



NORWICH HOUSING AUTHORITY

10 Westwood Park
Norwich, CT 06360

(860) 887-1605
FAX: (860) 889-3139

March 10, 2020

Ms. Kathryn Crees
Community Development Supervisor
Office of Community Development
23 Union Street, 2nd Floor
Norwich, CT 06360

Re: Norwich Housing Authority
Community Development Block Grant Program
Program Year 2020 (PY 46) – Funding Application
Rosewood Manor – Phase IV - Ductless Split Heat/Cool Pumps
and Electrical unit panel upgrades

Dear Kathryn:

Rosewood Manor is a state elderly housing complex maintained by the Norwich Housing Authority (“Authority” or “NHA”), an agency of the City of Norwich. This development was constructed in two phases, 1970 (80 units) and 1981 (30 units), and consists of fourteen (14) apartment buildings that house low income state elderly and disabled residents. Rosewood Manor is located at 335 Hamilton Avenue, Norwich, Connecticut.

In Program Year 2017 (PY 43), Phase I of the project, the Authority received \$55,195.00 in CDBG funds and an additional \$75,000.00 in recaptured funds to install ductless split heat/cool pumps at Rosewood Manor to replace inefficient electric baseboard heat in the thirty (30) apartments that were constructed in 1981. These heat/cool pumps are three times more efficient than electric baseboards and conserve energy when cooling along with reducing the utility bills of the low income tenants.

In Program Year 2018 (PY 44), Phase II of the project, the Authority requested and received \$75,000.00 in CDBG funds to install ductless split heat/cool pumps at Rosewood Manor to replace inefficient electric baseboard heat in sixteen (16) of the apartments that were constructed in 1970 along with the upgrading of electrical unit panels. Again, these heat/cool pumps are three times more efficient than electric baseboards and would conserve energy when cooling and lower utility bills of the low-income tenants.



This is an Equal Opportunity Housing Program

TTY 1-800-842-9710

In Program Year 2019 (PY 45), Phase III of the project, the Authority requested and received \$100,000.00 in CDBG funds to install ductless split heat/cool pumps at Rosewood Manor to replace inefficient electric baseboard heat in sixteen (16) of the apartments that were constructed in 1970 along with the upgrading of electrical unit panels. With the upgrade of these heat/cool pumps, which are three times more efficient than electric baseboard, the ductless split system would also conserve energy when cooling and with lowering utility bills of the low income tenants.

The Authority is hereby applying again for \$100,000.00 in CDBG Program Year 2020 (PY 46), Phase IV of the project, to install ductless split heat/cool pumps at Rosewood Manor to replace inefficient electric baseboard heat and upgrade the electric unit panels. (See attached application for detail).

The contractor(s) will be required to submit a Section 3 plan to ensure full compliance with any and all requirements of the Housing and Urban Development Act of 1968.

Funding of the ductless split heat/cool pumps and electrical unit panel upgrades at Rosewood Manor through the CDBG program will increase the Authority's chances of securing other grant dollars through the State of Connecticut's Department of Housing ("DOH") and the Connecticut Housing Finance Authority ("CHFA"). As an example, funding was recently secured by the Authority for exterior/interior improvements at Eastwood Court (\$1,822,738.00), a state elderly complex. The Authority also secured funds to rehabilitate its state elderly development at Schwartz Manor (48 units). The total projected cost of the improvements at Schwartz Manor is estimated to be \$2,156,734.00. In evaluating applications for funding, one of the key criteria the State looks at is the level of local support for affordable housing, i.e. Community Development Block Grant funding. Consequently, the Authority's securing of the aforesaid state grant awards for Eastwood Court and Schwartz Manor improved when the Authority's CDBG grant application for ductless split heat/cool pumps at Rosewood Manor were approved for funding by the Community Development Advisory Committee ("CDAC") and the Norwich City Council. In sum, the CDBG funding helped leverage substantial rehabilitation funds for Eastwood Court and Schwartz Manor.

Providing decent, safe and sanitary housing for low income families is the mission of the Authority, the CDAC and the City of Norwich. This application will advance that goal and be a wise and prudent use of CDBG dollars, in keeping with stated program objectives and well-established and documented needs of the residents of our community, as delineated in the Housing and Community Development Act of 1974, as amended, the national objectives of the CDBG program, the CDBG 5-Year Consolidated Plan's priorities and the City's Plan of Conservation and Development. (See application for details).

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Attached is the Authority's formal application, which include a detailed project description and budget. Should you need additional information or explanation, I can be reached at 860-887-1605, Ext. 113. When the CDAC schedules a public hearing(s) regarding CDBG Program Year 2020 (PY 46), please advise the Authority as to the date and time of the same.

Respectfully submitted,



Jeffrey S. Am
Executive Director

Enclosures

JSA/jm

cc: John L. Salomone, City Manager

CITY OF NORWICH
COMMUNITY DEVELOPMENT BLOCK GRANT • APPLICATION FOR FUNDING
NON-PUBLIC SERVICE
PROGRAM YEAR 2020 (PY 46) • SEPTEMBER 1, 2020– AUGUST 31, 2021

DUE: Wednesday March 11, 2020 AT 4 PM AT 23 UNION STREET, NORWICH, 2ND FLOOR

Office of Community Development
23 Union Street, 2nd floor • Tel (860) 823-3770 • Fax (860) 823-3715

E-mail addresses:

kcrees@cityofnorwich.org (Community Development Director)

tcurtis@cityofnorwich.org (Program Assistant)

PART I: GENERAL INFORMATION

AGENCY: Norwich Housing Authority

LEGAL NAME
(If different from Agency) _____

ADDRESS: 10 Westwood Park
Norwich, CT 06360

E-MAIL: admin@norwichha.org

EXECUTIVE DIRECTOR: Jeffrey S. Arn

CONTACT NAME & TITLE: Joanne M. Drag, Deputy Executive Director/Finance Director

TELEPHONE: 860-887-1605, 112

AGENCY FISCAL YEAR: April 1, 2019 March 31, 2020
Begin **End**

PROJECT NAME: Ductless Splits Heating and Cooling at Rosewood Manor – Phase IV

CDBG REQUEST & AWARD AMOUNTS:

| | REQUEST | AWARD |
|--|----------------------|----------------------|
| UPCOMING FISCAL YEAR (September 1, 2020 – August 31, 2021) | \$ <u>100,000.00</u> | \$ _____ |
| CURRENT FISCAL YEAR (September 1, 2019 – August 31, 2020) | \$ <u>100,000.00</u> | \$ <u>100,000.00</u> |

The information contained herein and attached as exhibits hereto is, to the best of our knowledge and belief, true, correct and complete and that the City of Norwich can rely upon these statements in determining whether to fund this project. We certify that the Agency Board of Directors has approved this application.



EXECUTIVE DIRECTOR
Jeffrey S. Arn



CHAIRMAN, BOARD OF COMMISSIONERS
Alan H. Bergren

Jeffrey S. Arn
Printed Name

Alan H. Bergren
Printed Name

3/10/2020
DATE

3-10-2020
DATE

PART II: PROJECT INFORMATION

A. INTRODUCTION/AGENCY INFORMATION:

A1: *Brief History of your organization, including its mission*

In 1948 the City of Norwich Housing Authority (“CNHA”) and the Town of Norwich Housing Authority (“TNHA”) were established. The CNHA and the TNHA merged in 1988 to form the Norwich Housing Authority (“Authority” or “NHA”).

The primary function of the Authority is to provide decent, safe and sanitary housing for eligible families in a manner that promotes the serviceability, economy, efficiency and stability of the developments, and the economic and social well-being of the residents. The Authority manages 686 units of state/federal extremely low income/very low income housing at various locations throughout the City of Norwich (“City”). Most of the Authority’s housing stock was built between 1948 and 1981. The main office of the Authority is at 10 Westwood Park, Norwich, CT 06360.

A2: *What are the hours of operation for your agency?*

Normal business hours are Monday – Friday, 8:30 AM to 4:30 PM. Emergency maintenance service for tenants is provided 24 hours per day.

A3: *What is the total number of FTEs employed by your agency?*

There are 21 full time employees and 5 part-time employees.

A4: *If there are 15 or more employees at your agency, please provide the name of the person responsible for compliance with Section 504 of Rehabilitation Act of 1973 – Nondiscrimination under Federal Programs.*

Joanne M. Drag, Deputy Executive Director / Finance Director, 10 Westwood Park, Norwich CT 06360, (860) 887-1605, Extension 112.

A5: *Do you receive more than \$500,000 of Federal Funding through any means, including grants and loans?*

Yes. During the last fiscal year the NHA received \$605,533.00 in operating funds and \$332,255.00 in capital improvement funding from HUD for its federal housing units. These funds cannot be used on state housing properties like Rosewood Manor. It should also be noted that in recent years there has been a substantial decrease in operating funds and capital improvement funding for federal housing units. The Authority’s application for CDBG Program Year 2020 (PY 46) funds applies to Rosewood Manor, a state elderly/disabled housing project. The state does not provide the Authority with annual operating or capital funds.

C3: *Please specify the percentage of requested grant funds that will be used for salaries and the total number of employees hired and/or retained as a result.*

The Authority will not use any CDBG funds for salaries of its staff and will not hire additional individuals relative to this project. At this time, the NHA does not know who the contractor(s) will be or how many employees will be hired and/or retained by said contractor(s) to undertake this work.

D. TARGET POPULATION/AREA OF BENEFIT

D1: *Identify and describe the target population or area of benefit (if it serves a low-income census tract.)*

The target population are the 16 residents of Rosewood Manor impacted by this project. All of the households have very low/moderate income and 100% have extremely low income. 38% of the households have an income under the Federal Poverty Level. (See Enclosures 4 and 5).

E. IMPLEMENTATION SCHEDULE

E1: *Please submit the anticipated implementation schedule that includes, but is not limited to, spec completion, bidding, starting, and project completion dates.*

The NHA has retained Capital Studio Architects to work on this project. After approval by the Community Development Advisory Committee and the Norwich City Council and execution of the agreement between the NHA and the City, the Authority will bid the project. Bids will be opened in the winter of 2021 to allow for construction to begin in the spring. The project will be completed by June 30, 2021.

F. REDUCED FUNDING QUESTIONS

F1: *If the CDBG funding that you are requesting will leverage funding from another source, please note the amount and source and use of leveraged funding. Have these additional funds been secured at the time the application is made, if not, what actions are you taking to apply for them?*

The Authority has a commitment from Norwich Public Utilities to fund \$6,000.00 for these energy saving improvements. (See Enclosure 7).

Funding of the ductless split heat pumps at Rosewood Manor through the CDBG program will increase the Authority's chances of securing other grant dollars through the State of Connecticut's Department of Housing ("DOH") and the Connecticut Housing Finance Authority ("CHFA"). More specifically, the Authority secured funding to rehabilitate one of its state elderly developments, Schwartz Manor (48 units). The total projected cost of the improvements at Schwartz Manor is estimated to be \$2,156,734.00. In evaluating applications for funding, one of the key criteria the state looks at is the level of local support for affordable housing, i.e. Community Development funding.

A cost estimate for the project has been prepared by David Holmes, Principal, Capital Studio Architects, LLC, 1379 Main Street, East Hartford, CT 06108. (See Enclosure 3 and Part III of the Application – Budget Information page 9). The aforesaid assumed that Davis Bacon prevailing wage rates would apply to the project.

G3: *Can the project expend funds within 1-year and be fully completed within 1.5 years of receiving this grant?*

The project will be completed and funds expended by June 30, 2021. (See, also, Section E above).

H. LINKAGE TO CITY PLANS

H1: *Briefly discuss how your request addresses the City’s Plan of Conservation and Development, CDBG’s Consolidated Plan priorities, or any other City development plan or formally stated goal.*

The installation of ductless splits at Rosewood Manor is consistent with “energy efficient housing” shown on the first bullet point in the Request for Proposals. Improvement in energy savings will make the housing more affordable for residents.

The City and the CDAC have recognized and documented on numerous occasions and in various ways the need for affordable housing. Failure to improve housing stock could significantly impact the City’s homeless crisis. This application for funding conforms with the goals and objectives already established by the Authority, the Norwich City Council and the Community Development Advisory Committee and the same is consistent with the intent expressed in the Housing and Community Development Act of 1974, as amended, the CDBG 5-Year Consolidated Plan (2015-2019) and the City’s 2013 Plan of Conservation and Development.

The Housing and Community Development Act of 1974 created the CDBG program. Factors that determine an individual community’s eligibility for funding include poverty and age of housing. Activities funded must meet certain requirements, including that each activity addresses one or more of three national goals and objectives of the program, namely, providing decent affordable housing, creating a suitable living environment or expanding economic opportunities. (See 24 CFR 570.208(3)). Entitlement communities such as Norwich must give maximum feasible priority to activities which benefit low and moderate income persons. The aforesaid goals and objectives are incorporated and made part of the CDBG 5-Year Consolidated Plan (2015-2019). Funding this application will ensure decent, affordable housing in a suitable and safe environment for the very low income residents of Rosewood Manor.

The City’s Plan of Conservation and Development (“the Plan”) points out that “Norwich has prospered most over the years when it has focused on providing for the common good of its residents and the general betterment of the community.” It urges “protecting and enhancing the character of residential neighborhoods.” (See page 17 of the Plan). To attain that objective, the Plan stresses the importance of “maintaining stable residential neighborhoods,” with a particular emphasis on “maintenance/improvement of the existing housing stock.” (See page 31 of the Plan). Under the section entitled “Guide Housing Development,” a key component and strategy is to “continue to provide for the creation and maintenance of housing which is affordable.” (See page 32 of the Plan).

The Office of Community Development, with public input, developed in 2012 an “Analysis of Impediments to Fair Housing Choice,” hereinafter “Analysis,” which reiterated that “[t]he Housing and Community Development Act of 1974 clearly states that the intent of Congress [was] that the primary objective of the act and of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” (See the Analysis and 42 U.S.C. §5301(c)).

The Authority’s request for Program Year 2020 CDBG (PY 46) funds to install ductless splits in Rosewood Manor is both consistent with and supportive of the goals, objectives, priorities and strategies contained in the City’s Plan of Conservation and Development and the CDBG’s Consolidated Plan (2015-2019).

H2: If your project is linked to specific, adopted neighborhood revitalization zone plan or other organized/recognized neighborhood planning or revitalization processes, please explain thoroughly how the project is linked and how it meets or compliments the respective plan’s goals.

(See Section H1 above).

H3: Do you have a letter of support from a City agency or commission? If yes, please attach.

Yes. (See Enclosure 7).

I. SECTION 3 REQUIREMENTS

The work to be performed under any contract utilizing CDBG funding may be subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered

by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

Please review page 11, “Section 3 Contractor Affidavit” and select the appropriate response. In addition, please note that if funding is approved, your contract may be required to review, implement and report on employment activities relating to Section 3 guidelines.