

CITY OF NORWICH
COMMUNITY DEVELOPMENT BLOCK GRANT • APPLICATION FOR FUNDING
NON-PUBLIC SERVICE

PROGRAM YEAR 2022 (PY 48) • SEPTEMBER 1, 2022– AUGUST 31, 2023

DUE: THURSDAY FEBRUARY 10, 2022 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: Office of Community Development

LEGAL NAME

(If different from Agency) _____

ADDRESS: 23 Union Street

Norwich CT 06360

E-MAIL: kcrees@cityofnorwic.org

EXECUTIVE DIRECTOR: John Salomone

CONTACT NAME & TITLE: Kathy Crees

TELEPHONE: (860)-823-2911

AGENCY FISCAL YEAR: July 1st June 30th
Begin End

PROJECT NAME: Property Rehabilitation Program

CDBG REQUEST & AWARD AMOUNTS:

REQUEST AWARD

UPCOMING FISCAL YEAR (This Request) \$225,000.00 \$ _____
(September 1, 2022 – August 31, 2023)

CURRENT FISCAL YEAR (Prior Year Award) \$225,000.00 \$262,475.30
(September 1, 2021 – August 31, 2022)

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.

Kathy Crees
EXECUTIVE DIRECTOR/DEPT. HEAD

John Salomone
PRESIDENT, BOARD OF DIRECTORS



Printed Name



Printed Name

Date

Date

SPECIAL INSTRUCTIONS FOR CONSTRUCTION PROJECTS

If you are applying for construction related funding, **only projects that can begin construction and expend appropriations within the upcoming program year (Sept 2022 thru June 2023)** should be submitted for funding consideration. Funds may be subject to recapture if timelines are not followed.

The following requirements should be taken into consideration in your selection of projects and your preparation of construction budgets for Public Facilities & Improvements and Rehabilitation activities:

- Construction projects are subject to a variety of Federal, State and Municipal laws, statutes, rules and regulations, including City Zoning Ordinances, the State Building and Fire Safety Codes, the Federal Labor Standards/Davis-Bacon Prevailing Wages and the Federal Environmental Review Process.
- Construction budgets should anticipate the following:
 - Davis-Bacon Wages may increase project costs by 30-40%
 - Bonds (Bid, Performance, Labor and Material) are required for projects exceeding \$100,000 and may also be required for smaller projects.
 - Depending upon the scope of the project, the age of the building, and the type of building materials, environmental testing fees and resulting mitigation measures may be necessary
 - Insurance is required for all construction projects
 - City permit fees will not be waived.
- Construction projects are subject to the Federal/OMB procurement requirements.
- Work on the project may not commence without explicit approval of the Office of Community Development.
- Payment is generally on a reimbursement basis provided that an executed funding agreement is in place, and the project is in compliance with all terms/conditions of that agreement. Expenditures incurred prior to the effective date of the HUD allocation will be ineligible for reimbursement.

PART II: PROJECT INFORMATION

Please create a new document answering the following questions. In this new document, please utilize the section headers. For example, when addressing section A2, please write: A2: Brief History, and then provide the response. You must answer all questions. If a question does not apply to your agency, please respond with "not applicable".

A. INTRODUCTION/AGENCY INFORMATION:

1. Brief history of your organization, including its mission
2. What are the hours of operation for your agency?
3. What is the total number of FTEs employed by your agency?
4. 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.
5. Do you receive more than \$500,000 of Federal Funding through any means, including grants and loans?

B. STATEMENT OF NEED

1. Define the need to be addressed through your project and how it will address that need of the community. Please comment on how your industry measures success and discuss how you will measure success for this program.

C. PROJECT DESCRIPTION:

1. Provide a general description of the project for which you are requesting funding, including the list/description of the activities to be performed.
2. Explain any temporary or permanent relocation of persons or businesses that may result from this project.
3. 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.

D. TARGET POPULATION/AREA OF BENEFIT

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

E. IMPLEMENTATION SCHEDULE

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

F. REDUCED FUNDING QUESTIONS

1. 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?
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?
3. What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application?

G. PROJECT FEASIBILITY

1. Have any of the following pre-construction issues been investigated: architectural and engineering, design, environmental assessment and lead-based paint assessment, if applicable? (Lead-based paint assessments are applicable to structures built before 1978). Please provide the investigations, if available.
2. Have you obtained a cost estimate for this project? Please include the cost estimate, with the specification to the estimating entity that the job will require the payment of prevailing (Davis Bacon) wages.
3. Can the project expend funds within 1-year and be fully completed within 1.5 years of receiving this grant?

H. LINKAGE TO CITY PLANS

1. 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.
2. 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.
3. Do you have a letter of support from a City agency or commission? If yes, please attach.

I. SECTION 3 REQUIREMENTS (See Samples on pages 10-14)

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 10, "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.

COMMUNITY DEVELOPMENT NATIONAL OBJECTIVE

Does your project:

Address the needs of low- and/or moderate-income residents?
 (At least 51% of your clients must not exceed the income guidelines below or if your project is not client based it must be located in a census tract that is at least 51% low to moderate income) see chart

OR

Eliminate Slums or Blight?

OR

Improve a Low-Income census tract?

FY 2021 Income Limits Summary									
FY 2021 Income Limit Area	FY 2021 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Norwich-New London, CT HUD Metro FMR Area	Very Low (50%) Income Limits (\$)	\$ 36,050	\$ 41,200	\$ 46,350	\$ 51,450	\$ 55,600	\$ 59,700	\$ 63,800	\$ 67,950
	Extremely Low Income Limits (\$)*	\$ 21,600	\$ 24,700	\$ 27,800	\$ 30,850	\$ 33,350	\$ 35,800	\$ 40,120	\$ 44,660
Median Family Income \$88,600	Low (80%) Income Limits (\$)	\$ 55,950	\$ 63,950	\$ 71,950	\$ 79,900	\$ 86,300	\$ 92,700	\$ 99,100	\$ 105,500

PART III: BUDGET INFORMATION

CONSTRUCTION BUDGET

Construction/Clean-up Costs \$ _____

Pre-Development Soft Costs:

Legal \$ _____

Architectural & Engineering \$ _____

Survey \$ _____

Environmental testing \$ _____

Estimated total soft costs \$ _____

Total Development Costs (construction & soft costs) \$ _____

Sources of Funds (list all sources of funding for this project including other government funds, agency cash, private funds, CDBG, etc.)

SOURCE	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

USE	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

PART IV: SUPPLEMENTAL INFORMATION: All agencies must submit all of the following documentation with their application whether or not you have previously received CDBG funds through the City of Norwich.

EXHIBIT 1 Financial Statement and Audit

Describe the agency's fiscal management including disbursement methods, financial reporting, record keeping, accounting principles/procedures and audit requirements. Include a copy of the agency's last completed audit.

EXHIBIT 2 Insurance/Bond/Worker's Compensation

- State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.
- State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.
- State whether or not the agency has fidelity bond coverage for principal staff who handle the agency's accounts, in what amount and with what insuring agency.
- Provide a copy of your current insurance certificate, NOT YOUR POLICY.

- EXHIBIT 3 Non-profit Determination
Non-profit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service.
- EXHIBIT 4 List of Board of Directors
A list of the current board of directors or other governing body of the agency must be submitted. The list must include the name, telephone number, address, occupation or affiliation of each member; and must identify the principal officers of the governing body.
- EXHIBIT 5 Organizational Chart
An organizational chart must be provided which describes the agency's administrative framework and staff positions, which indicates where the proposed project will fit into the organizational structure and which identifies any staff positions of shared responsibility.
- EXHIBIT 6 Resumes of Chief Program Administrator and Chief Fiscal Officer
- EXHIBIT 7 Conflict of Interest Disclosure
Form attached

**COMMUNITY DEVELOPMENT BLOCK GRANT CITY
OF NORWICH, CONNECTICUT**

**APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
2022-2023 PROGRAM YEAR**

Federal, State, and City law prohibits employees and public officials of the City of Norwich from participating on behalf of the City in any transaction in which they have a financial interest. This questionnaire must be completed and submitted by each applicant for Community Development Block Grant (CDBG) funding. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest.

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a City employee or consultant, or (b) a City Council member, or (c) a member of the Community Development Advisory Committee (CDAC) member? Yes No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person, or CDAC member

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT
 APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
 2021-2022 PROGRAM YEAR**

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this questionnaire a City employee, consultant, City Council person or Community Development Advisory Committee member?

Yes No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person, or CDAC member

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners or family members of a City employee, consultant, City Council person, Community Development Advisory Committee member?

Yes No

If yes, please identify below the City employee, consultant, or Council member with whom each individual has family or business ties.

Name of member	Name of City employee, Consultant, City Council member, CDAC member	Indicate type of tie (Family or Business)	If family, indicate relationship

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT
APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
2022-2023 PROGRAM YEAR**

4. Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

Name of Applicant: _____

Signature of Applicant's Representative _____

Title _____ Date _____

**HUD REGULATION REGARDING CONFLICT OF INTEREST
(NOT REQUIRED TO BE SUBMITTED WITH APPLICATION)**

§570.611 Conflict of interest.

(a) Applicability

(1) In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.317 and 200.318 shall apply.

(2) In all cases not governed by 2 CFR 200.317 and 200.318, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to §570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to §570.203, 570.204, 570.455, or 570.703(i)).

(b) Conflicts prohibited. The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such financial interest or benefit during, or at any time after, such person's tenure.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part.

(d) Exceptions. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.

(1) Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:

(i) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(ii) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(2) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) (1) of this section, HUD shall conclude that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effect of the following factors, as applicable:

(i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;

(ii) Whether an opportunity was provided for open competitive bidding or negotiation;

(iii) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;

(v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;

(vi) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vii) Any other relevant considerations.

[60 FR 56916, Nov. 9, 1995, as amended at 80 FR 75938, Dec. 7, 2015]

Section 3 Contractor Affidavit (2021 Final Rule)

Section 3 Business Concerns are:

- At least 51 percent of the business is owned and controlled by low or very low-income persons; or
- At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers

This is to certify that _____ (print Business name)

_____ Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

_____ Is **NOT** a Section 3 Business Concern but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

_____ Is **NOT** a Section 3 Business Concern and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

Authorized Signer

Date

Print Name

Section 3 Requirements (SAMPLE)
CONTRACTOR'S SECTION 3 PLAN CERTIFICATION

Project _____

Contractor's Name _____

The work to be performed under this contract is 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.

As representative of the Contractor, I hereby agree:

- To list on Table A all projected workforce needs for all phases of this project by occupation, trade, skill level and number of positions.
- To comply to the greatest extent feasible with the objectives and percentage goals established in the Section 3 Plan for Housing and Community Development Assistance of the City of Norwich.
- That to the greatest extent feasible vacant positions in relation to this project will be filled with Section 3 residents.
- To conduct recruitment activities in a manner consistent with the Section 3 requirements as shown on Table B.
- To include in all contracts with subcontractors in excess of \$100,000 the Section 3 Clause and to require the subcontractor to comply with similar certification requirements.
- To maintain proper records to demonstrate compliance with the Section 3 plan.
- To award to the greatest extent possible, all subcontracts in excess of \$100,000 to eligible Section 3 firms.

Contractor Signature

Date

Title

TABLE A

Contractor/Subcontractor: _____

Project Name: _____

(a) The number of persons currently employed by contractor that will be performing work under this contract:

<u>Job Title</u>	<u>Total Employees</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(b) The number of employees you intend to hire for contract:

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL: _____

If additional employees are needed, the Contractor will be required to report: his efforts to hire Section 3 Residents, the actual number of residents hired and the hours the residents worked (see HUD Form No. Hud-60002).

(c) Which of the above positions will be a training position:

<u>Job Title</u>	<u>Estimated Length of Training</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(d) List type and amount of work to be subcontracted out. (If subcontract equals or exceeds \$ 100,000.00, the subcontractor will be required to fill out this TABLE A.)

<u>Subcontractor</u>	<u>Amount of Subcontract</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TABLE B

Recruitment Efforts

At a minimum the following tasks must be completed to demonstrate a good faith effort with the requirements of Section 3. The contracting party and each contractor or subcontractor seeking to establish a good faith effort as required should be filling au training positions with persons residing in the target area.

1. Send notices of job availability subcontracting opportunities subject to these requirements to recruitment sources, trade organizations and other community Groups capable of referring eligible Section 3 applicants, including the Department of Labor.
2. Include in all solicitations and advertisements a statement to encourage eligible Section 3 residents to apply.
3. When using a newspaper of major circulation to request bids, quotes or to advertise employment opportunities to also advertise in minority owned newspapers.
4. Maintain a list of all residents from the target area(s) who have applied either on their own or by referral from any service, and employ such persons, if otherwise eligible and if a trainee exists. (If the contractor has no vacancies, the applicant, if otherwise eligible, shall be listed for the first available vacancy). A list of eligible applicants will be maintained for future vacancies.
5. The contractor must certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed were not filled to circumvent the contractor's obligation under 24 CFR Part 75.

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

B. STATEMENT OF NEED

1. (Define the need to be addressed through your project and how it will address the need of the community) Neighborhoods remain an integral part of ensuring long-term sustainable growth within a municipality - the fabric of any community is found within neighborhoods. Every neighborhood offers its unique blend of housing, workforce, culture and style. Businesses are typically meshed within neighborhoods and residents show civic pride by supporting those businesses (the local economy). Therefore, preservation of neighborhoods is an important part of strengthening the local economy.

We can preserve neighborhoods by preventing their de-stabilization through addressing three major issues:

- Reducing dilapidated housing stock while increasing housing values
- Reducing the amount of vacant homes stemming from foreclosure and financial bankruptcy.
- Keeping the elderly in their homes longer by providing deferred loans to correct big ticket housing issues that would normally result property condemnation.

What we are trying to accomplish under this program is provide comprehensive stabilization of the most at risk housing throughout the City. 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 15-20 properties.

In the CDBG 5-year plan, *The Analysis of Need*, has focused on the elevated percentage of individuals with a "high housing cost burden" – the percent of a person's income going towards housing related costs. Well maintained housing with improved energy efficiency helps reduce housing cost burden, increases available income to be circulated within the local economy, and stabilizes the value as well as condition of neighborhoods. 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

Activity 1 (\$225,000): Prior to describing the activity, it should be noted that the Community Development Office has historically applied for and been awarded Lead Paint Hazard Control grants from "The Office of Lead Hazard Control and Healthy Homes". We use Lead Grant funding in conjunction with general rehabilitation funding to address lead paint hazards in qualified housing units– allowing us to reduce the direct rehabilitation costs, and make larger housing impacts through this combined use of funding. As of 03/16/20 we have been fortunate to have been awarded another four years of Lead Paint Hazard Control funding. The **\$225,000** request for property rehabilitation funding will allow us to both meet our matching funding commitment to the Lead Hazard Control Grant, but also maintain the high level housing interventions that the combined efforts of both programs been able to achieve.

The Property Rehabilitation Program itself provides 0% interest loans to HUD defined income eligible homeowners. These funds are used to correct unsafe housing conditions, expand energy efficiency in older homes and help stabilize the homeowner's ability to maintain homeownership. The Property Rehab Program is designed to meet the larger HUD goal for CDBG entitlement communities to "revitalize housing in older deteriorating neighborhoods." 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-to-moderate income) individuals the means to address housing deficiencies and maintain home ownership. The financial constraints of more traditional means of assistance would either not be available to them or would simply result in a financial burden that would ultimately result

in the loss of home ownership. Additionally this program coincides with the city's goals set forth in the 5-Year Consolidated Plan and includes the performance of building code correction and lead paint hazard remediation on approximately 20 housing structures, up to 30 individual units of housing annually for the duration of the 5-Year Plan.

Primary Activities and Goals are as follows:

- a. **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 bringing them up to State and local Building codes minimum compliance levels. Out comes 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 Need & Financial Feasibility.

- b. **Lead Paint Hazard Control-** As previously stated in (C. Project Description: Lead Paint Hazards are in and of themselves housing rehabilitation deficiencies, and therefore a priority of any Property Rehabilitation Program regardless of the funding source.) 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.

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

If the lead grant is not renewed in this next round, 20% of requested grant funds will be used towards the continued staffing of two employees for the administration, outreach 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 City's 5-Year Consolidated Plan. Essentially the program will continue seamlessly with activities if funding is awarded with no break in production. In addition these rehabilitation activities will maintain compliance with the City's matching funds obligation to any 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. Again, we anticipate no pause or delay in ongoing Rehabilitation activities if funding is awarded.

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 previously been successful in securing HUD lead paint hazard control grants. The most recently awarded, 2.9 million (2020-2023) and \$2.8 million (2016-2019) previous to that. This funding is leveraged with matching CDBG funding for rehabilitation activities to be conducted in properties receiving lead paint hazard reduction treatments. The CDBG funding makes us competitive for the multi-million dollar funding. A reduction in CDBG funding may result in a compromised ability to meet our Lead Grant matching funds commitments which in turn could result in a less effective overall program. This in turn can ultimately be viewed as a lack of commitment to housing rehabilitation

and lead safety endeavors by our grantors, and result in us being viewed in an unfavorable light for future awards. The full \$225,000 request will allow us to meet our leverage commitment for the estimated \$2.9 million federal award.

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 City's and the Department of Housing and Urban Developments long term goals for creating and maintaining safe, affordable residential housing within the community. Typical requests have averaged between \$200,000 and \$300,000, variables due to economic climate and availability of secondary sources of funding.

The Property Rehabilitation program requires an influx of funding in order to continue with production and to sustain the employees who manage the program requirements. Not only does this program impact housing values, tax revenue, cost burden and quality of life, but it also works as an economic engine for the area. More than 75% of these funds go directly to local contractors, employees, and businesses. This program is a job creator/sustainer. During the lead grant period (2016-2019) more than \$2.0 million (92%) of funding went to local contractors, vendors and their employees. Without the lead grant and without the Property Rehabilitation program, employment and the support in the local economy is severally diminished.

Simply put, without these funds or the lead grant, this successful program will be discontinued. Any funding provided will be used to complete as many units as possible until salaries have been exhausted. The loss of this program will impact the community, reduce the overall ability to achieve the goals set forth in the 5-year Consolidated Plan and jeopardize the city's competitiveness in receiving the HUD Lead Paint Hazard Control funding.

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 program's 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.

The committee may also make a request to the department for adjustments prior to Council authorization.

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 project is \$14,000-\$18,000 in Rehabilitation dollars and an average of \$9,000- \$12,000 Lead Paint Hazard Control. While average costs generally remain accurate on an annual basis, individual costs can range from the very low of a few thousand dollars to the maximum allowable funding level. In cases in which cost estimates exceed eligible funding levels, property owners that wish to continue with the program are required to provide owner share funding to make up any budget shortfall.

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 30-45 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 outcome goals:

1. Conduct Rehabilitation activities on 20-25 housing structures. (annually)
2. Achieve basic Building Code compliance up to 30 individual units of housing. (annually)
3. Conduct lead paint hazard control work in 20-25 individual housing units, and produce 20-30 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 funds 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.

Preservation of neighborhoods is an important part of strengthening the local economy. 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" – the percent of a person's income going towards housing related costs. Well maintained housing with improved energy efficiency helps reduce housing cost burden, increases available income to be circulated within the local economy, and stabilizes the value as well as condition of neighborhoods.

In addition, the plan addresses "specific housing needs." The plan highlights needs for Norwich that include a focus on homeownership that is affordable for low-to-moderate income households. This supplemental program will work to preserve neighborhoods in order to prevent de-stabilization through the reduction in the amount of vacant homes and/or promoting financial security of participating homeowners.

This project achieves key components of the 2013 Plan of Conservation and Development (POCD), specifically highlighted in the POCD Implementation Plan – Guide Housing Development. This project achieves several elements stated in the implementation plan focuses on several elements "Continue efforts to increase homeownership and property values", "Continue to provide creation and maintenance of housing stock which is affordable" and "Support the maintenance/improvement of the existing housing stock".

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

See Attached.