

# Connecticut Department of Housing



## *At a Glance*

**EVONNE M. KLEIN, Commissioner**

**Nick Lundgren, Deputy Commissioner**

***Established* – June 2012 via Public Act 12-1; fully implemented and funded July 2013**

***Statutory authority* - Conn. Gen. Statutes Sec. 8-37r**

***Central office* – 505 Hudson Street, Hartford, CT 06106**

***Number of employees* – 45 including 14 durational staff members who strictly work on our Superstorm Sandy recovery effort, which is funded through the federal Community Development Block Grant –Disaster Recovery (CDBG-DR) program.**

***Recurring operating expenses* - \$5,513,421**

***Organizational structure* – Office of the Commissioner, Housing Development, Individual & Family Support, Community Development, Policy & Research and Housing programs, CDBG-DR Superstorm Sandy**

## **Mission**

***The mission of the Department of Housing (DOH) is to foster a Connecticut where affordable housing, in strong and vibrant communities, is accessible to individuals and families across the state and homelessness is a thing of the past.***

## **Statutory Responsibility**

Under the provisions of Conn. Gen. Statutes Chapters 50, 124b, 126a, 127c, 128, 129, 130, 133, 134, 135, 136, 137c, 137e, 138b, 138c, 138e, 138f, 138h, 138i, 138j, 298, 319i, 319y, 319uu, 412, 439, 541, 588x, 825, 828, and 833a, DOH is the lead state agency on all matters relating to housing and is responsible for advancing strategies and administering programs that promote the development, redevelopment, and preservation of housing for very low, low and moderate income families, community revitalization as well as financial and other support for our most vulnerable residents.

## **Public Service**

Fully formed in July 2013, DOH is a compilation of housing and community development programs and staff from multiple state agencies: the Departments of Economic and Community Development, Social Services and Mental Health and Addiction Services as well as the Office of Policy and Management. With all of these housing programs consolidated within one agency, the Department provides leadership for all aspects of the state's housing policy and planning and the coordinated implementation of the state's housing agenda.

As a new agency, DOH strives to provide public outreach and educational workshops to inform the public of its funding opportunities and assistance programs. Department staff hosted and participated in workshops and constituent fairs around the state, providing in-depth explanations of the agency's policies and programs. In addition, the DOH Commissioner traveled to about half of the communities in the state to meet with local municipal and housing leaders to introduce the new department and discuss ways in which the agency's initiatives can revitalize their neighborhoods and increase the provision of affordable housing for their residents.

The agency's open door policy encourages municipal leaders, public agencies, community groups, advocates, local housing authorities and other for-profit and non-profit housing developers to meet with department leadership and staff to discuss their housing issues and needs. Strong outreach and technical assistance efforts as well as improved processes, such as a streamlined application process, have led to an influx in interest and applications for DOH's highly competitive funding initiatives.

Most importantly, the department is dedicated to assisting individuals with their housing needs. DOH's Individual & Family Support unit manages a must answer information & referral line for state residents seeking assistance from one of the agency's support programs or with their unique housing problems. DOH's programs enable the provision of the full spectrum of housing options for these individuals from emergency shelters, transitional living programs, to permanent supportive housing, affordable rental housing, and affordable homeownership. In addition, the agency funds a free rental housing locator service and provides leadership in implementing a new coordinated access system statewide that offers comprehensive assessments and referral services to meet the housing needs of vulnerable individuals and families. Support programs such as the rental subsidy programs, security deposit guarantee program, eviction and foreclosure prevention program, and homeowner rehabilitation programs enable individuals to maintain and improve their housing. DOH continues to discuss and realize improvements to these support programs.

## **Improvements/Achievements 2013-2014**

- Near the beginning of FY14, DOH announced its schedule of competitive multi-family funding rounds to provide a predictable timetable of the agency's funding availability for developers, public housing authorities, municipalities and other interested parties. This included over \$159 million in funding opportunities.
- DOH awarded \$4,973,865 in Main Street Investment Fund (MSIF) grants to 14 municipalities across Connecticut. MSIF provides funding to develop or improve town

commercial districts, attract small businesses, and improve pedestrian access and livability in town centers.

- Through the Transitional Living program, DOH served more than 1000 individuals and families, providing temporary housing and intensive support services to assist residents with gaining self-sufficiency and moving into permanent housing.
- DOH implemented the Security Deposit Guarantee Program (SDGP), which was previously managed by the Department of Social Services. Within the first few months of operation, DOH was able to increase access to this valuable resource by basing program eligibility on income instead of homeless status. As a result, there has been a significant increase in the number of individuals that have been approved for the program. Access to a security deposit is a key step for obtaining and maintaining independent housing in the community and by increasing access to the program, DOH is increasing housing stability throughout the state.
- This is the first full fiscal year the state has implemented the Connecticut Rapid Re-Housing Program, which assists homeless individuals and families quickly transition into permanent housing and achieve housing stability through a combination of housing relocation, stabilization services and financial assistance, if necessary. DOH's contracted providers served over 550 homeless individuals and families this past fiscal year.
- In conjunction with their partners on the Interagency Committee on Supportive Housing, DOH awarded \$27.9 million in grants to build four new supportive, affordable multi-family housing developments in Bridgeport, Hamden, Hartford and Manchester. These developments include a total of 93 affordable rental homes, with 51 apartments set aside for veterans and child welfare-involved families who are currently homeless, at risk of being homeless, or chronically homeless.
- DOH awarded almost \$13 million in Small Cities Community Development Block Grants (CDBG) to 24 Connecticut communities, some of which applied for, and were awarded funds jointly. These federally funded grants are used to ensure decent affordable housing, provide services to the most vulnerable Connecticut citizens, and fund ADA compliance and municipal infrastructure improvements.
- Through its administration of the federally funded Neighborhood Stabilization Programs (both NSP 1 and NSP 3), DOH provided more than \$5 million to 10 Connecticut cities to finance the acquisition and rehabilitation of foreclosed or abandoned properties. Most importantly, DOH met federally mandated expenditure deadlines requiring full expenditure of the NSP 1 funds (totaling over \$25 million) and 100% of the NSP 3 funds (over \$9 million).
- As of June 2014, there are 4,032 residents housed with State Rental Assistance Program (RAP) vouchers and 7,451 residents housed under the Section 8 Housing Choice Voucher (HCV) Program.
- DOH contracted with three non-profit housing agencies that provide mobility counseling services statewide to assist rental subsidy recipients, who are disproportionately people of color, make housing decisions with full information about school performance, crime rates, transportation options, and other relevant community data.
- The State Housing Rehabilitation & Preservation Program (SHRP) provided competitive financing for repairs and improvements to units of state funded public housing in order to preserve and stabilize these units. The \$10 million program was fully implemented in FY14, providing funding for seven portfolio developments originally funded through the State's elderly, congregate, moderate rental, and homeless programs. The program was administered jointly by CHFA and DOH. In accordance with a capital plan completed for each development, new and upgraded heating systems, roofs, windows and doors, and exterior walkways, along with other improvements, were completed with these funds.

- DOH announced and fully implemented its new streamlined Predevelopment Loan Program, accepting applications on a rolling basis. The program is directed to housing developers seeking assistance with predevelopment costs incurred in connection with the provision of housing for low and moderate income persons and families. Predevelopment costs are expenses that are not administrative and are necessary before the construction stage of a project. Improvements to the existing program support the goal of enabling the best affordable housing developments to advance to the stage where they can obtain all necessary financing. The program was fully implemented in FY 14, receiving 24 applications and funding 12 developers with a total of approximately \$3.2 million.
- Consistent with Governor Malloy's \$300 million commitment to revitalize the state sponsored housing portfolio (SSHP), DOH awarded nearly \$17 million to rehabilitate 214 affordable rental units in 3 SSHP developments and redevelop 33 individual mobile homes into a new 54 unit affordable apartment building. An additional \$1.6 million was awarded for predevelopment costs related to the potential rehabilitation of 9 SSHP developments. Costs include architectural design, environmental studies, and other early stage development expenses. In total, the commitment to the SSHP revitalization initiative in FY13 and FY14 was approximately \$60 million.
- DOH provided funding for the annual homelessness Point in Time Count (PIT), which provides data on individuals staying in emergency shelters and transitional housing programs, as well as living in places unintended for human habitation.
- Through various homeless assistance programs, DOH supported 44 emergency shelters that provided shelter and case management services to around 9500 individuals and families.
- DOH worked closely with municipalities interested in adopting Incentive Housing Zones (IHZ). Since the inception of the IHZ program, 7 municipalities have adopted approved zones and 2 of them have completed housing projects within their IHZs. Many more municipalities received technical assistance funding to determine the feasibility of developing zones in their communities. Some are close to final zone adoption and approval.
- To assist shoreline owners interested in protecting their homes and businesses from future storms, DOH established a fund, envisioned by Governor Malloy, to provide low-interest loans to property owners in coastal municipalities to finance or refinance property elevations and retrofitting for flood protection activities.
- Since the creation of the department, the Commissioner has traveled to about half of the state's municipalities and cultivated relationships with elected officials and housing leaders in order to introduce the new department and promote the production of affordable housing.
- During CY13, DOH completed 1,383 units of housing and over 563 units so far in CY14 with nearly 4,000 currently under construction.
- During the third round of the state's Competitive Housing Assistance for Multifamily Properties (CHAMP) initiative, DOH awarded more than \$16.5 million to help build or renovate approximately 465 residential units, 390 of them affordable, in Hartford, Waterbury, Vernon, Stonington, and Middletown.
- DOH invested nearly \$32 million in 10 affordable housing developments during the fourth round of the state's CHAMP initiative. This investment will provide for the creation or preservation of a total of 537 units, 400 of them affordable.
- For the CHAMP 5 round, DOH required applicants to set a preference for homeless veterans for at least two of their proposed units. The department provided up to 30 rental assistance vouchers for this purpose. These vouchers were targeted to units restricted to households earning 30% of AMI or less. This requirement is one example of DOH helping lead the effort to achieve Governor Malloy's goal of ending veterans' homelessness in the state by 2015.

- DOH achieved a 57% reduction in the amount of staff hours necessary for the CHAMP project selection and closing process by reducing the number of steps and increasing efficiencies. This allows the development staff to dedicate additional time to providing technical assistance and advice to developers who need extra guidance with their projects. DOH actively participated in several other Lean/Process Improvement Projects, such as streamlining the fiscal office processes, applications, and the request for outside counsel process.
- After reviewing outcomes from previous funding rounds, DOH created a Special Priority Projects and Programs round that targeted the types of applications the agency wanted to further encourage. Programs and Projects proposed under this round needed to achieve one or more of the following goals: contribute to ending homelessness in Connecticut, affirmatively furthering fair housing, or create affordable housing opportunities in transit-oriented developments. Coordinating resources within the agency, DOH made available 20 rental assistance vouchers to selected applications.
- DOH successfully received approval from the Legislative Regulation Review Committee for the agency's regulations regarding tenants' right and grievance procedures. In the absence of these regulations, many tenants in state assisted housing did not have the option to pursue informal grievance procedures. Instead, they had to file for formal judicial proceedings, which can be intimidating, costly and time-consuming.
- 14 durational employees were hired to successfully establish and implement the Superstorm Sandy disaster relief programs funded by the federal Community Development Block Grant Disaster Recovery (CDBG-DR). Programs created and enacted by this "Sandy Team" include the Owner Occupied Rehabilitation and Rebuilding Program, Small Business Disaster Relief Program, Multi-Family Assistance Program, and the Scattered Site Program. Intake Centers were opened along the shoreline to assist the almost 1,000 homeowners impacted by Superstorm Sandy who applied for assistance under the CDBG-DR programs. In addition, DOH awarded nearly \$32 million in grants for improvements to multifamily housing, infrastructure and public facilities and for planning purposes in municipalities affected by Superstorm Sandy.
- In April, DOH awarded over \$30 million to supplement the Connecticut Housing Finance Authority (CHFA) 9% low-income housing tax credit funding awards to build and rehabilitate 342 rental units in 6 affordable housing developments.
- DOH served more than 217 individuals and families through the Energy Conservation Loan Program (ECL). This program provides financing at below market rates to single family and multi-family residential property owners for the purchase and installation of cost-saving energy conservation improvements.
- Connecticut is implementing Coordinated Access statewide by Dec. 2014 (in process): The goal of this Coordinated Access System is to break down the silos that exist in the homeless service system, and to have all providers that work with the homeless come together to share their resources in order to move individuals and families out of homelessness more rapidly. Collaborating with advocates and providers, the DOH spearheaded this effort to create 8 regional networks aimed at addressing homelessness in each region. The early results of Coordinated Access in Connecticut are promising, with some areas in the state already seeing decreases in the amount of time an individual or family is homeless.
- DOH worked collaboratively with other state agencies in an effort to resolve certain barriers to affordable housing. For example, DOH engaged with DEEP to help resolve specific issues related to water and sewer infrastructure.