

**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, 2<sup>ND</sup> FLOOR**

Office of Community Development  
 23 Union Street, 2<sup>nd</sup> 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:** Office of Community Development

**LEGAL NAME**  
 (If different from Agency) \_\_\_\_\_

**ADDRESS:** 23 Union Street Norwich CT.

**E-MAIL:** kcrees@cityofnorwich.org

**EXECUTIVE DIRECTOR:** John Salomone, City Manager - cmoffice@cityofnorwich.org

**CONTACT NAME & TITLE:** Kathy Crees- (Director of Community Development)

**TELEPHONE:** (860)-823-3770

**AGENCY FISCAL YEAR:** 09/01/19 08/31/20  
 Begin End

**PROJECT NAME:** Property Rehabilitaion Program

**CDBG REQUEST & AWARD AMOUNTS:**

	REQUEST	AWARD
<b>UPCOMING FISCAL YEAR</b> (September 1, 2020 – August 31, 2021)	\$ <u>250,000.00</u>	\$ <u>TBD</u>
<b>CURRENT FISCAL YEAR</b> (September 1, 2019 – August 31, 2020)	\$ <u>200,000.00</u>	\$ <u>252,223.60</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/DEPT. HEAD

\_\_\_\_\_  
 PRESIDENT, BOARD OF DIRECTORS

John L. Salomone  
 Printed Name

\_\_\_\_\_  
 Printed Name

3/11/20  
 DATE

\_\_\_\_\_  
 DATE

## **Part II: PROJECT INFORMATION: Response Sheet**

### **A. INTRODUCTION/AGENCY INFORMATION**

**1. (Brief History of your organization, including its mission)** - The "Community Development Office" is a pre-existing department within the City of Norwich that has had both an administration and monitoring role with CDBG entitlement funding since its inception. The mission is to revitalize the city's economic base and older deteriorating neighborhoods through the administering of the U.S. Department of Housing and Urban Development's Community Development Block Grant program, as well as other federally funded community improvement programs. This office complies with all applicable laws in conjunction with attaining the goals of meeting the needs of low and moderate income individuals, as charged by the Community Development Act of 1974 and furthering the goals set out in the city's five year consolidated plan.

**2. (What are the hours of operation for your agency)**

Monday-Friday 8:30am to 4:30pm

**3. (What are the number of FTEs employed by your agency)**

Total number of full time employees is 4.

**4. N/A**

**5. Our office has received Lead Paint Hazard Reduction Grant in excess of \$500,000.00 dollars to be used in conjunction with Property Rehabilitation funding to assist in creating safe housing, and prevent lead poisoning in children.**

### **B. STATEMENT OF NEED**

**1. (Define the need to be addressed through your project and how it will address the need of the community)** The Property Rehabilitation Program is a continuing program that provides a keystone function for the CDBG entitlement community of Norwich. The Department of Housing and Urban Development's overall goal in supporting Housing Rehabilitation activities is to assist their entitlement communities in the creation and maintenance of safe affordable housing within the existing residential housing stock. With approximately 80% of Norwich's housing stock built before 1978, and 45% built prior to 1940, the need for wide spread housing rehabilitation within the residential housing stock is at an all time high. On an annual basis our department receives up to 50 requests for rehabilitation funding and we are unfortunately only able to provide assistance to 20-25 properties.

In 2015 the City of Norwich completed its CDBG-5 year plan. The **Analysis of Need** stated in this plan focused on the elevated percentage of individuals with a "high housing cost burden"- in terms of the percent of individuals' income going towards housing related costs. Well maintained housing, with improved energy efficiency helps, in some cases dramatically help reduce individual housing cost burden, increase available income to

be circulated within the local economy, and helps stabilize property values. The Property Rehabilitation Program meets the goals set out in the 5-Year Consolidated Plan by directly addressing key factors that impact safe affordable housing within the community. Please also refer to previous outcomes located in H1 as a measure of assessment for outcome goals. This Program directly impacts the need to correct substandard and dangerous living conditions within its residential housing base.

## **C. PROJECT DESCRIPTION**

### **1. (Provide a general description of the project for which you are requesting funding, including the list/description of activities to be performed)**

The City of Norwich's Property Rehabilitation Program provides zero-percent construction loans for HUD defined income eligible property owners. These loans are used to correct housing related deficiencies as identified by local Building and/ or Fire Marshal officials, and in conjunction with any Health Department identified lead paint or environmental hazards within housing structures. This program directly addresses community needs by providing HUD defined (low income) individuals the means to address housing deficiencies and maintain home ownership whereas the financial constraints of more traditional means of assistance, would either not be available to them, or simply result in a financial burden that would ultimately result in the loss of home ownership. Additionally this program coincides with the cities goals set forth in the 5-Year Consolidated Plan to perform building code correction and lead paint hazard remediation on approximately 15-20 housing structures, up to 25-30 individual units of housing annually for the duration of the 5-Year Plan.

### **Primary Activities and Goals are as follows:**

**Building Code Compliance-** Basic Building code compliance may encompass a wide variety of specific construction related activities within targeted properties. The basic goal is to correct all substandard and unsafe housing conditions by bring them up to State and local Building codes minimum compliance levels. Outcomes in this effort are to be measured by the number of individual housing units that achieve building code compliance as measured against the annual projection with in the 5-Year Con plan.

Construction priorities within the implementation of the Property Rehabilitation Program will be determined by three factors:

1. Need-(As measured by the immediate requirement for correction/corrections based on the "Local Building Departments", requirements for maintaining a certification of occupancy.)
2. Financial Feasibility- (As measured by the reasonable expectation of being able to meet the minimum financial requirements for achieving "Need.")
3. Property Benefit-(As measured by the greatest level of housing improvement that can be achieved within the context of both 1.Need & 2.Financial Feasibility.

**Lead Paint Hazard Control-** With a housing population in Norwich that has an average age of construction that exceeds 80% built prior to 1978, the resulting number of housing units with the potential for lead paint hazards is numerous. Since this is the same housing we are targeting for general rehabilitation, we are also required to address lead paint issues as they present themselves in qualified rehabilitation properties. To that end, all rehabilitation properties will require a risk assessment to determine the condition and likelihood of the presence of lead paint hazards. These risks assessments along with the occupancy data, will determine the level and scope of the lead paint hazard corrective actions required by state and federal law. In situations where children under the age of 6 years old resides, and lead paint hazards are discovered, full lead paint hazard control work will be required. In other situations lead paint issues will be dealt with on the basis of the specific rehabilitation work item or items, in accordance with the Environmental Protection Agency's RRP rule of 2008.

It should be noted that the Community Development Office has been awarded a Lead Paint Hazard Control grant, from "The Office of Healthy Homes and Lead Hazard Reduction", and these funds will be used in conjunction with general rehabilitation funding to address lead paint hazards in qualified housing units.

**2.(Explain any temporary or permanent relocation of persons or business that may result from his project)** The need for occupant temporary relocation is determined based on an evaluation of the specific work required in an individual housing structure. When relocation of occupants is determined to be required for a specific project, it is provided through the use of the City owned Lead Safe Apartments located at 29 Union Street. Additional relocation can be obtained through the matching funds received through the City's Lead Paint Hazard Control Grant (if available)

**3. (Please specify the percentage of requested grant funds that will be used for salaries and the total number of employees hired or retained as a result)**  
35% of Property Rehabilitation Programs requested grant funds will be used towards the continued staffing of two employees for the administration and monitoring of the programs activities.

#### **D. TARGET POPULATION**

**1.(Identify and describe the target population or area benefit, if it serves a low income census tract.)**

The target population encompasses Norwich residential property owners that meet HUD defined low-moderate income qualifications. The area benefit is the entire city of Norwich, as there are no restrictions based on streets or census tracts.

#### **E. IMPLEMENTATION SCHEDULE**

**1. (What is the anticipated implementation schedule.)**

This is an ongoing program designed to meet the annual housing rehabilitation goals set out in the Cities 5-Year Con. Plan. In addition these rehabilitation activities will maintain compliance with the Cities matching funds obligation to our recently awarded Lead Paint Hazard Control grant. This will allow the program to deal with the extended costs associated with lead hazard control work, beyond what we would be able to accomplish with rehabilitation funding alone.

## **F. REDUCED FUNDING QUESTIONS**

**1. (If the CDBG funding you are requesting will leverage funding from another source, please note the amount and source 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 Property Rehabilitation Program is designed to work in conjunction with ancillary funding sources for the completion of housing rehabilitation activities set forth in the 5-Year Consolidated Plan. The Community Development Office has secured a newly awarded lead paint hazard control grant in the amount of 2.9 million dollars from the Federal Government. This funding is leveraged with matching C.D.B.G funding for rehabilitation activities to be conducted in properties receiving lead paint hazard reduction treatments. The CDBG funding makes us competitive for securing Lead Paint Hazard Control grants as well as other housing related funding. A significant reduction in CDBG funding will likewise make us less competitive in securing additional housing related grants as well as less effective in both the expanse and amount of Housing related correction we will be able to achieve in the community. Ultimately the amount of CDBG rehabilitation funding that we have to leverage against other grants is seen as the level of commitment to our housing related issues within the community.

**2. (If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented?)**

For over two decades the City of Norwich's Property Rehabilitation Program has served both the cities and the Department of Housing and Urban Developments long term goals for creating and maintaining safe, affordable residential housing within the community. A reduction in the funding requested will ultimately result in fewer properties receiving corrective activities for housing deficiencies. In a larger sense, significant decreases in funding could potentially have negative effect on the programs overall ability to achieve the goals set forth in the 5-year Consolidated Plan. Significant reductions in funding to the Property Rehabilitation Program could also result in jeopardizing the cities newly acquired Lead Paint Hazard Control Funding. This new funding carries with it a leveraged commitment for matching C.D.B.G. dollars over a 42 Month period. Any reduction in Property Rehabilitation funding may result in a failure to meet the matching funds component of our Lead Paint Hazard Control grant agreement, which in turn may

jeopardize the status of our lead grant agreement with H.U.D. Also another important consideration is that any reduction in C.D.B.G. property rehabilitation funding will in turn reduce the amount of construction to be conducted, resulting in the potential failure to meet construction bench marks set forth in the Lead Paint Hazard Control Grant agreement. This would put both the existing grant in jeopardy as well severely reduce this offices competitive ability to secure future funding for this type of work.

**F3-(What items would you reduce/eliminate from your budget if the City wanted to only partially fund your application?)**

Based on the performance goals, all budgeted items are necessary to the programs efforts to create decent, safe, and affordable housing as established in the 5-Year con plan. As this is a continuing program any further reductions to funding would result in a drastic minimization of the programs effectiveness to achieve those goals. Further reductions in funding at a programmatic level would result in the direct inability to address many of the properties with the most severe needs, which in turn would be in direct conflict with the goals set forth in the 5-Year Consolidated plan.

**G. PROJECT FEASIBILITY**

**G1-(Have any of the following pre-construction issues been investigated: architectural and engineering, design, environmental assessment and lead paint assessment, if applicable?)**

As this is an ongoing program and each individual property carries with it unique code compliance and lead paint hazard issues, we do however see a reoccurrence of some specific housing deficiencies in eligible properties. Given an older housing stock in Norwich (80%) built before 1978, Lead Paint is a very common issue along with, roofing, heating, electrical, and general structural issues. Each eligible property under goes a comprehensive building code and lead paint inspection, the results of these inspections become the basis on which corrective actions are developed for each issue. A final scope of work is then developed to correct the housing deficiencies. In the previous program year, an average of 30 lead paint, and building code inspections have been conducted on program eligible properties.

**G2-(Have you obtained a cost estimate for this project?)** Specific cost estimates are done on an individual property basis however the estimated average cost estimate per Unit is \$14,000-\$18,000 in Rehabilitation dollars and an average of \$9,000- \$12,000 Lead Paint Hazard Control.

**G3-(Can the project be completed within two years of receiving this grant?)** Yes, the project can be completed in 2 years. Each individual project within the program has an average construction time approximately 30-60 days.

**H. LINKAGE TO CITY PLANS**

**H1 & H2-(1.Briefly discuss how your request addresses the City’s plan of Conservation and Development, Consolidated Plan priorities, or any other City development plan of formally stated goal. 2. If your project is linked to specific adopted neighborhood revitalization zone plan or other organized/recognized neighborhood planning or revitalization process, please explain thoroughly how the project is linked and how it meets or compliments the respective plan’s goals.)**

As set forth in the 5-Year Consolidated Plan, the Property Rehabilitation Program serves the primary function of achieving the goals to create safe, affordable housing in Norwich. Based on con plan goals, the Property Rehabilitation Programs has set the following annual out come goals:

1. Conduct Rehabilitation activities on 20-25 housing structures. (annually)
2. Achieve basic Building Code compliance up to 35 individual units of housing. (annually)
3. Conduct lead paint hazard control work in 15-20 individual housing units, and produce 15-22 units of lead safe housing as defined by the “Federally” established requirements for “Lead Safe Housing”. **Note:** Lead safe housing goals are only applicable in years where the city has an active lead paint hazard control grant. In the event that separate lead paint hazard control fund are not available, the Property Rehabilitation Program will address specific lead paint hazards within housing structures according to the minimum requirements by State and Federal law.
4. Within the context of both building code related activities and lead paint hazard control work, it is the programs goal to implement corrective measures that will result in increased energy efficiency of treated housing units.
  - a) Based on annual program data 35% of units will receive new high efficiency heating systems.
  - b) 75% of units will receive (Energy Star) rated windows & Doors.
  - c) 100% of units will receive basic weatherization treatments focused on proper insulation and the maintenance of existing components.

**H3-(Do you have a letter of support from a city agency or commission?)**

See Attached.