

ARRA Housing Fact Sheet

The American Recovery and Reinvestment Act of 2009 (ARRA of 2009) became Public Law 111-5. ARRA includes \$13.61 billion for projects and programs administered by the Department of Housing and Urban Development (HUD) and nearly 75% of the funding was allocated to state and local recipients on February 25, 2009. Connecticut received \$145,793,260 in formula grants under six programs: Public Housing Capital Fund, Tax Credit Assistance Program (TCAP), Homelessness Prevention Fund, Community Development Block Grant, Lead Hazard Reduction Grant and Section 8 Project Based Rental Assistance. The remaining 25% will be awarded on competitive basis in the coming months. Additional guidance on the implementation of all funds is routinely provided on HUD's recovery website include address?.

Public Housing Capital Fund - Formula Grants - \$35,743,555

34 Public Housing Authorities (PHA) that own or operate federal Low Income Public Housing in Connecticut received \$35,743,555. PHAs shall give priority to capital projects that can award contracts based on bids within 120 days from the date the funds are made available to the PHAs. The PHAs shall give priority consideration to the rehabilitation of vacant rental units and capital projects that are already underway or included in the PHAs 5-year capital fund plan. Funds provided shall supplement and not supplant expenditures from other Federal, State, or local sources or funds independently generated by the PHA.

PHAs must obligate 100% of the funds within one year of the date on which funds become available; must expend at least 60% of funds within two years; and must expend 100% within three years of such date.

There is No action required by the Governor.

Below is a breakdown by PHA of the funding disbursements:

Housing Authority	Capital Fund Grant
Housing Authority of the City of Bridgeport	\$5,699,214
Housing Authority of the City of Norwalk	\$1,693,181
Housing Authority of the City of Hartford	\$5,060,163
Housing Authority of the City of New Haven	\$6,045,769
Housing Authority of the City of New Britain	\$1,761,628
Waterbury Housing Authority	\$1,698,361
Stamford Housing Authority	\$1,658,903
Middletown Housing Authority	\$859,777
Willimantic Housing Authority	\$502,604
Housing Authority of the City of Meriden	\$992,309
East Hartford Housing Authority	\$993,695
Housing Authority of the City of Ansonia	\$592,122
Norwich Housing Authority	\$300,405
Greenwich Housing Authority	\$590,879
Housing Authority of the City of Danbury	\$771,968

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New London Housing Authority	\$381,631
Bristol Housing Authority	\$1,106,087
Putnam Housing Authority	\$312,465
Winchester Housing Authority	\$133,991
Manchester Housing Authority	\$520,654
Housing Authority of the Town of Stratford	\$603,523
Vernon Housing Authority	\$250,316
West Haven Housing Authority	\$935,612
Milford Housing Authority	\$557,907
Torrington Housing Authority	\$422,447
Windsor Locks Housing Authority	\$118,532
Housing Authority of the Town of Seymour	\$104,159
Portland Housing Authority	\$109,126
West Hartford Housing Authority	\$189,381
Glastonbury Housing Authority	\$461,360
Naugatuck Housing Authority	\$212,023
New Canaan Housing Authority	\$41,022
Bloomfield Housing Authority	\$37,938
Brooklyn Housing Authority	\$24,403

Public Housing Capital Fund - Competitive Grants - \$995,000,000 (National)

The 34 PHAs listed above that own or operate federal Low Income Public Housing in Connecticut are eligible to compete for these funds. HUD will award these funds by competition for priority investments, including investments that leverage private sector financing for renovations and energy conservation. Funds are to be obligated by September 30, 2009. As with formula grants, PHAs to give priority to capital projects that can award contracts based on bids within 120 days from the date the funds are made available. PHAs must obligate 100% of the funds within 1 year, expend at least 60% of funds within 2 years and expend 100% of the funds within 3 years of such date.

HUD will issue a Notice of Funding Availability (NOFA) seeking applications from eligible applicants. Awards shall be obligated through competitive funding by September 30, 2009.

There is No action required by the Governor.

Tax Credit Assistance Program (TCAP) - Formula Grants - \$26,170,888

Connecticut receives \$26,170,888. The TCAP provides grant funding for capital investment in Low Income Housing Tax Credit (LIHTC) projects via a formula-based allocation to State housing credit allocation agencies Connecticut Housing Finance Authority (CHFA). CHFA shall distribute these funds competitively and according to their Qualified Allocation Plan. Projects awarded low income housing tax credits in fiscal years 2007, 2008, or 2009 are eligible for funding but CHFA must give priority to projects that are expected to be completed by

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February 2012. 75% of TCAP funds will be committed by February 2010, 75% must be expended by February 2011, and 100% of the funds must be expended by February 2012.

TCAP program requirements will be established by notice and posted on HUD's Recovery Act website. CHFA must submit to HUD a 'letter of intent' to participate within 15 days of the notice of funding availability appearing in the Federal Register and must submit a description of how it plans to award the TCAP funds competitively, based on its qualified allocation plan (QAP), within 45 days of the notice.

Contact Person: Timothy F. Bannon, President-Executive Director at timothy.bannon@chfa.org or 860-571-4240

There is No action required by the Governor.

Grants to Low Income Housing Projects in lieu of Tax Credit Allocations

The Act provides CHFA with the ability to exchange returned or unused Federal low income housing tax credit authority with the U.S. Treasury for a grant at a fixed price equal to a \$.85 equity raise. Unused or returned credit allocations from 2007 and 2008 may be exchanged. Up to 40% of CHFA's 2009 credit allocation may also be exchanged. Housing developers with tax credit allocations must undertake good faith efforts to raise private investment capital before returning credits. Exchanges must be executed before December 31, 2009 with all grant funds to be expended before December 31, 2011.

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There is no action required by the Governor.

Homelessness Prevention Fund - Formula Grants - \$10,818,309

The Fund provides financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. The funds are intended to target individuals and families who would be homeless but for this assistance. The funds can be used for a variety of assistance, including: short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management.

At least 60% of funds must be spent within 2 years and all funds must be spent within 3 years.

HUD used an existing program formula to distribute funds; the State (\$10,818,309) and 5 cities (\$6,142,123), shown below, received direct allocations. The State is to distribute the funds to local governments and private nonprofit organizations.

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City	Grant
Bridgeport	\$1,351,004
Hartford	\$1,572,727
New Britain	\$772,694
New Haven	\$1,514,570
Waterbury	\$931,128

DSS Contact Person: David S. Dearborn at david.dearborn@ct.gov or 860-424-5024

Community Development Fund - Formula Grants - \$11,082,393*

Non-entitlement Portion - Department of Economic and Community Development - \$3,616,527*

Entitlement Portion - 22 cities - \$7,465,866

The State must prepare an action plan amendment. HUD will process the plan amendments in an expedited manner, execute grant agreements, and the funds available to the State's line of credit. Priority must be given to projects that can award contracts based on bids within 120 days from the date funds are made available (based on a competitive application process). Funds will remain available until September 30, 2010. The HUD Secretary may waive or specify alternative requirements upon a finding that such waiver is necessary to expedite or facilitate the timely use of such funds.

DECD Contact Person: Lawrence M. Lusardi at lawrence.lusardi@ct.gov or 860-270-8037

There is No action required by the Governor.

Below is a breakdown of the distribution of CDBG entitlement funds:

Entitlement	Grant
Bridgeport	\$883,094
Bristol	\$163,138
Danbury	\$168,222
East Hartford	\$172,507
Fairfield	\$144,535
Greenwich	\$251,004
Hamden	\$141,441
Hartford	\$1,028,157
Manchester	\$176,939
Meriden	\$244,198
Middletown	\$110,460
Milford	\$141,302
New Britain	\$505,078
New Haven	\$990,070

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New London	\$239,666
Norwalk	\$253,689
Norwich	\$269,000
Stamford	\$303,817
Stratford	\$182,509
Waterbury	\$608,548
West Hartford	\$294,083
West Haven	\$194,409

Lead Hazard Reduction Grant – Formula Grants – Nothing to the State

The program helps urban jurisdictions address their lead-based paint hazard control needs including undertaking programs for the identification and control of lead-based paint hazards in eligible privately owned rental and owner-occupied housing units. Funds may be able to be used in connection with State’s Neighborhood Stabilization Program funds awarded to the three cities. All major funding sources available to assist with the elimination of lead hazards are posted at: <http://www.ct.gov/dph/cwp/view.asp?a=3140&q=387532>

HUD awarded 4 grants totaling \$7,579,126 within Connecticut, see list below.

Connecticut Children's Medical Center	\$875,000
City of New London	\$2,004,538
City of Norwich	\$1,699,588
City of Waterbury	\$3,000,000

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Project - Based Rental Assistance - Contract Funding - \$48,256,866

This is not new money. The \$48,256,866 is to fund 140 existing project-based Section 8 contracts in Connecticut. HUD will use the money provided to fund contract renewals on a full twelve-month cycle. This will avoid the payment disruptions that have occurred in recent years and enable owners to maintain their properties in an acceptable condition.

There is No action required by the Governor.

Assisted Housing Stability and Energy and Green Retrofit Investments Stimulus Program – Competitive Awards – \$250,000,000 (National)

Grants and loans will be made available through HUD for eligible property owners (owners of properties receiving project-based assistance pursuant to Section 202 of the Housing Act of 1959, Section 811 of the Cranston- Gonzalez National Affordable Housing Act, or Section 8 of

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the United States Housing Act of 1937, as amended) to make energy and green retrofit investments in a property, to ensure its maintenance and preservation.

HUD will undertake physical and financial analyses of the properties to determine the size of each grant and loan. Incentives will be made available to participating owners. The terms of the grants or loans will include continued affordability agreements. Grant and loan funds must be spent by the receiving property owner within two years.

Full details of how to apply, as well as grant and loan terms, will be published in a Housing Notice within 60 days of ARRA (by April 17, 2009).

Neighborhood Stabilization Program (NSP) II - Competitive - \$1,980,000,000 (National)

Neighborhood Stabilization Program (NSP) Round II, unlike Round I, will be competitive grants awarded for activities eligible under division B, title III of the Housing and Economic Recovery Act of 2008 (HERA), to address home foreclosure and abandonment and for the provision of capacity building and support for NSP grantees.

HUD must issue Notices of Funding Availability (NOFA) with application requirements no later than May 3, 2009. Applicants will prepare an application and, for programmatic funding, complete citizen participation before submitting to HUD. Applications will be due to HUD not later than 150 days after enactment. HUD will review applications and make awards shortly thereafter.

Eligible applicants are states, units of general local government, nonprofit entities, and consortia of nonprofit entities, which may submit proposals in partnership with for-profit entities.

Rating factors will include applicant capacity to execute projects, leveraging potential, and concentration of investment to achieve neighborhood stabilization. Applicants must expend at least 50% of each grant within 2 years and 100% within 3 years of grant award.

DECD Contact Person: Rick Robbins at rick.robbins@ct.gov or 860-270-8190

There is No action required by the Governor at this time.

USDA Rural Development - Section 502 Program - National

Connecticut is part of USDA Rural Development's Southern New England Jurisdiction. Under ARRA, USDA's Rural Housing Service received additional authorizations as follows: (1) \$1,000,000,000 for section 502 direct loans; and \$10,472,000,000 for section 502 unsubsidized guaranteed loans for new loans; and (2) \$67,000,000 for section 502 direct loans; and \$133,000,000 for section 502 unsubsidized guaranteed loans to modify existing loans.

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The Section 502 program has two parts: (1) Direct Loans are made and serviced at subsidized rates and terms allowing very low and low income households the opportunity to obtain housing with no down payment requirement; and (2) Guaranteed Loans made and serviced by approved lenders for low and moderate income households. Commercial lenders utilize their underwriting criteria to make loans of up to 100 percent financing without private mortgage insurance. Loans may be made for the purchase of an existing home or for new home construction.

Assistance is available in rural communities and small-incorporated towns/cities of up to 10,000 populations. Some communities of between 10,000 to 20,000 populations may be eligible.

For more information, see USDA's Southern New England website at:
<http://www.rurdev.usda.gov/ma/>

Weatherization Assistance Program - Formula Grants - - \$64,310,502

The Weatherization Assistance Program will allow an average investment of up to \$6,500 per home in energy efficiency upgrades and will be available for families making up to 200% of the federal poverty level - or about \$44,000 a year for a family of four.

The DOE's Weatherization Assistance Program allows families to reduce their energy bills by making their homes more energy efficient, reducing heating bills by an average of 30%. Funds may be able to be used to make improvements to state-assisted rental housing stock and in connection with State's Neighborhood Stabilization Program funds awarded to the 10 cities in the State.

Pre-applications due March 23, 2009 and final proposals due May 12, 2009.

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