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Housing Infrastructure Fund

Sec. 8-388-1. Definitions

The following definitions apply to Sections 8-388-1 through 8-388-11 of the Regulations of Connecticut State Agencies:

(a) “Commissioner” means the Commissioner of Housing.

(b) “Department” means the State Department of Housing.

(c) “Eligible Municipality” means any municipality which is located within one of the pilot planning regions and whose legislative body has approved the applicable regional fair housing compact in accordance with Sections 8-386 and 8-387 of the Connecticut General Statutes.

(d) “Family” means a household consisting of one or more persons.

(e) “Housing Infrastructure Development” or “Development” means any work or undertaking to provide decent safe and sanitary dwelling units for families of low and moderate income, or any work or undertaking which will support activities to develop such housing.

(f) “Housing Infrastructure Fund” means the fund established pursuant to Section 8-387 of the Connecticut General Statutes from which grants or loans for the housing infrastructure program shall be made.

(g) “Low and Moderate Income Families” means families who lack the amount of income necessary to rent or purchase decent, safe and sanitary housing without financial assistance, as determined by the Commissioner.

(h) “Secretary” means the Secretary of the Office of Policy and Management. (Effective November 30, 1990)

Sec. 8-388-2. Program description

(a) The Commissioner, in consultation with the Secretary, may enter into a contract(s) with eligible municipalities for financial assistance in the form of a grant, loan or any combination thereof for the purpose of undertaking activities aimed at increasing housing for low and moderate income families.

(b) Eligible municipalities may receive state financial assistance to carry out a development in accordance with the regional fair housing compact. Such compact shall be drawn up in accordance with Section 8-386 of the Connecticut General Statutes.

(c) The Commissioner may, for good cause shown, if he deems it in the best interest of the state, waive any non-statutory requirement imposed by these regulations.

(d) Eligible municipalities shall be required to comply with all rules and orders promulgated from time to time by the Commissioner and consistent with the Connecticut General Statutes, and these regulations.

(Effective November 30, 1990)

Sec. 8-388-3. Eligible activities

Any municipality undertaking a housing infrastructure development shall use any financial assistance received for planning, construction, or renovation of housing, and for any of the following, provided administrative costs directly related to such construction or renovation shall not exceed five percent (5%), when necessary to support the development of housing within such municipality in accordance with the Regional Fair Housing Compact:

(1) Sanitary sewer lines, including interceptors, laterals and pumping stations;

(2) Natural gas, electric, telephone and telecommunications, pipes, wires, conduits, waterlines and water supply facilities, except as required by any provisions of the general statutes or any special act, a regulation or order of the department of public utility control or a certificate of public convenience and necessity;

(3) Storm drainage facilities, including flood control facilities;

(4) Public roadways and related appurtenances; or

(5) Community septic systems approved by the Department of Environmental Protection.

(Effective November 30, 1990)

Sec. 8-388-4. Municipal eligibility

Municipalities eligible to participate in this program must:

(a) Be located within the planning region(s) chosen to participate in the pilot program; and

(b) Approve, through its legislative body, the regional fair housing compact as submitted by the regional planning agency.

(Effective November 30, 1990)

Sec. 8-388-5. Application process

(a) The Commissioner may solicit and/or accept applications from eligible municipalities for financial assistance.

(b) As part of the application and approval process, the municipality shall be required to furnish the following:

(1) Assessment of the municipality's needs and evidence of conformance with the contents of the regional fair housing compact, for that municipality's region;

(2) Evidence that the activity will serve low and moderate income families;

(3) Evidence of the municipality's or its designee's ability to effectively carry out the activities in a timely manner; and

(4) Financial information on the cost of the proposed activities.

(c) The Commissioner may, from time to time, request additional information from the municipality in support of the application.

(Effective November 30, 1990)

Sec. 8-388-6. Selection process

(a) Applications shall be approved or disapproved by the Commissioner based on the factors listed in Sections 8-388-3, 8-388-4 (b) and 8-388-5 above, the availability of financial assistance, and the following:

(1) Any needs outlined in the Five Year Housing Advisory Plan;

(2) Preference to low income families to the extent financially possible;

(3) Any other statistical data on housing need and marketability;

(4) Suitability of the proposed site and development; and

(5) The administrative capability of the municipality to plan, complete and provide management of a development and the associated infrastructure improvements.

(b) If an application is disapproved, the municipality shall be notified in writing of the reasons for the rejection.

(c) If an application is approved, the Commissioner shall notify the municipality in writing, that the activity may proceed and indicate the expected terms of the contract for financial assistance under this program.

(Effective November 30, 1990)

Sec. 8-388-7. Maximum income limits

(a) The maximum low income limit shall be eighty percent (80%) of the area median income, adjusted for family size, as determined from time to time by the U.S. Department of Housing and Urban Development.

(b) The maximum moderate income limit shall be one hundred percent (100%) of the area median income, adjusted for family size, as determined from time to time by the U.S. Department of Housing and Urban Development.

(Effective November 30, 1990)

Sec. 8-388-8. Contract for financial assistance

(a) Following application approval, the Commissioner shall request that the State Bond Commission provide financial assistance in the form of a grant, loan or any combination thereof.

(b) Following approval by the State Bond Commission pursuant to the provisions of Section 3-20 of the Connecticut General Statutes, the State, acting by and through the Commissioner, may enter into a contract(s) with a municipality for financial assistance in the form of a grant, loan or any combination thereof, in an amount not to exceed the total cost of the development as approved by the Commissioner.

(c) Such contract(s) shall include, but not be limited to the amount of the financial assistance to be provided and the rights and obligations of the parties under the contract(s).

(d) If a municipality is unable to repay a loan, the Commissioner may, at his discretion, adjust the interest rate and terms and conditions of the loan to facilitate repayment, but in no case shall the term of the loan exceed fifty (50) years.

(e) A lien shall be filed on all property for which the State has provided financial assistance. The Commissioner may subordinate the State's lien if the level of State financial assistance so warrants. This provision may be waived if the Commissioner determines that such waiver is in the best interest of the State.

(Effective November 30, 1990)

Sec. 8-388-9. Funding priorities

Funding priority will be based on the following:

(1) Impact of the proposed activity on meeting the goals of the regional fair housing compact;

(2) Municipalities with local housing partnerships which have achieved development designation;

(3) Small-scale, low-rise developments;

(4) Rental housing developments in communities lacking affordable family rental housing;

(5) Developments with a higher ratio of multiple bedroom units especially three and four bedrooms;

(6) Mixed income developments, and

(7) Long term affordability of the units.

(Effective November 30, 1990)

Sec. 8-388-10. Financial reporting

Municipalities shall maintain complete and accurate books and records in accordance with the latest procedures approved by the Commissioner.

(Effective November 30, 1990)

Sec. 8-388-11. Fiscal compliance & examination

Municipalities receiving financial assistance shall be subject to examination of all books and records. Examinations shall be performed by independent public accountants registered to practice in the State of Connecticut, or by qualified Department personnel. All examination shall be performed in accordance with procedures established by the Department.

(Effective November 30, 1990)