

**Analysis and Summary of Small Cities
Community Development Block Grant (CDBG) Program
Allocation Plan**

Joint Hearing of Committees on Appropriations, Commerce, and
Housing
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OFFICE OF FISCAL ANALYSIS

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Introduction

The Small Cities Community Development Block Grant (CDBG) is administered by the United States Department of Housing and Urban Development (HUD). The primary objective of the program is to develop viable communities by providing support for decent housing and a suitable living environment, principally for persons of low- and moderate-income.

At the state level, the Department of Housing (DOH) will administer the funds provided through the Small Cities CDBG Program.

Federal Allocation Process

The Housing and Community Development Act of 1974 (HCD Act), as amended in 1981, allows each State the opportunity to administer CDBG funds for non-entitlement areas. Non-entitlement areas include those units of general local government which do not receive CDBG funds directly from HUD as part of the entitlement program (Entitlement Cities and Urban Counties). Funds are allocated to states based on a formula, which takes into account population, poverty, incidence of overcrowded housing, and age of housing factors. Connecticut's federal fiscal year (FFY) 14 allocation is estimated at \$11,958,150. FFY 12 - FFY 14 allocations are identified in the table below:

Table 1: Allocation of Funds

Available Funding	FFY 12 (Actual)	FFY 13 (Estimated)	FFY 14 (Proposed)
Federal Allocation	11,141,302	12,017,705	11,958,150
Uncommitted from Previous Year	105,271	-	-
Recaptured Funds	539,930	292,826	-
Reprogrammed Technical Assistance Funds from Previous Year*	-	-	400,000
Subtotal Available	11,786,503	12,310,531	12,358,150
Expenditures			
Administrative ¹	434,239	460,531	458,744
Program ²	11,352,264	11,850,000	11,899,406
Subtotal Expenditures	11,786,503	12,310,531	12,358,150
Balance	-	-	-

*States may use up to 1% of the allocation to provide technical assistance to local governments and nonprofit organizations, for community development activities.

¹ States are required to match administrative costs in excess of \$100,000. The FY 15 DOH budget includes Personal Services funding of \$235,000 to support Small Cities. See Appendix B for further details.

² The list of FFY 12 and FFY 13 program awards by town are provided in Appendix C and Appendix D.

State Allocation Process

DOH will administer the program through a competitive application process for most activities.³ Eligible activities include: housing, public services, public facilities, economic development, and planning. Project award amounts are outlined below. Note, towns can request to exceed these amounts provided additional detail is submitted.

Table 2: Project Awards

Project Category	Award \$
Residential	400,000
Rehab	
2 or more towns	500,000
3 or more towns	600,000
Public Housing	
25 or fewer units	700,000
26 or more units	800,000
Public Facilities	700,000
Infrastructure Streets & Sidewalks	500,000
Planning Only	25,000
Economic Development	500,000
Urgent Need ⁴	500,000

Additional allocation requirements include:

1. Funds must be expended in any municipality except Connecticut's 22 entitlement cities, which are those which receive CDBG funds directly from HUD (see Appendix A);
2. At least 70% of funds must be used for activities that benefit low-and moderate-income persons, over one, two, or three consecutive program years;
3. Funds must support at least one of the following three major program categories: 1) Benefit low and moderate-income families, 2) Prevent or eliminate slums or blight, and 3) Meet other urgent community development needs;
4. Grant funds can support administrative costs up to \$100,000, plus 50% of costs in excess of \$100,000, up to 3% of the annual grant (inclusive of the 1% for Technical Assistance);
5. Planning and administration expenditures cannot exceed 20% of the Small Cities CDBG grant.

³ Urgent Need and Section 108 activities will be accepted on a "first come first serve" basis.

⁴ A need is considered urgent if it is sudden and unexpected, has arisen in the past 18 months, and no other funding is available to address it.

Appendix A: CDBG Entitlement Communities

CDBG Entitlement Communities, as listed below, are not eligible for state administered Small Cities CDBG funds.

Bridgeport	Milford (Town)
Bristol	New Britain
Danbury	New Haven
East Hartford	New London
Fairfield	Norwalk
Greenwich	Norwich
Hamden (Town)	Stamford
Hartford	Stratford
Manchester	Waterbury
Meriden	West Hartford
Middletown	West Haven

Appendix B: Administrative Funding

Available Funding	FFY 12 (Actual)	FFY 13 (Estimated)	FFY 14 (Proposed)
Carry Forward from Previous Year	662,976	684,211	1,011,430
Admin Allocation	322,826	340,354	339,163
Technical Assistance Allocation	111,413	120,177	119,581
General Fund Match	222,826	240,354	239,163
Subtotal Available	1,320,041	1,385,096	1,709,337
Expenditures			
Personnel & Fringe	605,809	350,366	530,640
Other Expenses	30,020	23,300	24,465
Subtotal Expenditures	635,829	373,666	555,105
Balance (Carry Forward to Following Year)	684,212	1,011,430	1,154,232

Appendix C: FFY 12 Committed Funds

Town	Project Description	Amount \$
Ansonia	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Ashford	Food Bank Program	64,424
Beacon Falls	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Berlin	Marjorie Moore Village Senior Housing Renovations	500,000
Bethlehem	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Brookfield	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Burlington	Regional Housing Rehab. Program	300,000
Canton	21 Dowd Senior Housing Renovations Phase 2	500,000
Coventry	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
East Windsor	Reconstruction of Cricket Rd. & Prospect Hill Rd.	400,000
Ellington	Regional Housing Rehab. Program	300,000
Enfield	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Hampton	Regional Housing Rehab. Program	300,000
Jewett City	Ashland Manor Senior Housing Renovations Phase 3	445,840
Killingly	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Litchfield	Tannery Brooks Cooperative Renovations	371,000
Mansfield	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Marlborough	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Naugatuck	Housing Authority Renovations	500,000
Old Saybrook	Saye Brook Village Senior Housing Renovations	471,000
Plainfield	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Preston	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Putnam	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Salisbury	Regional Housing Rehab. Program	300,000
Stafford	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Thompson	Gladys Green/Pineview Court Elderly Housing Rehab. Phase 1	500,000
Tolland	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Vernon	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Wallingford	Bldg Renov/Safety Improv- Ubrich Heights Senior Housing	500,000
Waterford	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Wethersfield	James Devlin Senior Housing Renovations	500,000
Windham	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
Woodbridge	Town-Wide Housing Rehabilitation Revolving Loan Program	300,000
	Total	11,352,264

Appendix D: FFY 13 Committed Funds

Town	Project Description	Amount \$
Ansonia	Housing Rehabilitation	400,000
Ashford	Housing Rehabilitation	400,000
Beacon Falls	Housing Rehabilitation	400,000
Brookfield	Housing Rehabilitation	400,000
Canterbury	Housing Rehabilitation	400,000
East Hampton	Public Housing Modernization	800,000
Ellington	Housing Rehabilitation	450,000
Groton	Housing Rehabilitation	400,000
Hampton	Housing Rehabilitation	450,000
Killingly	Public Housing Modernization	750,000
Lebanon	Housing Rehabilitation	400,000
Ledyard	Housing Rehabilitation	300,000
Naugatuck Borough	Housing Rehabilitation	400,000
New Fairfield	Housing Rehabilitation	400,000
Plainfield	Housing Rehabilitation	400,000
Putnam	Housing Rehabilitation	400,000
Roxbury	Housing Rehabilitation	400,000
Salisbury	Housing Rehabilitation	600,000
Southbury	Housing Rehabilitation	400,000
Sprague	Street Improvement Baltic	500,000
Thompson	Public Housing Modernization	800,000
Torrington	Housing Rehabilitation	400,000
Vernon	Housing Rehabilitation	400,000
Waterford	Housing Rehabilitation	400,000
Windham	Housing Rehabilitation	400,000
Woodstock	Housing Rehabilitation	400,000
	Total	11,850,000