exempt IRC status letter are attached.

Corporation for Independent Living (CIL)

Founded in 1979, CIL was initially established by a coalition of service providers to create small residences in residential neighborhoods for people with disabilities. CIL is a 501 (c) (3) non-profit housing development corporation whose products now include community housing for people with developmental disabilities, accessible homes for people with physical disabilities, affordable multifamily housing as well as homes for first time low- and moderate-income homebuyers. CIL is also chartered by the State of Connecticut as a statewide Community Housing Development Corporation under C.G.S. Sec. 8-217 (3). In 29 years, CIL has developed nearly 1,800 homes of all types and served over 6,000 people.

Greater New Haven Community Loan Fund

The Greater New Haven Community Loan Fund (GNHCLF) is a 21 year old Community Development Financial Institution and 501 (c) (3) non-profit corporation which promotes neighborhood stabilization by providing loan programs for affordable housing development as well as for purchase and renovation of homes by low- and moderate-income individuals and families. Over the past 24 months GNHCLF has financed the development or rehabilitation of 148 units of housing, has underwritten 42 forgivable downpayment and second mortgage loans, and 62 lead abatement and rehabilitation loans. GNHCLF also provides foreclosure mitigation services. GNHCLF is also chartered by the State of Connecticut as a statewide Community Housing Development Corporation under C.G.S. Sec. 8-217 (3).

Neighborhood Housing Services of Connecticut, Inc.

Neighborhood Housing Services of Connecticut, Inc. was incorporated in 1984 as a 501 (c) (3) non-profit corporation with a mission of raising funds to support the NeighborWorks[®] Organizations (NWOs) in Connecticut and undertaking various affordable housing development activities in Connecticut. Specifically, it was designed to work in areas that would not necessarily be served by any of the existing NWOs. Each of the six NWOs in Connecticut has established an impressive, successful track record in undertaking affordable housing initiatives that include the following:

- Neighborhood Housing Services of New Britain has developed 85 homeownership opportunities and 91 affordable rental units for its clients over the past 30 years.
- NeighborWorks New Horizons has developed 5 homeownership units and 300 affordable rental units over the past 15 years.
- Neighborhood Housing Services of New Haven has developed 217 homeownership units and 175 affordable rental units over the past 29 years.
- NHS of Waterbury has developed 63 homeownership opportunities and 2 community centers over the past 10 years.
- Mutual Housing Association of Southwestern Connecticut has developed 72 homeownership units and 225 rental units over the past 10 years.
- Mutual Housing Association of Greater Hartford has developed 457 affordable rental units over the past 20 years and currently manages 852 affordable apartments in the greater Hartford area.

Internal Revenue Service

Department of the Treasury

District
Director

P.O. Box 1680, GPO Brooklyn, N.Y. 11202

Date: **MAY 20 1992**

CORPORATION FOR INDEPENDENT
LIVING
30 JORDAN LANE
WETHERSFIELD, CT 06109

Person to Contact:
Gerald Waters
Telephone Number:
(718)488-2240
Refer Reply to:
EO: 7223

Dear Applicant:

- This is in response to your letter of July 16, 1991 requesting a change in the Foundation Classification of your organization.

Our records indicate that your organization was granted exemption from Federal Income Tax under Section 501(c) (3) of the Internal Revenue Code in a letter dated February 1979.

Based on the information you submitted we have determined that you are not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, because you are an organization of the type described in Section 509(a) (3).

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



District Director

OGDEN UT 84201-0046

In reply refer to: 0424160750
Apr. 17, 2006 LTR 1169C E0
06-1256055 000000 00 000
07698
BODC: TE

CIL HOUSING INCORPORATED
% JOSEPH DICOSIMO
30 JORDAN LN
WETHERSFIELD CT 06109-1278303

012606

Employer Identification Number: 06-1256055
Group Exemption Number: 9245
Name of Organization: CIL HOUSING INCORPORATED
Tax Period: June 30, 2006
Form: 2363

Dear Taxpayer:

Thank you for sending the annual supplemental information about your subordinate organizations, as required by Revenue Procedure 80-27 to keep the tax exempt status for your group.

According to our instructions, a subordinate unit of a central (parent) organization is required to have the parent's name on the first (primary) name line and a name identifying the subordinate on the second (sort) name line.

If you have any questions, please call us toll free at 1-877-829-5500.

If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.

Telephone Number () _____ Hours _____

Internal Revenue Service
Director, Exempt Organizations
Rulings and Agreements

Department of the Treasury
P.O. Box 2508
Cincinnati, Ohio 45201

Date: JUL 20 2007

Greater New Haven Community Loan Fund Inc
171 Orange St
New Haven, CT 06510-3111

Employer Identification Number:
22-2889913
Person to Contact - ID#:
Sirijun Mayi - #31-07372
Contact Telephone Number:
877-829-5500 Phone
Public Charity Status:
509(a)(2)

Dear Applicant:

Our letter dated November 1988 stated that you were exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code and classified as a public charity under section 509(a)(3) of the Code.

Based on the information you submitted, we have modified your public charity status to the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, 800-829-3676. Information is also available on our Internet Web Site at www.irs.gov.

Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

If you have any questions, please call our toll free number shown in the heading of this letter.

Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Internal Revenue Service

Department of the Treasury

**P. O. Box 2508
Cincinnati, OH 45201**

Date: March 4, 2002

Neighborhood Housing Services of
Connecticut, Inc.
333 Sherman Ave.
New Haven, CT 06511

Person to Contact:

April C Howard 31-07692
Customer Service Representative

Toll Free Telephone Number:

8:00 a.m. to 6:30 p.m. EST
877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

22-2621951

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in August 1985, granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(3).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Neighborhood Housing Services of
Connecticut, Inc.
22-2621951

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

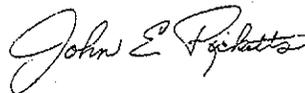
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services

**NEIGHBORHOOD STABILIZATION PROGRAM II
CONNECTICUT CONSORTIUM AGREEMENT**

THIS CONSORTIUM AGREEMENT (the Agreement) is made July 14, 2009 by and among public and private non-profit organizations (the "Connecticut Consortium" or "Consortium") involved and with all listed hereinafter collectively referred to as the "Consortium Member(s)" or "Member(s)". All of the collaborating agencies may sometimes be referred to collectively as the "parties".

WITNESSETH:

WHEREAS, the Consortium Members seek to enter into a cooperative agreement in order to form a consortium for the administration of funding provided under the provisions of the American Recovery and Reinvestment Act 2009 (the "Act") by assuming joint and cooperative responsibility for the planning and implementation of a Neighborhood Stabilization Program II ("NSP2") under the Act; and,

WHEREAS, the Consortium Members are empowered and authorized to enter into a cooperative agreement for the performance of their roles under the agreement; and,

WHEREAS, the Consortium Members seek to apply for funding under the Act for the purpose of addressing the problems of foreclosure and abandonment of residential properties in Connecticut's towns and cities; and,

WHEREAS, the Act requires that a consortium be formed for the purpose of submitting an application to the U.S. Department of Housing and Urban Development ("HUD") for NSP2 funding under the Act, whenever two or more entities who are eligible applicants under the Act have the individual capacity and experience to carry out the proposed NSP2 activities in the target geography; and,

WHEREAS, each Consortium Member authorizes the State of Connecticut Department of Economic and Community Development ("DECD" or "Lead Member") to (1) act in a representative capacity on behalf of the Members for the purpose of submitting an application to HUD for NSP2 funding under the Act in the amount of \$45,000,000 on behalf of the Consortium, and, (2) if selected for funding, thereafter execute the NSP2 agreement with the HUD and assume responsibility for the grant on behalf of the Consortium in compliance with all applicable requirements of the NSP2 program (the "Program").

NOW THEREFORE, in consideration of the mutual promises, covenants and agreements herein contained the parties here to agree as follows:

1. The undersigned parties shall constitute a Consortium for the purpose of applying for a HUD grant under the Notice of Fund Availability for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act 2009.

2. The Lead Member shall:

(a) submit an application for NSP2 funding of the program described in the application for NSP2 funding (the "NSP2 Program") in the amount of \$45,000,000; and,

(b) if selected for funding,

(1) execute the funding agreement with HUD on behalf of the Consortium Members;

(2) assume overall responsibility for ensuring that the "NSP2 Program" is carried out in compliance with all the requirements set forth in the Act and related regulations as well as any policies or directives imposed by HUD in connection with approval of the application; and,

(3) ensure that the funding agreement describes each Member's specific activities and funding award under the "NSP2 Program", including timetables for completion and applicable requirements as set forth in the Act.

3. The Consortium Members shall, if successful, cooperatively carry out the "NSP2 Program" as set forth in the approved application in coordination with the Lead Member.

4. No later than December 1, 2009, the Lead Member will enter into a separate funding agreement with each of the Consortium Members if the application is selected by HUD for funding under the Act, but before the grant is awarded by HUD to the Lead Member.

5. Unless otherwise described in the Agreement, the Consortium Members agree to cooperate fully in the development and creation of procedures for the purpose of defining the parameters of participation by each Member and a schedule for the implementation of the "NSP2 Program".

6. A Steering Committee (the "Committee") composed of no more than two administrative representatives from the municipalities, State, Non-Profits, the Connecticut Housing Coalition and CDFIs of the Members will be established to advise the Consortium on the administration of the "NSP2 Program" and the Consortium's distribution of program income. The Committee will facilitate coordination of activities among the Consortium Members in order to ensure that the Consortium's goals and objectives are met, in accordance with standards set forth in the Act. Policy making shall be within the framework of applicable federal and state laws, and the requirements of the Program.

7. Each Member shall designate a representative who will work collaboratively with the Lead Member to ensure that policies and procedures affecting the "NSP2 Program" are carried out on a day-to-day basis.

8. **This Agreement shall be effective as of the date of execution of the last of the duly authorized representatives of each Member and shall continue in effect for a period of one (1) year thereafter.** All or some of the Consortium members may agree to renew this Agreement for any succeeding year. Any member of the Consortium may elect to withdraw from the Consortium by delivery of a notice to withdraw to each member of the Consortium, such withdrawal to be effective thirty (30) days following delivery of such notice. In the event that a notice to withdraw is given by any member of the Consortium, this Agreement shall continue in full force and effect with respect to the remaining members of the Consortium.

9. This Agreement may be amended or modified only upon the duly authorized consent of all Members. The amendment or modification shall be effective on the date stated therein or, if no effective date is stated, on the date of approval of the amendment or modification by the last party to so consent.

10. All notices given under this Agreement must be in writing and delivered personally or by certified mail, return receipt requested and postage prepaid, to all other Members. Notice shall be deemed given as of the date and delivery in the case of personal notice; in the case of mailing by certified mail, notice shall be deemed given on the date of mailing.

11. This agreement shall be of full force and effect upon its passage and execution by all of the Members.

IN WITNESS WHEREOF, the authorized representative named below has executed this Agreement on behalf of the Consortium Member as of the date set forth below.

CONSORTIUM MEMBERS

State of Connecticut Department of Economic and Community Development

The City of Bridgeport

The City of Hartford

The City of New Haven

The City of Stamford

The Corporation for Independent Living

Greater New Haven Community Loan Fund

Neighborhood Housing Services of Connecticut, Inc.

SIGNATURE PAGES FOLLOW

**State of Connecticut
Department of Economic and Community Development**

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND
COMMUNITY DEVELOPMENT

BY: _____

Its

Commissioner

Date: _____

7/14/2009

IN WITNESS WHEREOF, the authorized representative named below has executed this Agreement on behalf of the Consortium Member as of the date set forth below.

Shirley C. Lazarus
Shirley C. Lazarus

Maana C. Kabet
Maana C. Kabet

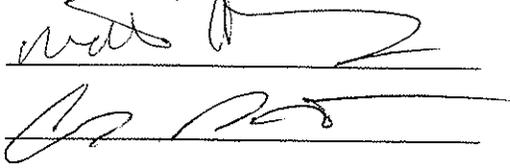
CITY OF BRIDGEPORT

By: Bill Finch
Bill Finch
Its Mayor

Dated: July 8, 2009

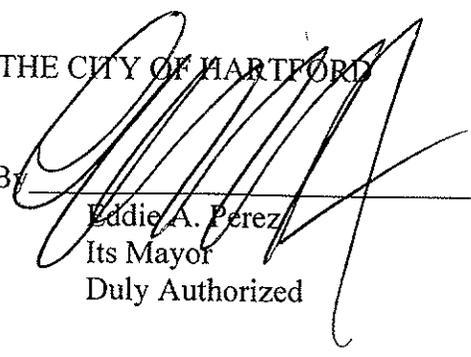
IN WITNESS WHEREOF, the City of Hartford has caused this Agreement to be executed and delivered by its duly authorized representative as of the date first set forth above.

Signed, Sealed and Delivered
in the presence of:



THE CITY OF HARTFORD

By



Eddie A. Perez
Its Mayor
Duly Authorized

Approved as to form and legality:



Carl R. Nasto
Deputy Corporation Counsel

IN WITNESS WHEREOF, the authorized representative named below has executed this Agreement on behalf of the Consortium Member as of the date set forth below.

Executed in the presence of:

The City:

CITY OF NEW HAVEN

Patricia A. Lawlor

[Signature]

BY:

[Signature]
John DeStefano, Jr., Mayor

Approved as to Form and Correctness:

[Signature]

John R. Ward
Special Counsel

STATE OF)
CONNECTICUT :
)
COUNTY OF NEW
HAVEN

ss. New Haven

7/8/09

Personally appeared John DeStefano, Jr., as Mayor the City of New Haven, one of the signers and sealers of the foregoing instrument, and he acknowledged the same to be the free act and deed of the City of New Haven, and of himself as mayor thereof, before me.

Patricia A. Lawlor

Notary Public
Commissioner of the Superior Court

PATRICIA A. LAWLOR
NOTARY PUBLIC
MY COMMISSION EXPIRES OCT 31 2010

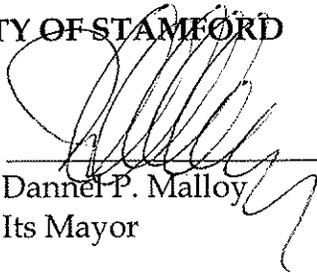
IN WITNESS WHEREOF, the authorized representative named below has executed this Agreement on behalf of the Consortium Member as of the date set forth below.



Timothy R. Beebe


Erik J. Larsson

CITY OF STAMFORD

By: 

Daniel P. Malloy
Its Mayor

Dated: July 7, 2009

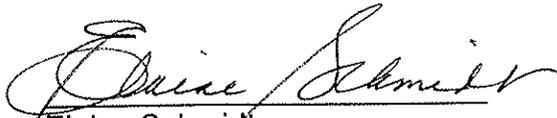
Approved as to Form
Corporation Counsel

By 

Date 7-7-09

Witness:

CORPORATION FOR INDEPENDENT
LIVING, INC.


Elaine Schmidt


Betty Runyon

By: 
Martin Legault, President & CEO

IN WITNESS WHEREOF, the authorized representative named below has executed this Agreement on behalf of the Consortium Member as of the date set forth below.

Executed in the presence of:

Rose Collet
Rose Collet

Eva Heintzelman
EVA HEINTZELMAN

Greater New Haven Community Loan Fund, Inc.

BY: [Signature]
Carla Weil, Executive Director

Dated: July 9, 2009

STATE OF)
CONNECTICUT :
COUNTY OF NEW)
HAVEN

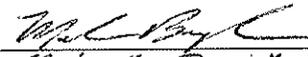
ss. New Haven July 9, 2009

Personally appeared Carla Weil, as Executive Director of the Greater New Haven Community Loan Fund, Inc. one of the signers and sealers of the foregoing instrument, and she acknowledged the same to be the free act and deed of the Greater New Haven Community Loan Fund, Inc., and of herself as Executive Director thereof, before me.

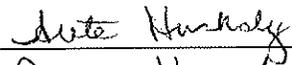
[Signature]
Notary Public
Commissioner of the Superior Court

TERRY H. WILLIAMS
NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 31 2009

IN WITNESS WHEREOF, the authorized representative named below has executed this Agreement on behalf of the Consortium Member as of the date set forth below.



Melanie Boykin



Aron Huchels

NEIGHBORHOOD HOUSING
SERVICES OF CONNECTICUT, INC.

By: 

James A. Paley
Its President

Dated: July 7, 2009

PROGRAM SUMMARY/APPLICATION OVERVIEW

The *Connecticut Consortium* is made up of the major implementation entities engaged in housing, community and neighborhood development. Consortium participants have reached across their traditional sectors of activity to create a coordinated, statewide program for stabilizing neighborhoods impacted by foreclosure. Members were self selected and individually and collectively have the capacity to create large-scale impact either in a single community or across a broad geographic area. Representatives include state and municipal government, Community Development Financial Institutions (CDFIs)/Investors and non profits. The *Connecticut Consortium* members are:

- The Connecticut Department of Economic and Community Development (*Lead Applicant*)
- The City of Bridgeport
- The City of Hartford
- The City of New Haven
- The City of Stamford
- The Corporation for Independent Living
- The Greater New Haven Community Loan Fund
- Neighborhood Housing Services of Connecticut, Inc.

All of the members of the *Connecticut Consortium* operate under missions that directly impact community and housing development. This Consortium has designed a program for communities in the state that have been most impacted by foreclosure. The goal of Connecticut's program is to stabilize and transform Connecticut neighborhoods through the application of targeted, comprehensive strategies that promote physical revitalization, economic growth and opportunity, and enhanced quality of life.

The geographic focus of this program will be those census tracts with a high degree of foreclosure, vacancy rates and with an overall need for stabilization as identified through data provided by HUD. Foreclosure or Vacancy Scores of 17 or greater in the seventeen targeted NSP1 communities will be targeted for assistance under NSP2. In addition, a small number of census tract with a Foreclosure Score of 16, that are contiguous with higher score tracts will also be targeted. Priority will be given to those areas: 1.) currently undertaking stabilization activities through NSP1 funding; 2.) that can demonstrate where the capacity to implement the program will meet the need and 3.) achieve the program's goals. The *Connecticut Consortium* is requesting \$45 million dollars of NSP2 to implement this program.

Activities

The Connecticut Department of Economic and Community Development (DECD) will act as lead applicant for the *Connecticut Consortium* and, along with its members, will carry out this program to provide investment and services aimed at achieving this goal. DECD currently administers the NSP1 funds and is the Participating Jurisdiction administering the state's HOME Investment Partnerships (HOME) and Entitlement Small Cities Community Development Block Grant (SC/CDBG) programs.

Federal NSP2 Funds will be used to support the following activities as a part of this program:

- Acquisition & Rehabilitation
- Redevelopment
- Financing Mechanisms

Complementary activities that are expected to be leveraged against the NSP2 activity include:

- Code Enforcement & Demolition
- Infrastructure & Open Space development
- Housing Counseling & Services
- Community Safety & Services
- Comprehensive Community Partnerships

Up to \$1.5 M in administrative funds may be targeted to housing counseling, education, and job training services under the Mortgage Crisis Job Training Program nominated by The Workplace, Inc. This counseling and job training program is seen as a critical tool in the stabilization of deteriorating neighborhoods.

While a major portion of the implementation of this program is necessarily a local endeavor, there are aspects of the program that can benefit from regional and/or statewide economies of scale. The program designed by the *Connecticut Consortium* will address the needs for neighborhood stabilization at the local, regional and state level. Locally, the four partner municipal consortium members and their investor partners will work with developers to carry out the stabilization activities at the local, block level. These are the municipalities that have been most affected by the foreclosure crisis and are also currently undertaking stabilization efforts through the NSP1 funding program administered by DECD.

A financing toolkit is proposed as a key program element to serve all communities statewide including those that have also been impacted by foreclosure but not at the level or scale of the state's largest cities. These "Balance of State" communities (Danbury; Hamden; Killingly, Meriden, New Britain; New London; Norwalk; Norwich; Stratford; Waterbury; West Haven; Windham and Windsor) will have the program's resources delivered to them through regional and statewide intermediaries. Also, a regional or statewide mechanism will be identified to maximize Connecticut's success in use of the National Community Stabilization Trust.

The *Connecticut Consortium* program will make available NSP2 funding to distribute in the form of grants and loans to:

- Purchase and rehabilitate foreclosed properties in the targeted geographies in accordance with consortium members rehabilitation guidelines;
- Purchase and redevelop vacant foreclosed properties in the targeted geographies as part of a neighborhood stabilization strategy;
- Provide a loan loss reserve for participating NSP2 lenders up to 30% of the acquisition and rehabilitation financing; and

- Provide downpayment assistance to qualified buyers of rehabilitated foreclosed properties in the targeted geographies; and
- Provide acquisition support by utilizing the National Community Stabilization Trust (NCST) and other mechanisms to facilitate expedient and affordable purchases.

Program Development and Oversight

From the beginning, the planning for this program has been a collaborative process including the State of Connecticut, municipalities, CDFIs, non profit developers, and the Connecticut Housing Coalition. The cooperative nature of these discussions has made it possible to leverage high degrees of capacity and resources that will be available to NSP2.

The collaborative nature of Connecticut's NSP2 planning work has been an asset to the process and to the community development industry. This asset will be continued in the implementation phase by creating a Steering Committee for the program. The Committee will represent the participants in the program and will have oversight on issues of policy and program development.

The implementation of the program will be carried out in accordance with the terms of the Consortium and funding agreements, and managed by the lead applicant, the Connecticut Department of Economic and Community Development (DECD). DECD will manage the program's operation through the Consortium's municipal and non profit members for specific activities within geography. A Steering Committee will be established to provide guidance to the Consortium on issues of policy related to neighborhood stabilization. It will also act as a communication body to provide feedback to the Consortium on the progress of the program from the community level.

Desired Outcomes:

The completion of the program undertaken by the *Connecticut Consortium* is anticipated to result in the:

- Acquisition and rehabilitation of 450 properties resulting in a minimum of 450 units of housing;
- The availability of a minimum of 135 units to households at or below 50% of Area Median Income (AMI); and
- Redevelopment of properties in conjunction with a specified neighborhood stabilization strategy

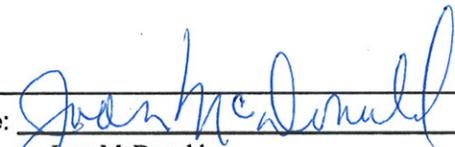
DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: CT. Department of Economic & Community Development 505 Hudson Street Hartford, CT 06106 Congressional District, if known:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: Department of Housing and Urban Development	7. Federal Program Name/Description: Neighborhood Stabilization Program (NSP2) CFDA Number, if applicable: 14.256	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ request= 45,000,000	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i> not applicable	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: <u></u> Print Name: <u>Joan McDonald</u> Title: <u>Commissioner</u> Telephone No.: <u>860-270-8010</u> Date: <u>7/14/2009</u>	
Federal Use Only:	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)	

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing and Urban Development

OMB Approval No. 2510-0011 (exp. 8/31/2009)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information

Indicate whether this is an Initial Report or an Update Report

1. Applicant/Recipient Name, Address, and Phone (include area code): CT. Department of Economic and Community Development 505 Hudson Street Hartford, CT. 06106-7106 (860)270-8171	2. Social Security Number or Employer ID Number: 300-56-6789
3. HUD Program Name Neighborhood Stabilization Program	4. Amount of HUD Assistance Requested/Received \$45,000,000.00
5. State the name and location (street address, City and State) of the project or activity: state-wide	

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. **However,** you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds
see attached list			

(Note: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

- All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

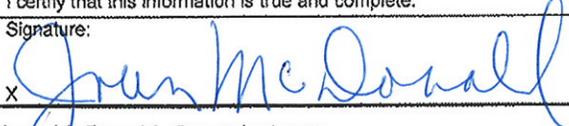
Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)
see attached list			

(Note: Use Additional pages if necessary.)

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

Signature: X 	Date: (mm/dd/yyyy) 7/14/2009
-----------------------------------------------------------------------------------------------------	---------------------------------

Joan McDonald, Commissioner

**Applicant/Recipient
Disclosure/Update Report**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2510-011

Attachment for Parts II and III

Connecticut Consortium

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds
Greater New Haven Community Loan Fund	Cash, NG	\$ 1.5 million	Debt financing, Bridge and Construction Loans
City of Stamford	Cash, OG	\$ 3.059 million	Local Capital Improvement Funds
Community Capital Fund	Cash, OG	\$ 0.9 million	Housing Trust Funds
Corporation for Supportive Housing	Cash, NG	\$ 0.5 million	Project Initiation Loans Predevelopment/Acquisition Loans
CT Housing Finance Authority	Cash,NG	\$ 2.0 million	Down Payment Assistance and Housing Counseling
Housing Development Fund	Cash, NG	\$ 3.0 million	Down Payment Assistance and Closing Costs
Hartford Community Loan Fund	Cash, NG	\$1.0 million	Development/Contractor Loans
National Community Stabilization Trust	Cash, NG, OG	\$14.5 million	Acquisition/Redevelopment REO's
TOTAL		\$26.459 million	

Expected Uses of Funds:

- Purchase and Rehabilitation
- Purchase and Redevelopment
- Loan Loss Reserve
- Down Payment Assistance
- Acquisitions Support
- Or
- Acquisition and Rehabilitation
- Redevelopment
- Financing Mechanisms

Key:

- OG= Other Government Assistance
- NG= Nongovernment Assistance

Part III Interested Parties.

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)
CT Department of Economic & Community Development	30-0566789	Planning Development Implementation	Approximately 12.5%
The City of Bridgeport	06-6001865	Planning Development Implementation	Approximately 12.5%
The City of Hartford	06-0919960	Planning Development	Approximately 12.5%

		Implementation	
The City of New Haven	06-6001878	Planning Development Implementation	Approximately 12.5%
The City of Stamford	06-6001897	Planning Development Implementation	Approximately 12.5%
The Corporation for Independent Living	06-1256055	Planning Development Implementation	Approximately 12.5%
The Greater New Haven Community Loan Fund	22-2889913	Planning Development Implementation	Approximately 12.5%
Neighborhood Housing Services of CT, Inc.	22-2621951	Planning Development Implementation	Approximately 12.5%

Expected Uses of Funds:

- Infrastructure and Open Space
- Code Enforcement and Development
- Housing Counseling and Services
- Community Safety Services
- Comprehensive Community Partnerships



State of Connecticut
Department of Economic and
Community Development

July 10, 2009

Re: Code of Conduct for State of Connecticut, Department of Economic and Community Development ("DECD") Employees

Dear Madam/ Sir:

All DECD employees are covered by Part I of the Code of Ethics for Public Officials ("Ethics Code"), sections 1-79 to 1-89 of the Connecticut General Statutes. The attached Guide to the Code of Ethics for Public Officials and State Employees ("Guide") was prepared by the Connecticut Office of State Ethics, and provides a plain language explanation of the law. The rules governing whether or not gifts may be accepted are addressed on pages 5 to 7 of the Guide. In general, a gift is defined by statute, and may not be accepted from individuals or entities either doing business with or seeking to do business with DECD. There are several exceptions to the definition of gift, such as token items (worth less than \$10) or food and beverage under certain conditions.

The Guide also describes how the Ethics Code is enforced on page 14. This includes an explanation of how complaints of violations are processed, and the civil penalties that may be imposed if it is found that a violation occurred. It further describes the circumstances under which criminal prosecution may be pursued by the Chief State's Attorney.

DECD also has an ethics statement as it relates to the agency mission, which was developed in accordance with section 1-83 of the Connecticut General Statutes. The ethics statement is attached hereto, and is posted on DECD's website (<http://www.ct.gov/ecd/cwp/view.asp?a=1095&q=249632>). It specifically prohibits employees from soliciting any gift or gratuity from any person or organization with whom the department has, has had, or may expect to have, a business relationship which could cause, or create the appearance of, a conflict with or influence the performance of the employee's duties with DECD. It also sets forth a process to immediately return or donate gifts delivered to the agency.

All employees are required to acknowledge receipt of copies of the Guide and DECD Ethics Statement on an approximately annual basis. Copies of the Guide and Ethics Statement are provided to applicants for positions within the agency, as well as in the orientation materials for new employees. Acknowledgement of receipt of those materials is required by applicants and new employees.

I hope this information is helpful. Please contact me at (860) 270-8185 if you have any questions.

Sincerely yours,

Lisa G. Bakanas
General Counsel and Ethics Liaison

**Guide to the Code of Ethics
for Public Officials and
State Employees**



2009

Guide for Public Officials

INTRODUCTION

The Connecticut Office of State Ethics (OSE) is an independent regulatory agency for the state of Connecticut, charged with administering and enforcing Connecticut General Statutes, Chapter 10, Part I and Part II, with limited jurisdiction over Part IV.

The Ethics Codes under the OSE's jurisdiction are comprised of:

- The Code of Ethics for Public Officials (Part I);
- The Code of Ethics for Lobbyists (Part II); and
- Limited jurisdiction over Ethical Considerations Concerning Bidding and State Contracts (Part IV).

This guide provides general information only. The descriptions of the law and the OSE are not intended to be exhaustive. Please contact the OSE with any questions regarding interpretation of the law.

For more information on the subjects discussed in this guide, call, write or visit:

Connecticut Office of State Ethics
18-20 Trinity Street
Suite 205
Hartford, CT 06106

860/263-2400
www.ct.gov/ethics



Citizen's Ethics Advisory Board:

Robert Worgaftik, Chairperson (through September 2009)

Sister Sally J. Tolles, Vice Chairperson (through September 2009)

Ernest Abate (through September 2011)

G. Kenneth Bernhard (through September 2011)

Kathleen F. Bornhorst (through September 2012)

Thomas E. Dooley (through September 2009)

Rebecca M. Doty (through September 2011)

Dennis Riley (through September 2010)

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Guide for Public Officials

THE OFFICE OF STATE ETHICS (OSE)

The Connecticut Office of State Ethics (OSE) was officially created on July 1, 2005, by Public Act 05-183. The governing body of the OSE is the Citizen's Ethics Advisory Board (CEAB), nine members appointed by the Governor and legislative leadership. The CEAB holds monthly meetings that are open to the public and that are often covered by CT-N. A schedule of CEAB meeting dates, times and locations is available on the OSE's Web site, www.ct.gov/ethics.

The OSE is an independent watchdog agency for the state of Connecticut that administers Connecticut General Statutes, Chapter 10, Parts I and II, with limited jurisdiction over Part IV.

Simply put, the OSE educates all those covered by the law (the "regulated community") provides information to the public; interprets and applies the codes of ethics; and investigates potential violations, and otherwise enforces the codes.

The OSE is made up of the following components:

- Citizen's Ethics Advisory Board
- Executive Director
- Legal Division
- Enforcement Division

THE BIG PICTURE

All state officials and employees (except judges) are covered by Part I of the Code of Ethics for Public Officials (henceforth, Part I, or the Code). It is important to remember that certain provisions of the Code also apply to public officials and state employees after they leave state service.

As you read through this guide, be aware that these laws were enacted to prevent individuals from using their public position or authority for personal, financial benefit.

Each state agency also has its own ethics policy, which in many cases may be more restrictive than what follows. Be sure to obtain a copy of your agency's policy.

Guide for Public Officials

BENEFITS TO STATE PERSONNEL



Gifts

As a public official or state employee, there are rules in place regarding accepting gifts from both restricted and non-restricted donors. In general, you may not accept gifts from restricted donors.

Restricted Donors

Restricted donors include:

- Registered lobbyists (a list is available on the OSE's Web site) or a lobbyist's representative;
- Individuals or entities doing business with your state department or agency;
- Individuals or entities seeking to do business with your state department or agency;
- Individuals or entities engaged in activities regulated by your state department or agency; or
- Contractors pre-qualified by the Connecticut Department of Administrative Services (Conn. Gen. Stat. § 4a-100).

A **gift** is defined as anything of value that you (or in certain circumstances a member of your family) directly and personally receive *unless* you provide consideration of equal or greater value (e.g., pay for the item). Conn. Gen. Stat. § 1-79 (e).

Gift Exceptions

There are, however, certain exceptions to this definition of gift. Not all exceptions are covered below; see Conn. Gen. Stat. § 1-79 (e) (1) – (17) for the complete list.

- *Token Items* – Restricted donors such as current or potential state contractors may provide you with any item of value that is under \$10 (such as a pen, mug, or inexpensive baseball cap), provided that the annual aggregate of such items from a single source is \$50 or less. Conn. Gen. Stat. § 1-79 (e) (16).
- *Food and Beverage* – Restricted donors may also provide you with less than \$50 worth of food and beverage in a calendar year, provided that the restricted donor or his/her representative is in attendance when you consume the food and/or beverage. Conn. Gen. Stat. § 1-79 (e) (9).
- *Training* – Vendors may provide you with training for a product purchased by a state or quasi-public agency provided such training is offered to all customers of that vendor. Conn. Gen. Stat. § 1-79 (e) (17).
- *Gifts to the State* – Restricted donors may provide what are typically referred to as “gifts to the state.” These gifts are goods and services provided to a state agency or quasi-public agency for use on state or quasi-public agency property or that support an event, and which facilitate state or quasi-public action or functions. Conn. Gen. Stat. § 1-79 (e) (5).

Guide for Public Officials

- *Other Exceptions* – There are a total of 17 separate gift exceptions in the Code. Also exempt from the definition of gift are items such as informational materials germane to state action, ceremonial plaques or awards costing less than \$100, or promotional items, rebates or discounts also available to the general public. See Conn. Gen. Stat. § 1-79 (e) (1) – (17).

Note: Registered lobbyists are the only restricted donors who may make use of the “major life event” gift exception. Other restricted donors *may not* make use of this exception. There is a \$1,000 limit on a gift a registered lobbyist gives to you or a member of your family for the following major life events:

- Birth or adoption of a child;
- Wedding;
- Funeral; or
- Ceremony commemorating induction into religious adulthood (e.g., bar mitzvah or confirmation).

This list of major life events is exhaustive. Regs., Conn. State Agencies § 1-92-53.

Gift Provisions

Example: You are in the process of reviewing a bid for work at your agency. The contractor submitting the bid provides you with a gift certificate for \$45 to a popular West Hartford eatery for you to use on your own. You have not previously received anything of value from this individual.

Even though the certificate is under the permissible \$50 food and beverage limit, this gift is not allowed because the contractor or his/her representative will not be in attendance while the food and beverage is being consumed.

Mandatory Reporters

The Code contains mandatory reporting requirements for the following individuals who have “reasonable cause to believe that a person has violated” the Code of Ethics:

- Commissioners and Deputy Commissioners;
- State Agency Heads and Deputy Heads;
- Quasi-public Agency Heads and Deputy Heads; and
- Persons in charge of state agency procurement and contracting.

These designees are required to report a belief that a person has violated the Code of Ethics to the Office of State Ethics. (Note: Ethics compliance officers and liaisons are *not* mandatory reporters.)

Ethics Compliance Officers and Ethics Liaisons

Ethics compliance officers must be appointed within each state agency and quasi-public agency that deals with or plans large state contracts. The main responsibilities of a compliance officer include developing an agency ethics policy as well as training agency employees on the Code, paying attention to any changes in the law as well as provisions specific to state contracting. Conn. Gen. Stat. §1-101rr (a).

Ethics liaisons must be appointed within each other state agency and quasi-public agency. These officers serve as a link between the agency and the Office of State Ethics. Liaisons are responsible for developing agency ethics policies as well as coordinating employee training with the OSE. Conn. Gen. Stat. §1-101rr (b).

The OSE supports the responsibilities of the above officers by providing in-person training, educational videos or training materials upon request. The OSE also sends a monthly electronic newsletter to each officer that highlights new developments in the law, summarizes new advisory opinions, includes handouts on complex areas of the law and provides answers to frequently-asked questions. All such communications are indexed on the OSE’s Web site, in the “Ethics Liaison/Compliance Officer Corner.”

ENFORCEMENT

Procedures and Penalties

Enforcement of the Code is initiated by a complaint, filed by the Ethics Enforcement Officer or any member of the public. In most cases, a complaint by the Ethics Enforcement Officer is preceded by a confidential staff evaluation.

A two-stage process follows:

1. Confidential investigation and probable cause hearing; and
2. If probable cause is found, a public hearing to determine if a violation has occurred.

At any stage of this process, the Office of State Ethics and the Respondent may negotiate a settlement.

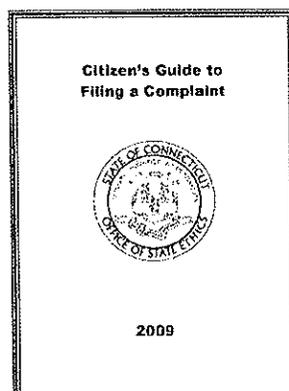
After a finding or admission of a violation, the Citizen's Ethics Advisory Board ("Board") can order the Respondent to comply with the Code in the future, file any required report or statement, and/or pay a civil penalty.

For failure to file a report, statement, or other information required by the Code, the Board can, after a single hearing, impose a civil penalty of up to \$10 per day, for which the aggregate penalty for any one violation may not exceed \$10,000.

The Office of State Ethics may refer matters to the Chief State's Attorney for criminal prosecution. An intentional violation of the Code is a misdemeanor for the first violation, unless the individual has derived a financial benefit of at least \$1,000. In that case, the violation is a class D felony.

The Attorney General may sue for up to three times the economic gain received through knowingly committing or knowingly profiting from a violation of the Code.

Public officials are encouraged to review the "*Citizen's Guide to Filing a Complaint*," available on the OSE's Web site, for a detailed overview of the complaint process and associated confidentiality provisions.



Guide for Public Officials

FOR MORE INFORMATION

This guide provides general information only. The descriptions of the law and the OSE are not intended to be exhaustive. For more information regarding the Code of Ethics as it pertains to public officials and state employees, please contact the Office of State Ethics, Monday – Friday, 8:30 a.m. to 5:00 p.m.

Office of State Ethics
18-20 Trinity Street
Hartford, CT 06106-1660



T: 860/263-2400
F: 860/263-2402
www.ct.gov/ethics



Specific Contacts:

Questions or advice regarding the Ethics Codes: Ethics.Code@ct.gov
Lobbyist filing/reporting questions: lobbyist.OSE@ct.gov
Public official filing/reporting questions: SELOSE@ct.gov
Enforcement questions: Ethics.Enforcement@ct.gov
All other inquiries: ose@ct.gov



DECD Ethics Statement

The mission of the Department of Economic and Community Development (DECD) is to provide leadership and service to enhance the state's economy and to expand opportunities for individuals, business and community prosperity, promote equity and improve the quality of life for Connecticut citizens. As Department of Economic and Community Development employees, we share responsibility to administer millions of tax dollars, we work with confidential information that is extremely sensitive and we have financial relationships with the private and public sectors. Given this responsibility, it is important to reiterate a strong code of ethics for all department employees.

The "Code of Ethics for Public Officials" is set forth in Connecticut General Statutes, Chapter 10, Part 1, Sections 1-79 through 1-89 as may be amended from time to time. These sections prescribe proper conduct for state employees and officials in the discharge of their employment. This ethics statement, in accordance with Conn. Gen. Stat. sec. 1-83(b)(2), is to draw your attention to the Code of Ethics statutes and to clearly define the policies of the department concerning outside employment or business involvement, the solicitation or acceptance of gifts and gratuities and the proper handling of confidential and sensitive information.

In order that we may all avoid possible violations of the Code of Ethics, it is necessary for the department to be aware of any situations in which there is a real, potential, or apparent conflict of interest involving its employees.

No employee shall accept employment with any consultant, contractor, appraiser, or any other organization or individual nor shall any DECD employee have, directly or indirectly, a financial interest in any business, firm, or enterprise doing business with this agency that would cause, or create the appearance of, a conflict with or influence the performance of the employee's duties with DECD. Any situations that an employee believes may represent a potential conflict of interest shall be immediately reported to their Executive Director in writing. Within the Office of the Commissioner any potential conflict of interest shall be immediately reported to the appropriate unit manager. This notification will provide an opportunity for a further review by departmental officials of the degree of potential conflict of interest, if any, and permit appropriate actions, if necessary.

Outside employment is generally barred if the private non-state employer can benefit from the state employee's official actions. For example, such outside employment would be barred if the individual in his or her state capacity has regulatory or contractual authority over the private entity, a non-profit or another governmental entity. An agency employee is not prohibited, however, from using his or her expertise for private gain, as long as no provision of the Code of Ethics is violated in the process.

No employee of the Department of Economic and Community Development shall allow any private obligation of employment or enterprise to take precedence over his/her responsibility to the department.

If there is deemed to be a violation of the Code of Ethics, the employee may be required to give up either his or her outside employment or state position or take other appropriate steps in order to resolve the Code of Ethics violation.

No employee of the Connecticut Department of Economic and Community Development (DECD) shall directly or indirectly solicit or accept any gift or gratuity from any person or organization with whom the Department has, has had, or may expect to have, a business relationship which could cause, or create the appearance of, a conflict with or influence the performance of the employee's duties with DECD. Any gift or gratuity that a person or organization attempts to give an employee of DECD shall be immediately returned. If such gift or gratuity is received by other than personal delivery from the subject person or organization, it shall be taken to Human Resources along with the name and address of the person or firm who gave the item. Human Resources along with the recipient of the gift or gratuity will arrange for the donation of the item to a local charity (e.g., Foodshare, local soup kitchens, etc.). Human Resources will then send a letter to the gift giver advising them of this donation. A copy of the letter will be kept on file with the Internal Audit Section.

No employee of the Department of Economic and Community Development shall use or distribute state information or confidential information obtained from a client of the agency. No employee of DECD shall use state equipment or materials for other than state business purposes. Much of the information used by the agency is confidential. Employees may not use any information available from computer printouts, computer terminals, records, verbal communications with clients or co-workers or from any other source except in the appropriate administration of our programs. Any misuse of information may result in disciplinary action.

The foregoing policies apply to all employees of the Department of Economic and Community Development, and it shall be the responsibility of each employee to be familiar with them and to comply with them. To that end, each employee will be given a copy of the policy and will be asked to sign a form indicating its receipt and review. Employees who do not comply with the above policies or who are found to have violated the Code of Ethics for Public Officials, C.G.S. Sections 1-79 to 1-89, as may be amended, may be subject to disciplinary action up to and including dismissal from state service.

This is an excellent department with a dedicated and competent staff and these measures simply reiterate what is the norm for responsible and professional conduct. It is important for us to maintain the highest professional standards in the discharge of our duties.

If you have any questions or would like to read the full text of the Ethics Code, please visit the State Ethics Commission website at www.ethics.state.ct.us.



June 12, 2009

Commissioner Joan McDonald
Department of Community and Economic
Development
505 Hudson Street
Hartford, CT 06106

Dear Commissioner,

The Greater New Haven Community Loan Fund is pleased to be a part of the Connecticut consortium application for NSPII funding. We are writing to indicate our commitment of funds for the NSPII application as part of our joint activities with the City of New Haven.

This letter serves as a commitment of \$1.5 million in debt financing for bridge and construction lending related to NSPII activities in New Haven. These funds will be used in conjunction with NSPII Acquisition and Rehabilitation activities and funding to provide developers with the resources necessary to acquire and rehabilitate one-to-four family properties for either ultimate sale to eligible homeowners or for use as affordable rental and supportive housing.

Thanks for your participation and leadership in this process. Please feel free to contact me with any questions or comments.

Sincerely,

Carla Weil
Executive Director

cc: Diane Smith, CHFA
Faith Bessette-Zito, DECD

MAYOR
DANNEL P. MALLOY



DIRECTOR
TIMOTHY R. BEEBLE
tbeeble@ci.stamford.ct.us

CITY OF STAMFORD
COMMUNITY DEVELOPMENT
888 WASHINGTON BOULEVARD
P.O. BOX 10152
STAMFORD, CT 06904-2152
(203) 977-4155
FAX: 203-977-4775
TDD 1-800-342-9710

June 12, 2009

Rick Robbins
NSP State Coordinator
Department of Economic & Community
Development
State of Connecticut
505 Hudson Street
Hartford, CT 06106

RE: Consortium Application for NSP2 Funds

Dear Mr. Robbins,

Please be advised that as part of the City of Stamford's Capital Budget, the City will undertake approximately \$1,000,000 in capital improvements that will benefit the target census tract 218.02. Also, \$2,059,000 in capital improvements will benefit the target census tract 215. These local funds will be provided to projects funded from our local capital improvement monies over the term of the NSP2 program, as per our most recent capital improvements plan/budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy R. Beeble".

Timothy R. Beeble
Community Development Director

June 9, 2009



Rick Robbins
Department of Economic and Community Development
505 Hudson Street
Hartford, CT 06106

Re: Funds available for use with NSP II

Dear Mr. Robbins:

Community Capital Fund intends to make use of its \$900,000 of Housing Trust Funds to leverage the City of Bridgeport's NSP funds for multi-family rental housing targeted at the population earning 50% or less of the area's median income.

Sincerely,



Ann C. Robinson
Executive Director



Corporation for Supportive Housing
129 Church Street, 2nd Floor
New Haven, CT 06510
T 203.789.0826
F 203.789.8053
www.csh.org

June 11, 2009

Mr. Rick Robbins
Department of Economic and Community Development
State of Connecticut
505 Hudson Street
Hartford, CT 06106

Re: Leverage Funds for Neighborhood Stabilization Program II

Dear Mr. Robbins:

The Corporation for Supportive Housing commits to providing up to \$500,000 in loan funds in conjunction with Neighborhood Stabilization Program II funds anywhere within the state of Connecticut. The funds to be provided by CSH will only be available for use with projects that result in the creation of units of permanent supportive housing. Permanent supportive housing is affordable housing—for individuals or families with incomes below 50% of Area Median Income—linked to health, mental health, employment, and other support services.

The terms for these funds are as follows.

Project Initiation Loans - \$50,000 per loan maximum for pre-development, with 0% interest and no repayment until construction financing. – Total available: \$100,000

Pre-development/Acquisition Loans - These usually range from \$100,000 to \$400,000 in Connecticut at 6% interest. The interest payments can be deferred until construction financing. – Total available: \$400,000

These funds are available starting June 1, 2009 and must be committed no later than December 31, 2010.

Please let us know if you need any further information. We look forward to working you on this initiative.

Sincerely,

Francesca Martin, Ph.D
Associate Director
New England Program

CSH HELPS COMMUNITIES

CREATE PERMANENT

HOUSING WITH SERVICES

TO PREVENT AND END

HOMELESSNESS.

CONNECTICUT HOUSING FINANCE AUTHORITY

Timothy F. Bannon
President

June 15, 2009

Ms. Joan McDonald, Commissioner
Connecticut Department of Economic and
Community Development
505 Hudson Street
Hartford, Connecticut 06106

RECEIVED
2009 JUN 19 PM 9:00

Dear Commissioner McDonald:

The Connecticut Housing Finance Authority (CHFA) is pleased to offer its support of the Connecticut Consortium's application for Neighborhood Stabilization II grant funds. This letter serves as our commitment to provide, over the three year program period, up to \$1.9 million in downpayment assistance to CHFA eligible buyers purchasing properties rehabilitated through the NSPII program and \$100,000 in housing counseling for those buyers.

CHFA wishes the consortium the best of luck in this endeavor.

Sincerely,



Timothy F. Bannon

cc: Timothy H. Coppage, Vice President- Housing Development
Carol DeRosa, Administrator Residential Mortgages
Diane L. Smith, Community & Program Development Officer





Housing
Development
Fund, Inc.

Joan Carty
President & CEO

Board Of Directors

Benjamin Barnes
City of Stamford

Bruce Beinfield
Beinfield Architecture

Ellen Bromley
City of Stamford

Jessica Fogg
The Spinnaker Companies

Clayton Fowler
The Spinnaker Companies

Robin M. Gallagher
Webster Bank

Reyno Giallongo, Jr.
First County Bank

Charles F. Howell
Patriot National Bank

Pobie Johnston

John Kline
*Union Savings Bank
of Danbury*

Joseph McGee
*The Business Council of
Fairfield County*

E. Phillip McKain
CTE, Inc.

Marjan Murray
People's United Bank

Ken Olson
Retired, Cytec Industries

Jack Penfield
Interfaith Council

Robert E. Pfeiffer
GE Real Estate

Donna M. Ramey
Savings Bank of Danbury

Lisa A. Sanders
Bank of America

Al Shehadi
*National Trust Community
Investment Fund*

Richard E. Taber
First County Bank

Ellen Tower

Kathleen Walsh
Stamford Partnership

Seymour Weinstein
Attorney-At-Law

May 26, 2009

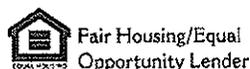
Mr. Rick Robbins
State of Connecticut
DECD
505 Hudson Street
Hartford, CT 06106

Dear Mr. Robbins,

As a follow up to our conversation last week, the Housing Development Fund offers its services to DECD as a service provider of down payment assistance in Fairfield, Litchfield and New Haven Counties. HDF projects that within the 18 month time frame of NSP 2 it could deploy \$3 million. These funds would be structured as subordinate, due on sale mortgages, not to exceed \$25,000 per household. The funds would be utilized to both make necessary repairs and bridge affordability gaps for NSP eligible households. HDF projects that \$3 million in NSP 2 down payment and closing costs assistance would leverage at least \$16 million in private mortgage financing. If you have any further questions or need additional detail, please contact me at (203) 969-1830.

Very truly yours,

Joan Carty
President and CEO



100 Prospect Street
South Tower Plaza
Suite SP-101
Stamford, CT 06901-1696
203-969-1830 Tel
203-323-8958 Fax

8 West Street
Suite 202-204
Danbury, CT 06810-7839
203-798-6527 Tel
203-798-2142 Fax

www.hdf-ct.org



434 FRANKLIN AVENUE HARTFORD, CT 06114 PHONE: 860.296.7005 FAX: 860.296.7064

June 12, 2009

Mr. Yasha Escalera
Director of Housing
City of Hartford
250 Constitution Plaza
Hartford, CT 06103

Mr. Escalera:

This letter is to confirm the Hartford Community Loan Fund's commitment of \$1,000,000 in capital which may be available in the form of loans to qualified developers/contractors participating in the City's Neighborhood Stabilization Program initiative. Our commitment, including terms and conditions of potential financing from HCLF, is contingent upon final parameters of the program which we understand are still being determined by the City and State of Connecticut.

Additionally, we will soon be closing on a credit facility with the Prudential Foundation's Social Investment Fund, which we expect will facilitate an additional \$2.5 million to be available for NSP-related investments.

Please don't hesitate to contact me should you have any questions regarding this commitment.

Sincerely,

Rex Fowler
Executive Director



National Community Stabilization Trust

1325 G Street, NW, Suite 800 • Washington, DC 20005-3100 • p: (202) 220-2300 • f: (202) 376-2600

July 10, 2009

Mr. Michael Santoro
Community Development Specialist
Office of Housing Development and Finance
State of Connecticut, Department of Economic and Community Development
505 Hudson Street
Hartford CT 06106

Dear Mr. Michael Santoro,

The National Community Stabilization Trust (the “Stabilization Trust”) is a joint venture of Enterprise Community Partners, Housing Partnership Network, Local Initiatives Support Corporation (LISC), National Council of La Raza, NeighborWorks America, and the National Urban League (collectively, the “Sponsors”). The Stabilization Trust is a specialty lender designed to aggregate capital from private financial institutions, governmental sources, philanthropic sources and social investors to provide financing products in targeted localities that will facilitate the acquisition and redevelopment of REO across the nation. The Stabilization Trust is working with capital providers and will apply to HUD for an allocation of NSP2 funds to establish and capitalize the Stabilization Trust’s proposed financing products.

The State of Connecticut’s proposed activities generally include eligible activities under the Neighborhood Stabilization Program including the acquisition, rehabilitation and redevelopment of foreclosed or abandoned property and other strategic/underutilized properties. The Stabilization Trust has discussed with the State of Connecticut, your interest in obtaining a Revolving Line of Credit financing facility of \$14,500,000. Financing from the Stabilization Trust will be made available via its leveraged private capital and available philanthropic monies. The Stabilization Trust offerings will be further enhanced to the extent NSP funds are made available.

It is the Stabilization Trust’s intention to provide a Revolving Line of Credit to the State of Connecticut. The Stabilization Trust’s financing commitment will be subject to final NSP2 funding approval, documentation, and due diligence.

We look forward to working with you on this important program.

Sincerely,

Craig Nickerson
President
National Community Stabilization Trust

CERTIFICATION

In accordance with Notice of Fund Availability (NOFA) for the Neighborhood Stabilization Program 2 (NSP2) under the American Recovery and Reinvestment Act, 2009 issued May 4, 2009, the State of Connecticut acting by and through its Department of Economic and Community Development hereby certifies to the following:

1. Affirmatively furthering fair housing. The applicant certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, 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.
2. Anti-displacement and relocation plan. The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
3. Anti-lobbying. The applicant must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
4. Authority of applicant. The applicant certifies that it possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
5. Acquisition and relocation. The applicant certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP2 program published by HUD.
6. Section 3. The applicant certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
7. Citizen participation. The applicant certifies that it is carrying out citizen participation in accordance with NSP2 requirements.
8. Use of funds. The jurisdiction certifies that it will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.
9. The applicant certifies:
 - a. that all of the NSP2 funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
 - b. The applicant will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP

funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

10. Excessive force. The applicant, if an applicable governmental entity, certifies that it has adopted and is enforcing:
 - a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
 - b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
11. Compliance with anti-discrimination laws. The applicant certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
12. Compliance with lead-based paint procedures. The applicant certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
13. Compliance with laws. The applicant certifies that it will comply with applicable laws.

Juan McDonald

Signature/Authorized Official

Commissioner

Title

July 14, 2009

Date

MUNICIPAL CERTIFICATION

The City of Bridgeport (“Applicant”) certifies that the statements set forth below are true and complete.

1. Affirmatively furthering fair housing. The applicant certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, 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.
2. Anti-displacement and relocation plan. The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
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4. Authority of applicant. The applicant certifies that it possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
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6. Section 3. The applicant certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

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8. Use of funds. The jurisdiction certifies that it will comply with the III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, receipt of the grant.
9. The applicant further certifies:
 - a. that all of the NSP2 funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
 - b. it will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low-and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

10. Excessive force. The applicant, if an applicable governmental entity, certifies that it has adopted and is enforcing:

a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

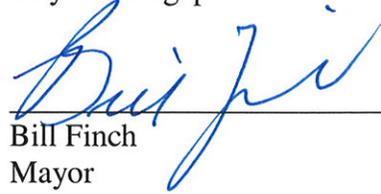
b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exist from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

11. Compliance with anti-discrimination laws. The applicant certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

12. Compliance with lead-based paint procedures. The applicant certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

13. Compliance with laws. The applicant certifies that it will comply with applicable laws.

City of Bridgeport



Bill Finch
Mayor

STATE OF CONNECTICUT)

)

COUNTY OF FAIRFIELD)

ss.: Bridgeport

July 8

, 2009

Personally appeared, Bill Finch, Mayor of the City of Bridgeport, one of the signers and sealers of the foregoing instrument, and acknowledged the same to be the free act and deed of the City of Bridgeport, and of himself as Mayor thereof, before me.



Commissioner of the Superior Court/
Notary Public
My Commission Expires: _____

SHURLEY C. LAZARUS
NOTARY PUBLIC
My Commission Expires Nov. 30, 2010

MUNICIPAL CERTIFICATION

The City of Hartford (“Applicant”) certifies that the statements set forth below are true and complete.

1. Affirmatively furthering fair housing. The applicant certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, 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.
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12. Compliance with lead-based paint procedures. The applicant certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

MUNICIPAL CERTIFICATION

The City of New Haven (“Applicant”) certifies that the statements set forth below are true and complete.

1. Affirmatively furthering fair housing. The applicant certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, 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.
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7. Citizen participation. The applicant certifies that it is carrying out citizen participation in accordance with NSP2 requirements.
8. Use of funds. The jurisdiction certifies that it will comply with the III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and

Recovery Act by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, receipt of the grant.

9. The applicant further certifies:

a. that all of the NSP2 funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and

b. it will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low-and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

10. Excessive force. The applicant, if an applicable governmental entity, certifies that it has adopted and is enforcing:

a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

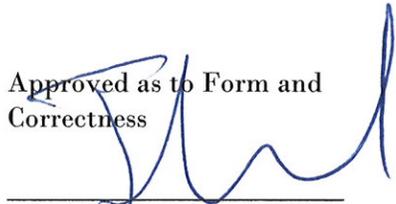
b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exist from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

11. Compliance with anti-discrimination laws. The applicant certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

12. Compliance with lead-based paint procedures. The applicant certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

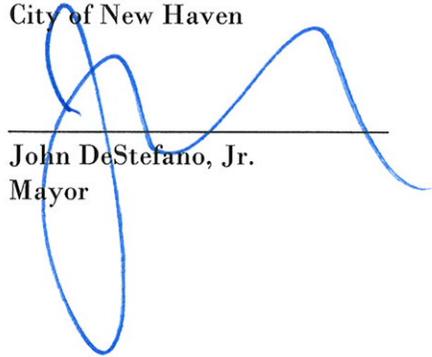
13. Compliance with laws. The applicant certifies that it will comply with applicable laws.

Approved as to Form and
Correctness



John R. Ward
Special Counsel Economic Development

City of New Haven



John DeStefano, Jr.
Mayor

STATE OF CONNECTICUT)
)
COUNTY OF NEW HAVEN)

ss.: New Haven

7/8/2009

Personally appeared, John DeStefano, Jr., Mayor of the City of New Haven, one of the signers and sealers of the foregoing instrument, and acknowledged the same to be the free act and deed of the City of New Haven, and of himself as Mayor thereof, before me.



Commissioner of the Superior Court/
Notary Public
My Commission Expires: 12/31/10

PATRICIA A. LAWLOR
NOTARY PUBLIC
MY COMMISSION EXPIRES DEC 31 2010

CERTIFICATIONS

1. **Affirmatively Furthering Fair Housing:** The applicant will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within its jurisdiction, 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.
2. **Anti-Displacement and Relocation Plan:** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
3. **Anti-Lobbying:** The applicant will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
4. **Authority of Applicant:** The applicant possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
5. **Acquisition and Relocation:** The applicant will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP2 program published by HUD.
6. **Section 3:** The applicant will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
7. **Citizen Participation:** The applicant certifies that it is carrying out citizen participation in accordance with NSP2 requirements.
8. **Use of Funds in 18 Months:** The applicant will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act, by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.
9. **Use NSP Funds \leq 120% of AMI:** The applicant will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120% of AMI.
10. **Assessments:** The applicant will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with

respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the applicant certifies that it lacks NSP or CDBG funds to cover the assessment.

11. **Excessive Force:** The applicant certifies that it has adopted and is enforcing: (a) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and (b) a policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
12. **Compliance with Anti-Discrimination Laws:** The NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
13. **Compliance with Lead-based Paint Procedures:** The activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R of this title.
14. **Compliance with Laws:** The applicant will comply with applicable laws.



Signature/Authorized Official
Mayor - City of Stanford
Title

7/8/09

Date

Approved as to Form
Corporation Counsel

By Dk

Date 7-7-09



RECEIVED
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CORPORATION FOR INDEPENDENT LIVING

Corporation for Independent Living (CIL) hereby assures and certifies that:

1. CIL certifies that it will affirmatively further fair housing, which means that it will affirmatively market NSP2 assisted units and carry out NSP2 activities that further fair housing through innovative housing design or construction to increase access for persons with disabilities, language assistance services to persons with limited English proficiency (on the basis of national origin), or location of new or rehabilitated housing in a manner that provides greater housing choice or mobility for persons in classes protected by the Fair Housing act, and maintain records reflecting the actions in this regard.
2. CIL certifies with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
3. CIL certifies that it possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
4. CIL certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP2 program published by HUD.
5. CIL certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
6. CIL certifies that it is carrying out citizen participation in accordance with NSP2 requirements.
7. CIL certifies that it will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act by expanding 50 percent of its grant funds within 2 years and expending 100 percent within 3 years of receipt of the grant.
8. CIL certifies:
 - a. That all of the NSP2 funds made available to CIL will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and

- b. CIL will not attempt to recover any capital costs of public improvements assisted with CDBG funds by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.
9. CIL certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations .
10. CIL certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
11. CIL certifies that it will comply with applicable laws.
12. CIL , not designated as a responsible entity under 24 CFR part 58, will constitute an assurance and agrees to assist HUD to comply with 24 CFR part 50 and that the applicant shall:
- (1) Supply HUD with all available, relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50;
 - (2) Carry out mitigating measures required by HUD or select alternate eligible property; and
 - (3) Not acquire, rehabilitate, demolish, convert, lease, repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received.



David O. McKinley, Vice President Development

6/11/09
Date



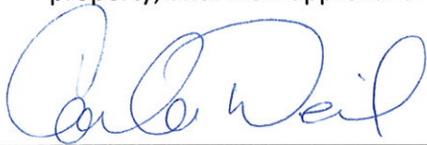
• *Partners in Building Strong Communities* •

Greater New Haven Community Loan Fund (GNHCLF) hereby makes the following assurances and certifications:

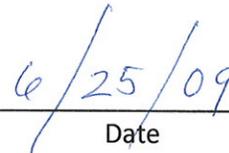
1. GNHCLF certifies that it will affirmatively further fair housing, which means that it will affirmatively market NSP2 assisted units and carry out NSP2 activities that further fair housing through innovative housing design or construction to increase access for persons with disabilities, language assistance services to person with limited English proficiency (on the basis of national origin), or location of new or rehabilitated housing in a manner that provides greater housing choice mobility for persons in classes protected by the Fair Housing act, and maintain records reflecting the actions in this regard.
2. GNHCLF certifies with regard to compliance with restriction on lobbying required by 24 CFR part 87, together with disclosure form, if required by that part.
3. GNHCLF certifies that it possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
4. GNHCLF certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP2 program published by HUD.
5. GNHCLF certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
6. GNHCLF certifies that it is carrying out citizen participation in accordance with NSP2 requirements.
7. GNHCLF certifies that it will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act by expending 50 percent of its grant funds within 2 years and expending 100 percent within 3 years of receipt of the grant.
8. GNHCLF certifies:
 - a. That all of the NSP2 funds made available to GNHCLF will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income ; and
 - b. GNHCLF will not attempt to recover any capital costs of public improvements assisted with CDBG funds by assessing any amount against properties owned and occupied by person of low-and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP

funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

9. GNHCLF certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
10. GNHCLF certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
11. GNHCLF certifies that it will comply with applicable laws.
12. GNHCLF, not designated as a responsible entity under 24 CFR part 58, will constitute an assurance and agrees to assist HUD to comply with 24 CFR part 50 and that the applicant shall:
 - (1) Supply HUD with all available, relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50;
 - (2) Carry out mitigating measures required by HUD or select alternate eligible property; and
 - (3) Not acquire, rehabilitate, demolish, convert, lease, repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received.



Carla Weil, Executive Director



Date

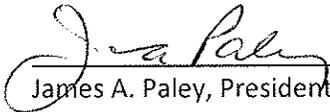


Neighborhood Housing Services of Connecticut (NHSC) hereby assures and certifies that:

1. It will affirmatively further fair housing, which means that it will affirmatively market NSP2 assisted units and carry out NSP2 activities that further fair housing through innovative housing design or construction to increase access for persons with disabilities, language assistance services to persons with limited English proficiency (on the basis of national origin), or location of new or rehabilitated housing in a manner that provides greater housing choice or mobility for persons in classes protected by the Fair Housing act, and maintain records reflecting the actions in this regard.
2. It will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
3. It possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
4. It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP2 program published by HUD.
5. It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
6. It is carrying out citizen participation in accordance with NSP2 requirements.
7. It will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008, as modified by the American Reinvestment and Recovery Act by expanding 50 percent of its grant funds within 2 years and expending 100 percent within 3 years of receipt of the grant.
8. In addition to the above:
 - a. All NSP2 funds made available to NHSC will be used to benefit individuals and families whose incomes do not exceed 120 percent of the area median income; and
 - b. NHSC will not attempt to recover any capital costs of public improvements assisted with CDBG funds by assessing any amount against properties owned and occupied by persons of low- and

moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

9. The NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations .
10. Its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
11. It will comply with applicable laws.
12. That NHSC , not designated as a responsible entity under 24 CFR part 58, will constitute an assurance and agrees to assist HUD to comply with 24 CFR part 50 and that it shall:
 - (1) Supply HUD with all available, relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50;
 - (2) Carry out mitigating measures required by HUD or select an alternate eligible property; and
 - (3) Not acquire, rehabilitate, demolish, convert, lease, repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received.


James A. Paley, President


Date

Summary of Citizen Participation Process and Public Comments

URL:

http://www.ct.gov/ecd/lib/ecd/housing_plans/posted_submitted_nsp2_application.pdf

DECD is the lead agency for the Consolidated Plan and Citizen Participation Plan process. DECD will administer NSP2 funds. Comments received through the citizen participation process were/will be used in the development of Substantial Amendments to the Consolidated Plan 2008 Action Plan for Housing and Community Development as well as the NSP2 Application.

Oral or written comments were invited either via e-mail or by submitting directly to DECD. Outlined below is the process followed to ensure citizen participation within the reduced time allocation:

4/2/09: The Legal Notice for "initial input" public hearings was published in 7 state newspapers including 1 of minority representation with Spanish version, it was also posted to DECD's website, www.decd.org. Refer to the Appendices for a copy of the legal notice.

4/16/09 – 04/17/09: 2 public hearings held to solicit public input in response to funding opportunities contained in Title XII of the American Recovery and Reinvestment Act of 2009 (ARRA) as they apply to any and/or all of the federal programs included in the state's 2005-09 Consolidated Plan - The Community Development Block Grant (CDBG) program, the HOME program, the Emergency Shelter Grant (ESG) program and the Housing Opportunities for Persons with AIDS (HOPWA) program. Refer to the Appendices for a copy of the transcripts from the public hearings.

6/18/09: The Legal Notice for the 10 day public comment period on the Draft NSP2 Application was published in 7 state newspapers including 1 of minority representation with Spanish version. The Legal Notice was also forwarded to all 169 municipal chief elected officials, regional planning agencies and the state library. Refer to the Appendices for a copy of the legal notice.

6/22/09 - 7/2/09: 10 day public comment period on draft NSP2 Application held. The Legal Notice and Draft NSP2 Application were posted to the DECD website during the 10 day public comment period. At the following URL:

http://www.ct.gov/ecd/lib/ecd/housing_plans/posted_submitted_nsp2_application.pdf

Refer to the Appendices for copies of written comments received and DECD's response to them.

The following is a summary of public comments received during the Initial Input Public Hearings and DECD responses to them:

4/16-17/2009 Initial Input Public Hearings regarding funding opportunities contained in Title XII of the American Recovery and Reinvestment Act of 2009 (ARRA) as they apply to any and/or all of the federal programs included in the state's 2005-09 Consolidated Plan:

Dawn Parker, The Connection, Inc.

Comment - HPRP:

- She would like to see a central location for information with regard to funding opportunities under HPRP, a more coordinated approach as to what is available within the state, what are key dates, deadlines etc.
- She would like to see that everyone (nonprofit services providers) get equal opportunity for the funding.
- She would recommend that in the implementation of the program we stick to the program guidelines and keep it simple.

Response:

This comment was responded to by DSS and is contained in the HPRP substantial amendment.

Diane Randall, Partnerships for Strong Communities

Comment - HPRP:

She made a strong recommendation to use 100% of the funds for the programs intended purpose and not to supplant existing uses under the program.

Response:

This comment was responded to by DSS and is contained in the HPRP substantial amendment.

Comment - Weatherization Program:

Use funding to preserve single family housing as well as housing developments for low and moderate income persons, serve both.

Response:

This comment was not accepted because the funding for the Weatherization Program is not an eligible funding source under the Consolidated Plan. However the comment was forwarded to the appropriate staff at the Department of Social Services that is responsible for the Weatherization Program for consideration.

Comment - ARRA funds and the Consolidated Plan:

- Nonprofit developers and service providers are looking for clarity and transparency on how this new money (stimulus/ARRA) will mesh with existing programs that are available, what are the possibilities?
- Need to re think the planning for the ConPlan with regard to the new money, tighten up on what gets done- what can be done and what can not, pull together and frame it, give non profits and municipalities

a clearer understanding of what the states priorities are and how the department will follow thru with the programs it administers

DECD response:

The state is in the initial planning phase of drafting the 2010-2014 Consolidated Plan. The availability of new federal funding and opportunity for additional eligible activities will be considered in the development of the new Consolidated Plan. How the new funding can be meshed with the existing programs will be explored as well as re-examining how all the funding sources can be best used to address the present environment with regard to affordable housing and homelessness in our state.

During the planning and citizen participation stage of the drafting of the 2010-2014 ConPlan, outreach will be made to state agencies, municipalities, housing authorities, community foundations, non profit organizations, social service providers, developers and citizens for input regarding needs, coordination of the funding resources, identification of goals and objectives, and evaluation of what the state priorities are and how they can be met.

The following is a summary of the public comments received during the 10 day public comment period on the draft NSP2 Application and DECD's response to them

6/22/09 -7/2/09: 10 day public comment period:

During the 10 day public comment period on the draft NSP2 Application, DECD received six public comments. All comments received and DECD's response to them are listed below and are included in the final NSP2 Application which is posted on DECD's web site, at the following URL : http://www.ct.gov/ecd/lib/ecd/housing_plans/posted_submitted_nsp2_application.pdf

Public comment from John DeStefano, Jr., City of New Haven:

OFFICE OF THE MAYOR

165 CHURCH STREET • NEW HAVEN • CONNECTICUT 06510



JOHN DESTEFANO, JR.
Mayor

June 25, 2009

Commissioner Joan McDonald
State of Connecticut - DECD
505 Hudson Street
Hartford, CT 06106-7106

Re: Neighborhood Stabilization Program II Draft Application

Dear Commissioner McDonald:

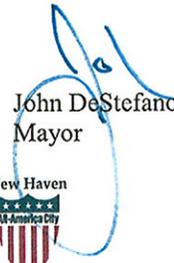
I am writing to offer my wholehearted support of the recent Draft Connecticut Consortium Neighborhood Stabilization Program II Draft Grant Application July 2009.

In common with cities throughout the United States, Connecticut's cities are experiencing a rapid escalation in the rates of vacant properties and foreclosures. Together with increased rates of unemployment, this trend is rapidly destabilizing our neighborhoods. Such destabilization is detrimental to the quality of life for all of our residents.

The significance of this collaboration between state and local governments, Non-profits and Community Development Financial Institutions cannot be overstated and reflects the enormity of the problems currently being faced by Connecticut's municipalities, particularly its larger towns and cities. In accordance with HUD's vision, this collaboration represents a response which cuts across political boundaries and partisanship, in recognition of the fact that it will take all of us to make our communities whole again.

The City of New Haven looks forward to this new collaboration, known as the Connecticut Consortium, as a means to address the challenges presented to us in the light of the current economy.

Very truly yours,


John DeStefano, Jr.
Mayor



phone 203.946.8200 fax 203.946.7683

"This creative impression is the work of Rayshon Gray, a student at Katherine Brennan School.



*The vision of New Haven's children
is our city's greatest resource*

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COMMISSIONER'S OFFICE
DEPT. OF ECON
& COMM. DEV.

DECD response to John DeStefano, Jr., City of New Haven:

Thank you for your support of the Connecticut Consortium NSP2 Application

Public comment from Andrea Pereira of LISC Re: National Community Stabilization Trust:

From: Andrea Pereira [mailto:APereira@lisc.org]
Sent: Friday, June 26, 2009 1:29 PM
To: Santoro, Michael C; Bessette-Zito, Faith
Cc: diane.smith@chfa.org; Mary Kay Garrow
Subject: NCST
Importance: High

Greetings! We have learned that the National Community Stabilization Trust is putting in an application for NSP2. They will be asking for funds to help provide loan capital to support property acquisition. We have an opportunity to have Connecticut identified as one of the places eligible for this capital. In order for that to happen, there are a few steps. Attached is a FAQ document that lays out some of it and a sample letter that we would get back to put in our NSP2 application. That way the 2 applications would show linkages. I can walk you through this in more detail if you give me a call. It is simpler than it looks!
Thanks!
Andrea

Andrea Pereira
Senior Program Director
Local Initiatives Support Corporation
Hartford & Connecticut Statewide Programs
227 Lawrence Street
Hartford, CT 06106
(860)525-4821

DECD response to Andrea Pereira of LISC Re: National Community Stabilization Trust:

In response to your comment/request, we have added the National Community Stabilization Trust piece to the Connecticut Consortium NSP2 Application.

Public comment from Bill Finch, City of Bridgeport:



OFFICE OF THE MAYOR
CITY OF BRIDGEPORT, CONNECTICUT
999 BROAD STREET
BRIDGEPORT, CONNECTICUT 06604
TELEPHONE (203) 576-7201
FAX (203) 576-3913

BILL FINCH
Mayor July 1, 2009

W. Michael Regan
Community Development Assistant Administrator
Office of Strategy & Policy
State of Connecticut
Department of Economic & Community Development
505 Hudson Street
Hartford, CT 06106-7106

RE: Neighborhood Stabilization Program II Public Comment

Dear Mr. Regan:

On behalf of the City of Bridgeport, I am pleased to provide you with public comment on the State of Connecticut's Connecticut Consortium Draft Neighborhood Stabilization (NSP) Grant Application dated July 2009.

The City of Bridgeport fully supports the draft Connecticut Consortium \$45 million NSP application. This application significantly increases Bridgeport's ability to arrest the decline of our urban neighborhoods most severely affected by the nation's foreclosure crisis as Bridgeport has the highest number of sub-prime mortgages of any municipality in the State. The regulations associated with this funding will allow the City the flexibility to complement its NSP I Program activity with additional funds for those census tracts (like those located within the East Side and the East End) that have unfortunately experienced a high degree of foreclosure activity.

The City of Bridgeport will meet the Program's goals by addressing revitalization and affordability using all of the identified strategies within the proposed application that respond to the needs of our target neighborhoods. Homeownership and affordable rental and supportive housing are all crucial parts of the City's stabilization strategy and they will be supported with these funds. The program will be implemented in Bridgeport in accordance with approved Acquisition, Rehabilitation and Financing Mechanisms activities. The City further intends to work with its NSP I partners and expand its collaborative efforts to include additional community non-profit partners.

I cannot stress enough the importance of these funds to the City of Bridgeport and to the other Connecticut Consortium partners, particularly the urban centers that are part of this application. In Bridgeport's particular situation, these funds are vital to the City's ability to retain its diverse

gether we are making Bridgeport the cleanest, greenest, safest, most affordable city, with schools and neighborhoods that improve each year"

middle class and to provide quality affordable housing opportunities, including supportive housing opportunities, for those needing them here in Bridgeport as well.

I commend the State of Connecticut Department of Economic & Community Development for their leadership role in this application process and support it without reservation.

Thank you for the opportunity to comment on the draft Connecticut Consortium Neighborhood Stabilization Program (July 2009) application.

Sincerely,

A handwritten signature in blue ink that reads "Bill Finch". The signature is written in a cursive style with a large, sweeping "B" and "F".

Bill Finch
Mayor

DECD response to Bill Finch, City of Bridgeport:

Thank you for your support of the Connecticut Consortium NSP2 Application

Public comment from Diana Randall, Partnership for Strong Communities:

From: Diane Randall [diane@ctpartnershiphousing.com]

Sent: Thursday, July 02, 2009 3:58 PM

To: NSP Comments

Cc: Shelby Mertes; David Fink; Andrea Pereira; CHC Jeff Freiser ; CHC Pat Spring

Subject: Neighborhood Stabilization application

July 2, 2009

TO: Michael Reagan, Community Development Assistant Administrator

RE: NSP II application

Thanks for the opportunity to comment on the Connecticut Consortium's NSP II application for \$45 million to the US Dept of Housing and Urban Development. **The Partnership for Strong Communities** is very supportive of the Consortium's effort to acquire and rehabilitate foreclosed properties in the targeted communities in order to stabilize the affected neighborhoods, return vacant properties to effective use, create affordable housing opportunities for a range of households and put people to work in the rehabilitation of housing.

It would be very helpful for DECD, as the applicant, to outline the specific policy benefits for the neighborhoods and the people affected in the **Executive Summary "Desired Outcomes"** section. The investments made through this program are sure to benefit children by providing stability in decent safe, affordable housing; benefit the surrounding residential and commercial properties by mitigating loss of property values; offer employment opportunities in rehabilitation of properties and in the development, financial and legal sectors; build community by making neighborhoods more attractive and safe places to live and work.

Factor I It might be helpful to more precisely define the need in relation to the targeted neighborhoods and the concurrent effects of foreclosure on the surrounding communities. If there is sufficient time to assist in this definition of need, the Partnership for Strong Communities would be pleased to offer assistance.

Factor II The breadth of participation in preparing and planning for the consortium's application by technical assistance providers, advocates, municipalities, planners, state agencies was truly impressive and ought to be highlighted in demonstrating capacity. While it is the named organizations that must implement, they will no doubt be assisted by the cooperation of the planning groups. In particular, CHFA should be mentioned in this section since it will play a key role in the financing structure and the role of LISC and the CT Housing Coalition should also be highlighted for their policy knowledge and as a strategic stakeholder in many of these communities.

Factor III It is very positive that the application promotes an intention to create permanent supportive housing for households that have been homeless. Connecticut has a strong cadre of supportive housing sponsors that understand both the property management and service delivery approaches that effectively create positive outcomes for both the neighborhoods and the people who live in supportive housing. Service providers in New Haven, Bridgeport and Hartford as well as the Corporation for Supportive Housing can provide excellent assistance in assuring that rental housing targeted to very low income households who are homeless can be an asset to any neighborhood when supportive services are

provided. These partners should be engaged early--as units are identified for possible supportive housing.

We encourage the Consortium to work with the Partnership for Strong Communities, LISC and other statewide organizations as well as the Connecticut Housing Coalition in ongoing communication and progress of neighborhood stabilization efforts. Each organization has different outreach and engagement strategies, all of which are important in garnering full understanding and support of neighborhood and economic redevelopment in our cities. Analysis of the benefits and reporting the outcomes of the investment is important to all.

Factor IV, Leveraging; Factor V Energy Improvement and Sustainable Development Factors; Factor VI, Neighborhood Transformation and Economic Opportunity might also be more strongly stated with regard to the specific request of this application and the benefits to the communities and the state if the grant is awarded. Prior to final submission, the Partnership is willing to help, if it would be beneficial to the Consortium.

Thanks very much for the hard work in convening and drafting this proposal. We are pleased to assist in its success.

Diane Randall
Director
Partnership for Strong Communities
The Lyceum
227 Lawrence Street
Hartford, CT 06106
Ph: 860.244.0066
Fax: 860.247.4320
www.ctpartnershiphousing.com

DECD response to Diana Randall, Partnership for Strong Communities:

We acknowledge the comments submitted, however no changes were made to the Connecticut Consortium NSP2 Application as a result. We encourage the Partnership for Strong Communities to work with the Connecticut Housing Coalition in order to play a greater role with the Connecticut Consortium in the future.

Public comment from Eddie A. Perez, City of Hartford:



EDDIE A. PEREZ
MAYOR

July 2, 2009

Mr. W. Michael Regan
Community Development & Assistant Administrator
Office of Strategy & Policy
Department of Economic & Community Development
505 Hudson Street
Hartford, Connecticut 06106

Dear Mr. Regan:

As Mayor of the City of Hartford, I am pleased to endorse the Connecticut Consortium Application for the latest round of the Neighborhood Stabilization Program 2 (NSP2) under the American Recovery and Reinvestment Act of 2009.

Increasing the percentage of homeownership in Hartford has been my administration's highest housing priority. While we have made significant strides over the past several years, the recent foreclosure crisis, precipitated by sub prime lending, coupled with the national economic downturn, threatens to reverse our City's progress and perpetuate our low rate of homeownership, currently hovering at about 25%. The Neighborhood Stabilization Program (NSP), currently underway, creates homeownership opportunities and counteracts the disinvestment that results when vacant and foreclosed properties are allowed to multiply in our neighborhoods. Likewise, this competitive round of NSP2 funds will greatly enhance Hartford's ability to stabilize our neighborhoods and increase our homeownership base.

We are pleased to join in the Connecticut Consortium, an extraordinary effort uniting numerous stakeholders around a common vision to create this application. It is rare to see the type of cooperation and collaboration demonstrated in this application between the State, four major municipalities, two non profit developers and a community loan fund. Rarer still is an agreement to jointly manage the resources so as to insure that the greatest possible chance for success is achieved in combating the foreclosure crisis.

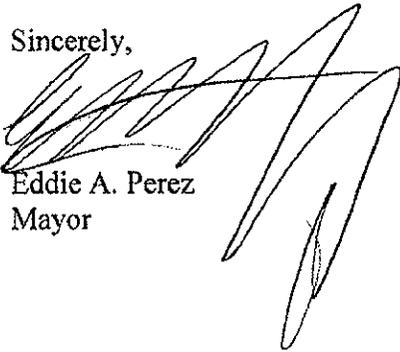
550 Main Street
Hartford, Connecticut 06103
Phone (860) 757-9500
Fax (860) 722-6606



Mr. W. Michael Regan
July 2, 2009
Page 2

I am confident that this model will yield positive results in Hartford and throughout Connecticut and can serve as a national model. I wholeheartedly endorse the application and urge its approval.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eddie A. Perez', written over a horizontal line. The signature is stylized and cursive.

Eddie A. Perez
Mayor

DECD response to Eddie A. Perez, City of Hartford:

Thank you for your support of the Connecticut Consortium NSP2 Application

Public comment from Adrienne Parkmond, Esq., The WorkPlace, Inc.:

From: Adrienne Parkmond [aparkmond@workplace.org]

Sent: Thursday, July 02, 2009 1:51 PM

To: Santoro, Michael C

Cc: Regan, Michael W; NSP Comments; Joseph Carbone; McDonald, Joan

Subject: Public Comment

Attachments: Mortgage Crisis Job Training Program 0709.doc

Good Afternoon Mr. Santoro,

I am submitting public comment on the Connecticut Consortiums Draft Application for NSP2 funding under the ARRA on behalf of Joe Carbone, President and CEO of the WorkPlace, Inc. We believe our Mortgage Crisis Job Training Program is a vital component in helping CT residents increase their earning capacity and thus stay in their homes. Our program has been in operation for a year and has received over 2500 referrals, primarily from CHFA. We are confident that this program can complement the consortiums efforts.

Please acknowledge receipt and if you have any questions, please feel free to contact me.

Sincerely,

Adrienne Parkmond

Adrienne Parkmond, Esq.

Vice President of Operations

The WorkPlace, Inc.

350 Fairfield Avenue - 3rd Floor

Bridgeport, CT 06604

Phone: (203) 610-8506

Fax: (203) 610-8507

DECD response to Adrienne Parkmond, Esq., The WorkPlace, Inc.:

In response to your comment/ request, we are pursuing the use of \$1.5 million in administration funds for "The WorkPlace, Inc. in the Connecticut Consortium NSP2 Application.

**NOTICE OF PUBLIC COMMENT PERIOD
THE STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
IS SEEKING PUBLIC COMMENT ON HOUSING AND COMMUNITY
DEVELOPMENT NEEDS AS THEY APPLY TO THE SUBSTANTIAL
AMENDMENT(S) TO THE CONSOLIDATED PLAN 2008 ACTION PLAN FOR
HOUSING AND COMMUNITY DEVELOPMENT UNDER TITLE XII of THE
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA)**

Public hearings on housing and community development needs in Connecticut's communities will be held to solicit input in response to funding opportunities contained in Title XII of the American Recovery and Reinvestment Act of 2009 (ARRA) as they apply to the federal programs included in the state's 2005-09 Consolidated Plan (ConPlan) and a revision to the state's Citizen Participation Plan pursuant to 24 CFR Part 91 Sec. 91.115. Comments received will be used in the development of the state's draft Substantial Amendment(s) to the Consolidated Plan 2008 Action Plan for Housing and Community Development. The hearings will be held at the following times and locations:

Rocky Hill
2:00 p.m.
April 16, 2009
CERC
Meeting Room
805 Brook Street, Bldg. 4
Rocky Hill, Connecticut

Hamden
2:00 p.m.
April 17, 2009
Hamden Gov. Center
Town Attorney Conference Room
2750 Dixwell Avenue
Hamden, Connecticut

All state residents are urged to attend the public hearings and provide oral or written comments. A copy of the ARRA can be found at <http://www.hud.gov/recovery/>. Copies of the 2008 Action Plan and the state's 5 year Consolidated Plan are available at the Department of Economic & Community Development's web site, www.decd.org and also at the State Library.

Written comments may be sent to W. Michael Regan, Community Development Assistant Administrator, Office of Strategy and Policy, Department of Economic & Community Development, 505 Hudson Street, Hartford, CT 06106-7106 or email to ARRA.comments@ct.gov. All comments received will be addressed in the Citizen Participation and Public Commentary Section of the Substantial Amendment(s) to the Consolidated Plan 2008 Action Plan for Housing and Community Development.

Department of 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 at 860-566-1755. Locations for the public hearings are accessible to people with disabilities.

Distribution Date: April 2, 2009

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

* * * * *

IN RE: APRIL 16, 2009
HOUSING & COMMUNITY 2:05 P.M.
DEVELOPMENT NEEDS

* * * * *

BEFORE: DEBRA LANDRY, CHAIRPERSON

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 . . .Verbatim proceedings of a hearing
2 before the Department of Economic and Community
3 Development in the matter of Housing & Community
4 Development Needs, held on April 16, 2009 at 2:05 p.m. at
5 805 Brook Street, Rocky Hill, Connecticut, at which time
6 the parties were represented as hereinbefore set forth. .
7 . .

8
9
10

11 CHAIRPERSON DEBRA LANDRY: Today is April
12 16, 2009, and it's 2:00 p.m., 2:05 p.m., and I am Debra
13 Landry from the Department of Economic and Community
14 Development.

15 I'm here to receive public comment and
16 response to funding opportunities contained in Title XII
17 of the American Recovery and Reinvestment Act of 2009,
18 also known as ARRA, as they apply to the Federal programs
19 included in the State's 2005/2009 Consolidated Plan and a
20 revision to the State's Citizen Participation Plan,
21 pursuant to 24 CFR Part 91 Section 91.115.

22 Please be advised that, as contained in
23 the legal notice, all comments received at this public
24 hearing will be addressed in the citizen participation

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 and public commentary section of the Substantial
2 Amendments to the Consolidated Plan 2008 Action Plan for
3 Housing and Community Development.

4 Just to be a little bit more specific, the
5 programs included are Emergency Shelter Grant Program,
6 the Housing Opportunities for Persons with AIDS Program,
7 the Home Investment Partnership Program and the Community
8 Development Block Grant for Small Cities Program.

9 To date, approximately 10,018,309 has been
10 identified to be available under the ESG grant, also
11 known as the Housing Prevention and Rapid Re-housing
12 Program.

13 My role here today is to make sure that
14 your comments become part of the public record and that
15 they are addressed in the Substantial Amendments that
16 will be submitted to HUD.

17 I would ask that you start by identifying
18 yourself and who you represent before presenting your
19 comments. There are some people here to provide public
20 comment, so we will start.

21 If you would like to introduce yourself,
22 and who you represent, and provide any comment. I just
23 want you to know I'm not here necessarily to answer
24 questions on the public record, but the comments will go

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 into record and will be responded to in the Substantial
2 Amendments.

3 MS. DAWN PARKER: Great. Okay, thanks.

4 CHAIRPERSON LANDRY: Yup.

5 MS. PARKER: I'm Dawn Parker, and I'm here
6 on my own, but I work for a non-profit, so I'm taking my
7 opinions from what I see in my non-profit world in
8 Connecticut, and, in particular, this is about the
9 Homeless Prevention and Rapid Re-housing part of the
10 money.

11 CHAIRPERSON LANDRY: Um-hum.

12 MS. PARKER: And I would like to see that
13 there's a more central location for information. There's
14 a lot of -- I know this is for the State, balance of the
15 State money, but there's also RFPs in the different
16 cities, and we're a statewide organization, and we're
17 having a difficult time keeping track of information,
18 deadlines, hearings, discussions, things like that, and
19 we have statewide organizations that might serve as the
20 vehicle for information.

21 They've served a vehicle of information
22 and knowledge and, you know, HUD's interpretation and
23 guidelines and sort of summaries and ideas, but dates are
24 not like being conveyed in one central location, which is

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 making it difficult for us.

2 And then the other thing I would like to
3 try to make sure is that everybody is able to
4 participate, and that the guidelines put down from HUD I
5 look at them as pretty simplified, and I hope that they
6 stay simplified in order to have as many people be able
7 to access the funds for their organizations and to help
8 out different people across the state.

9 Those are my comments. Keep it simple,
10 and try to let the dates be known for people, so that
11 they don't miss opportunities.

12 CHAIRPERSON LANDRY: All set?

13 MS. PARKER: Yes.

14 CHAIRPERSON LANDRY: Thank you very much
15 for providing public comment. Is there anyone else here
16 that would like to provide public comment at this time?

17 MS. DIANE RANDALL: Do you want me to go
18 ahead?

19 CHAIRPERSON LANDRY: Sure.

20 MS. RANDALL: I'm Diane Randall. I'm the
21 Director of the Partnership for Strong Communities, and I
22 want to thank you for having public comment on the ARRA
23 money and how it will impact the Consolidated Plan.

24 I would say a couple of things. One is

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 that I think, in particular, with the money, the
2 emergency shelter grant money that's going to be used for
3 Rapid Re-housing and Homelessness Prevention it's a
4 wonderful opportunity for us to I think make some very
5 positive inroads in addressing homelessness and helping,
6 assisting families and individuals get out of shelters.

7 I would very strongly recommend that the
8 Department and that the State use 100 percent of the new
9 Federal stimulus money for that purpose and not supplant.

10 I know that early on there was some
11 conversation, because this money wasn't required to not
12 do that, that there was some question about whether it
13 would supplant some of the existing uses already. While
14 I think given the potential growth in the numbers of
15 families in need and facing homelessness, that it's
16 really critical that we use 100 percent of the new money
17 for that purpose.

18 I think the other, the specific pot I want
19 to address is the weatherization money and the obvious
20 opportunities that are created with the significant
21 increase in new funding for weatherization.

22 That money has been used in a very small
23 way for a very important purpose, which is to help, I
24 think primarily help households, who own their homes, who

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 are at a certain income level be able to maintain those
2 homes and provide the necessarily repairs that provide
3 better energy efficiency, which I think is absolutely
4 part of what needs to be done, particularly within our
5 center cities, where we have a lower-income population,
6 who may own their homes and may not be able to maintain
7 them. I think it's very critical that at least a portion
8 of the money be used for that.

9 I would like to also encourage the State,
10 though, to consider whether some of this money can be
11 used, and I don't know all the guidelines, but can be
12 used to address the preservation needs of other forms of
13 housing, in addition to single-family homeownership.

14 Significantly, we have a number of
15 affordable housing developments that are serving a lower-
16 income population that need modifications that will help
17 make those developments much more energy efficient, much
18 more safe for the residents who live there, and whether
19 this money might be able to be invested in some of those
20 properties in a way that sustains the properties,
21 themselves, provides better quality of life for the
22 tenants and, in fact, does it in a green way that is I
23 think serving the broader purposes of the ARRA
24 legislation to basically create more sustainable

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 communities, as well, so I think it's very important that
2 that use of the weatherization money be weighed carefully
3 to serve both homeowners and renters.

4 In regard to how this impacts the
5 Consolidated Plan, I think that one of the critical needs
6 that we hear as an advocacy and policy organization is
7 what was reflected in the earlier comment, which is a
8 need for clarity, what I would call broadly clarity and
9 transparency.

10 We've been participating in forums
11 throughout the State this week that the community
12 foundations have done, and the non-profit organizations
13 that are delivering services on behalf of the State, in
14 particular addressing homelessness and housing, are just
15 looking for information at the very basic and need
16 clarity about what is happening, what the time frames
17 are, what the opportunities are.

18 And I think the other part of it is to
19 understand how this new money will mesh with existing
20 resources that are currently available. For example, the
21 new Neighborhood Stabilization Program. How does this
22 money mesh with that? But, also, longstanding programs
23 that DECD or DSS or others operate to understand how
24 these programs can fit and what the possibilities are I

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 think are really important.

2 I think the other element that is striking
3 about this new resource and how it fits with the
4 Consolidated Plan is that I think it will require, as to
5 really rethink the planning for how we're going to
6 address the issues of housing and homelessness in our
7 state.

8 Clearly, I think both the non-profit
9 community that are delivering these services and the
10 State will increasingly be looking to how the Federal
11 response can assist us, and, so, I think, and I
12 understand that the amendments to this plan are probably
13 very specific to this set of money, but as we look
14 forward to the next phase of planning, I think it's going
15 to be really critical to reassess and perhaps tighten up
16 how we prioritize, what gets done in the State, what can
17 be done, and to be honest and clear about what can't be
18 done.

19 You know, there's a lot of ingenuity in
20 our State and a lot of opportunity, and, so, I think the
21 Department's ability to pull that together and to frame
22 it in a way that gives those organizations, whether
23 municipalities, or housing authorities, or anyone else
24 who wanted to address housing needs for people who are

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 very low income, as well as in some cases service needs,
2 and they want to do it from both the perspective that
3 addresses tenants, as well as neighborhoods, that they
4 have a clear understanding of what the State's priorities
5 are and, also, how the DECD is working in conjunction
6 with other State agencies and with HUD on these
7 priorities.

8 I think, again, just the greatest amount
9 of clarity and transparency will serve our entire State
10 the best. That's my comment.

11 CHAIRPERSON LANDRY: All set? Okay. As
12 there are no other members of the public currently
13 present, we would like to recess until such time as
14 additional persons may appear. Thank you.

15 (Off the record)

16 CHAIRPERSON LANDRY: Since no other member
17 of the public has appeared to provide comment, we will
18 close this hearing at 3:05 p.m.

19 (Whereupon, the hearing adjourned at 3:05
20 p.m.)

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

* * * * *

IN RE: APRIL 17, 2009
HOUSING & COMMUNITY 2:00 P.M.
DEVELOPMENT NEEDS

* * * * *

BEFORE: RICK ROBBINS, CHAIRPERSON

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 . . .Verbatim proceedings of a hearing
2 before the Department of Economic and Community
3 Development in the matter of Housing & Community
4 Development Needs, held on April 17, 2009 at 2:00 p.m. at
5 2750 Dixwell Avenue, Hamden, Connecticut, at which time
6 the parties were represented as hereinbefore set forth. .
7 . .

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11 CHAIRPERSON RICK ROBBINS: Today is April
12 17, 2009, and it's 2:00. I'm Rick Robbins of the
13 Connecticut Department of Economic and Community
14 Development, and I'm here to receive public comment and
15 response to funding opportunities contained in Title XII
16 of the American Recovery and Reinvestment Act of 2009 as
17 they apply to the Federal programs included in the
18 State's 2005 to 2009 Consolidated Plan and a revision to
19 the State's Citizen Participation Plan, pursuant to 24
20 CFR Part 91 Section 91.115.

21 Please be advised, as contained in the
22 legal notice, all comments received at this public
23 hearing will be addressed in the citizen participation
24 and public commentary section of the Substantial

HEARING RE: HOUSING & COMMUNITY DEVELOPMENT NEEDS
APRIL 16, 2009

1 Amendment to the Consolidated Plan 2008 Action Plan for
2 Housing and Community Development.

3 My role here today is to make sure that
4 your comments become part of the public record and that
5 they are addressed in the Substantial Amendment.

6 I would ask that you start by identifying
7 yourself and who you represent before presenting your
8 comments. As no member of the public is currently
9 present to provide comment, we will recess until such
10 time as someone appears to do so.

11 (Off the record)

12 CHAIRPERSON ROBBINS: Okay. Since no
13 member of the public has appeared to provide comment, we
14 will close this hearing at 3:25 on the 17th of April.
15 Thank you.

16 (Whereupon, the hearing adjourned at 3:25
17 p.m.)

**NOTICE OF PUBLIC COMMENT PERIOD
THE STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
IS SEEKING PUBLIC COMMENT ON THE CONNECTICUT CONSORTIUM'S
DRAFT APPLICATION FOR NEIGHBORHOOD STABILIZATION PROGRAM
(NSP2) FUNDING UNDER THE AMERICAN REINVESTMENT AND RECOVERY
ACT (ARRA) OF 2009.**

The public comment period will begin June 22, 2009 and end July 2, 2009 at the close of business. The Connecticut Consortium's draft NSP2 Application is for the utilization of approximately \$45,000,000 of funding under Title XII of the American Reinvestment and Recovery Act of 2009 (ARRA) for additional activities under Division B, Title III of the Housing and Economic Recovery Act (HERA) of 2008. Additional information regarding ARRA can be found at <http://www.hud.gov/recovery/>. The NSP2 funding is to assist in the redevelopment of abandoned and foreclosed homes. The Consortium's NSP2 funding is targeted for the following activities; establish financing methods for purchase and redevelopment of foreclosed upon homes and residential properties, purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, redevelop demolished or vacant properties as housing. The Consortium's NSP2 funds will be administered by the Department of Economic and Community Development (DECD) as the lead applicant. In addition to DECD, the Consortium members are the City of Bridgeport, the City of Hartford, the City of New Haven, the City of Stamford, the Corporation for Independent Living, Neighborhood Housing Services of CT, Inc., and Greater New Haven Community Loan Fund.

All state residents are encouraged to provide written comment on the Consortium's draft NSP2 Application. A copy of the Consortium's draft NSP2 Application as well as the state's five-year Consolidated Plan for Housing and Community Development, annual Action Plans, and substantial amendments are available at the Department of Economic and Community Development's website, www.DECD.org.

Written comments may be sent to W. Michael Regan, Community Development Assistant Administrator, Office of Strategy and Policy, Department of Economic & Community Development, 505 Hudson Street, Hartford, CT 06106-7106 or emailed to NSP.Comments@ct.gov. All comments received will be summarized and responded to in the final NSP2 Application which will be posted on DECD's website, www.DECD.org.

Department of 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 at 860-566-1755.

Publication Date: June 18, 2009