

**Community Development Block Grant  
Disaster Recovery Program  
Substantial Amendment to the Action Plan:  
Modification to Allocation Plan  
Identification of Rebuild by Design Pilot Project  
Update on National Disaster Recovery Program**

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DEPARTMENT OF HOUSING

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## A. Background

On Monday, October 29, 2012 Hurricane Sandy made landfall near Atlantic City, New Jersey, as a post-tropical cyclone. The storm created a significant tidal surge from the Mid-Atlantic region to New England. After landfall, Sandy headed north by northwest bringing high winds, rain, and storm surge to coastal areas of Connecticut, causing widespread wind damage, flooding, and power outages. On Saturday, October 27, in advance of Sandy's forecasted impact on Connecticut, Governor Malloy signed a declaration of emergency and the following day the Governor requested, and President Obama approved a declaration of emergency.

The size and scope of the storm has been attributed to a convergence of weather systems. As the hurricane pivoted toward land, it merged with a winter storm from the west and cold air moving south from the Arctic. The hybrid storm - with both tropical and extra-tropical characteristics - brought high winds and coastal flooding to southern New England. High wind warnings and coastal flood warnings were issued by the National Weather Service, with storm surge prediction in the range of 6 to 11 feet above astronomic high tide, with 6 to 10 foot waves on top of the surge.

In response to the extraordinary destruction caused by Hurricane Sandy, Congress passed and the President signed into law The Disaster Relief Appropriations Act; also known as Public Law 113-2 (the "Act"), which, among other things, appropriated approximately \$60 billion for recovery efforts related to Hurricane Sandy and other natural disasters specified in the Act. A significant portion of those funds was set aside for the Community Development Block Grant - Disaster Recovery Program (the "CDBG-DR Program") to be administered by the United States Department of Housing and Urban Development ("HUD").

Governor Dannel P. Malloy has designated the Connecticut Department of Housing ("DOH") the principal state agency for the allocation and administration of the CDBG-DR Program and all associated funding.

As explained in more detail below, the State of Connecticut, through DOH, has received three allocations of these federal block grant funds, Tranche 1 - \$71,820,000, Tranche 2 - \$66,000,000,

Tranche 3 – which consists of \$11,459,000 in CDBG-DR funds and \$10,000,000 in Rebuild by Design (“RBD”) funds intended to support the Resilient Bridgeport initiative, totaling \$21,459,000.

Subsequent to these allocations, the State of Connecticut, through a collaboration of state agencies lead by DOH, was successful in competing for funding under the National Disaster Resilience Competition, and as noticed in the Federal Register, Vol. 81, No. 109; June 7, 2016 Page 36557, titled: “National Disaster Resilience Competition Grant Requirements”, was awarded \$54,277,359 in support of various activities in Bridgeport, Connecticut, as well as New Haven/Fairfield Counties.

This Fourth Substantial Amendment to the Action Plan describes proposed modifications in allocations for the first three Tranches of Disaster Recovery funds, as well as provides details on the Pilot Project (the “Pilot Project”) for the Rebuild By Design award and an update on the activities associated with the National Disaster Recovery program.

In accordance with the Federal Register Notice (Vol. 79, No. 200; October 16, 2014 Page 62184) titled: “Third Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy” (the “Federal Register Notice”), for both the Tranche 3 funds and the RBD funds, the State must submit a Substantial Action Plan Amendment to the Action Plan which identifies the Pilot Project. As with the previous Substantial Action Plan Amendments, this Substantial Amendment must also provide a description of the State’s public outreach and citizen participation practices, and describe the planned citizen participation throughout the development and implementation of the Pilot Project. The State is obligated to ensure that the processes, procedures, and fiscal and administrative controls it will use in the course of expending CDBG-DR funds are sufficient to safeguard CDBG-DR funds from waste, fraud and abuse.

In addition to specifying the amount of funds allocated to the State, the Federal Register Notice also sets forth, among other requirements, the areas within the State where CDBG-DR funds can be expended, the programs or activities for which CDBG-DR funds can be used, and the national objectives that each program or activity must meet. The Federal Register Notice also imposes strict expenditure and compliance deadlines on the State.

## **Substantial Amendments to the Action Plan**

A Substantial Amendment to the Action Plan shall be defined as:

1. a change in program benefit or eligibility criteria;
2. the addition or deletion of an activity; or
3. the allocation or reallocation of more than \$1 million between activities.

Only those amendments that meet the definition of a Substantial Amendment are subject to the public notification and public comment procedures previously identified herein. Specifically, a public notice will be published and comment will be sought when assistance programs are further defined (i.e. change in program benefit or eligibility criteria) or when funding allocations are further refined by type of activity and location, if applicable.

Citizens, units of local government, and our community partners will be provided with advanced notice and the opportunity to comment on proposed Substantial Amendments to the Action Plan. An electronic copy of the proposed Substantial Amendment will be posted on the official Hurricane Sandy page of the DOH website. Hard copies will also be made available upon request. No less than seven days will be provided for review and comment on the Substantial Amendment. Comments will be accepted electronically or in writing. A summary of all comments received and responses will be included in the Substantial Amendment that is submitted to HUD for approval.

## **Non-Substantial Amendments to the Action Plan**

Non-Substantial Amendments are defined as minor, one that does not materially change the activities or eligible beneficiaries. This provision should not be construed as allowing the general administrative budget to exceed the allowable limit. Additionally, a Substantial Amendment is not required in the case where the State is simply requesting additional funding from HUD. HUD must be notified in advance of a Non-Substantial Amendment becoming effective. Non-Substantial Amendments are not subject to the public notification and public comment procedures previously identified herein. All Amendments to the Action Plan (substantial and non-substantial) will be numbered sequentially and be posted to the Storm Sandy page on the DOH website.

## Performance Reports

The State must submit a Quarterly Performance Report (“QPR”) through HUD’s Disaster Recovery Grant Reporting (DRGR) system no later than thirty days following the end of each calendar quarter. Within three (3) days of submission to HUD, the QPR must be posted on the State’s official Hurricane Sandy page on the DOH website for public review and comment. The State’s first QPR is due after the first full calendar quarter after the grant award. QPR’s will be posted on a quarterly basis until all funds have been expended and all expenditures have been reported. Each QPR will include information about the uses of funds in activities identified in the Action Plan as entered in the DRGR reporting system. This includes, but is not limited to: project name, activity, location, and national objective; funds budgeted, obligated, drawn down, and expended; the funding source and total amount of any non-CDBG-DR Program funds to be expended on each activity; beginning and actual completion dates of completed activities; achieved performance outcomes such as number of housing units complete or number of low and moderate income persons benefiting; and the race and ethnicity of persons assisted under direct-benefit activities. The State must also record the amount of funding expended for each contractor identified in the Action Plan. Efforts made by the State to affirmatively further fair housing will also be included in the QPR.

During the term of the grant, the grantee will provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the approved program and to the grantee’s use of grant funds as well as contracts procured with CDBG-DR funding. This information shall be posted on the State’s official Hurricane Sandy page on the DOH website.

## **B. Overview of Substantial Amendment**

### **Federal Requirements – Reallocation, RBD and NDR**

As discussed in prior substantial amendments, the State is obligated to ensure that the processes, procedures, and fiscal and administrative controls it will use in the course of expending CDBG-DR funds are sufficient to safeguard CDBG-DR funds from waste, fraud and abuse. In addition, any substantive revisions to the allocation of funds or to the policies associated with the administration of these funds must be vetted through a public substantial amendment process.

Any Substantial Amendment submitted is subject to the following requirements:

- DOH consults with affected citizens, stakeholders, local governments and public housing authorities to update its needs assessment;
- DOH amends its citizen participation plan to reflect the requirement for a public hearing;
- DOH publishes a substantial amendment to its previously approved Substantial Amendment or Action Plan for Disaster Recovery on the DOH Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- DOH responds to public comment and submits its Substantial Amendment to HUD no later than 120 days after the end of the public comment period;
- HUD reviews the Substantial Amendment within 60 days from date of receipt and approves the Amendment according to all published criteria; and
- HUD sends a Substantial Amendment approval letter, with revised grant conditions (if applicable), and an amended unsigned grant agreement to DOH.
- If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; DOH must then revise and resubmit the Amendment within 45 days of the notification letter; and
- DOH ensures that the HUD approved Substantial Amendment is posted on its official Web site.

As previously discussed, the State of Connecticut, through DOH, has received three allocations of these federal block grant funds, Tranche 1 - \$71,820,000, Tranche 2 - \$66,000,000, Tranche 3 – which consists of \$11,459,000 in CDBG-DR funds and \$10,000,000 in Rebuild by Design (“RBD”) funds intended to support the Resilient Bridgeport initiative, totaling \$21,459,000.

*Disaster Recovery Community Development Block Grant – Fourth Substantial Amendment to the Action Plan*

*December 2016*

## **Use of the Tranche Funds**

The Appropriations Act requires that these funds be used only for specific disaster recovery related purposes. Consistent with the Rebuilding Strategy, it is essential to build communities back stronger and more resilient. This substantial amendment clarifies the allocation of funds to Sandy-impacted grantees to support investments in resilient recovery.

### **C. Rebuild by Design – Resilient Bridgeport**

In addition to specifying the amount of funds allocated to Connecticut in the third tranche (\$11,459,000), the Federal Register Notice also provides an additional \$10,000,000 specifically designed to support the Resilient Bridgeport initiative under the Rebuild by Design (“RBD”) competition.

RBD was a planning and design competition to increase resilience in the Sandy-affected region as part of recovery from the storm. HUD conducted the competition under the authority of § 105 of the America COMPETES Reauthorization Act of 2010 (15 U.S.C. 3719). Administered in partnership with philanthropic, academic, and nonprofit organizations, HUD solicited the best talents and ideas from around the world to seek innovative solutions for how communities rebuild and adapt in response to the damage from a disaster and future risks presented by natural hazards and climate change. More regarding the history of the competition can be found in the Federal Register at 78 FR 45551, published July 29, 2013, and 78 FR 52560, published August 23, 2013.

The Resilient Bridgeport proposal was awarded \$10,000,000 in CDBG-DR funds to reduce flood risk for the most vulnerable public housing stock in the city and to leverage other funding. HUD recognized that additional planning was required to reassess and re-scope one or more elements of the proposal to identify a pilot project that can be implemented and that the forthcoming project may require greater deviation from the proposal as submitted relative to that of the winning proposals.

This Substantial Amendment to the Action Plan will serve to identify the pilot project, per page 62187 of the Federal Register Vol. 79, No. 200 dated October 16th, 2014, and will be constructed using RBD funds to “reduce flood risk to public housing in the City’s South End / Black Rock Harbor area.”

Predevelopment work will continue over the coming months to move from this project identification to the subsequent project description that will be submitted in the middle of 2017. This work will include additional feasibility analysis, the initiation and early outputs of the environmental review, and further stakeholder engagement that together will clarify the scope and depth of the construction project. This pilot project identification, therefore, represents the limited range of possible project elements that have emerged from the public participatory and consultant planning and engineering process to meet the goal identified in the Federal Register. Relative to the broad range of projects and concepts contained in the Resilient Bridgeport proposal submitted in 2014, this project identification represents a single, coherent pilot project vetted with the public to meet the established goals and funding availability.

To arrive at this pilot project identification, following the award of funds in 2014, significant public outreach and stakeholder engagement has taken place. Described in further detail in the Citizen Outreach Plan component of this Substantial Amendment as the basis for future outreach, the public has been meaningfully engaged in the decision-making process throughout. The team has organized seven workshops and has presented at ten meetings hosted by other relevant organizations, in addition to dozens of meetings with individual citizens, civic groups, property owners, local businesses, and other key stakeholders. This pilot project identification is the product of the feedback the State and its consultants received and ideas generated in those workshops and discussions.

Following additional analysis and stakeholder engagement, the State of Connecticut will be submitting a subsequent Substantial Amendment prior to June 1<sup>st</sup>, 2017 that will further describe the pilot project and “incorporate (it) in order for project-related funds to be obligated.” That Substantial Amendment will provide a “detailed description” of the pilot project to be constructed. The focus area of the pilot project is the cluster of sub-watersheds bounded

roughly by Alsace Street on the West, Interstate 95 on the North, Park Avenue on the East, and Long Island Sound on the South.

The primary objective of the pilot project will be to reduce the risk from chronic storm water flooding in the most vulnerable public housing stock in the city, Marina Village, and the surrounding neighborhood rather than from the acute flooding from coastal storm surge that occurs during extreme events.

Consistent with the outcomes of our public participatory process and designed to meet that primary objective, the pilot project will therefore achieve as many of the following outcomes as is feasible given funding availability and driven by continued community input and direction:

- Priority will be placed on the project's support of the redevelopment of the presently at-risk Marina Village public housing complex into a new mixed-income neighborhood with reduced flood risk on that and adjacent parcels, and
- Improve safety of residents living in Seaside Village and the surrounding neighborhood by alleviating the chronic flooding that occurs along low-lying streets, and/or
- Enhance the public realm of the neighborhood with new parkland and improved gateways and streetscape, and/or
- Reduce combined sewer overflow events and improve water quality in the neighborhood and Long Island Sound.

The pilot project elements may include three types of interventions:

- Grey Infrastructure – targeted improvements to the existing combined sanitary and storm water management system including, for example:
  1. New storm water conveyance pipes, new catch basins, and a new or repurposed outfall into Cedar Creek, and/or
  2. Pumps to direct water from low points of the neighborhood into storage areas and/or new conveyance pipes, and/or
  3. Subterranean storage tanks designed to store water and delay its discharge into the combined system.

- Green Infrastructure – public realm improvements designed to store and/or convey storm water at or near the surface including, for example:
  1. Green streets that include street trees, rain gardens, and other green infrastructure to capture and store water upslope and prevent surface flow from running downhill into low lying areas, and/or
  2. A significant storm water management park designed to store water at higher elevations through infiltration and subsurface containment and convey storm water to designed low lying surface storage areas and away from road infrastructure and neighborhood fabric, and/or
  3. Bio swales to convey storm water along the surface parallel to combined sanitary and storm water pipes and direct it into new storm water conveyance pipes, and/or
  4. Modifications to Seaside Park to enhance its capacity to store storm water within its boundaries.
- Raised Corridors and Re-grading – mobility infrastructure allowing for dry egress out of flood prone areas of the neighborhood during storm events including and modifications to topographical contours within neighborhood and new development to alter reinforce raised mobility corridors and alter the flow of surface water, for example:
  1. A new, raised Johnson Street Extension providing egress during the 100-year storm event for the redeveloped Marina Village public housing complex and the mixed-income housing that will be redeveloped there, and/or
  2. Re-grading of the Marina Village public housing and redevelopment site to meet Johnson Street Extension and change the direction of storm water flow across and away from that large parcel, and/or
  3. Raising Iranistan Avenue or sections thereof, providing egress during more common storm events (but not during the 100-year event due to adjacent historic neighborhood constraints) for Seaside Village.

## **D. Update of Unmet Need**

The State of Connecticut continues to have Unmet Recovery Needs, meaning needs that have not been addressed by Federal, state, or other sources, in Fairfield and New Haven Counties.

### **Infrastructure/Infrastructure-Related**

As detailed in the CDBG-DR Quarterly Performance Reports, DOH is administering an Infrastructure and Infrastructure-related Program, specifically targeted to provide assistance to known infrastructure and infrastructure-related (planning) activities that have not been addressed through available resources. In response to a DOH request for information regarding infrastructure and infrastructure-related needs, other state agencies and local governments identified more than seventy (70) projects with needs totaling approximately \$157.4 million. Of these projects, fifty-nine (59) of these projects have received funding of approximately \$46,307,000.

The State intends to seek additional funding through other sources to address these remaining unmet infrastructure and infrastructure-related projects. In order to support the continued resiliency of some of our most severely impacted municipalities, additional funds are being proposed to address infrastructure and infrastructure-related activities. In coordination with other resiliency efforts, such as the federal Choice Neighborhoods program, the National Disaster Resiliency Competition, the 100 Resilient Cities Initiative and FEMA's Hazard Mitigation Grant program, these funds are intended to allow us to leverage these additional resources and contribute to the resiliency needs of our State's municipal infrastructure.

### **Owner Occupied Housing**

As detailed in our original Action Plan and all subsequent Substantial Amendments, DOH is administering an Owner Occupied Rehabilitation and Rebuilding program, specifically targeted to assist homeowners of 1-4 unit owner occupied properties address their rehabilitation and mitigation/elevation needs. The first phase of this program was to address unmet rehabilitation needs, either alone or in conjunction with mitigation/elevation needs. A second phase was added under the second allocation of CDBG-DR funding to address mitigation/elevation/reimbursement

needs of those 1-4 unit owner occupied properties that had been damaged by Hurricane Sandy, but were able to address their needs through insurance proceeds, FEMA and/or SBA assistance.

We have reviewed our current application list to identify the number of homes that will not be served by these programs due to insufficient funding. In order to accomplish this analysis, we made the following assumptions:

- There is remaining Unmet Need existing among homeowners in both New Haven and Fairfield County consisting of those on our current application list;
- Mitigation/elevation needs exist in both New Haven and Fairfield County consisting of those on our current application list; and,
- Cost estimates for Unmet Need were determined using the average cost of assisted or to-be-assisted homeowners in the respective counties from our database.

As described above, there are approximately three hundred fifty-seven (357) homeowners that have remaining unmet need which cannot be addressed with the available funding under the CDBG-DR requirements. It is estimated that this remaining unmet need has a value of \$53,550,000.

### **Multifamily Housing**

As detailed on page 53 of our original Action Plan, DOH is administering a Multifamily Rehabilitation/Rebuilding and Mitigation program, specifically targeted to low and moderate income multifamily properties with unmet need, with an emphasis on state or federal public housing. There were more than 815 units of state or federal public housing located within the 100 Year Flood Plan in Fairfield County. In addition, there have been identified approximately 80 units of privately-owned smaller scale scattered site multifamily rental units in need of assistance. The total estimated need associated with the rehabilitation and mitigation of these units is in excess of \$385,539,005, with an estimated unmet need of more than \$114,800,000.

DOH anticipated using significant state and other resources to leverage these activities, and originally allocated \$26,000,000 of the available CDBG-DR funding to address these needs. These other resources include state taxable and tax exempt bond financing, federal Low Income

Housing Tax Credits (both 4% and 9% credits), as well as conventional housing financing. Based on activity to date, DOH has identified the need for an additional \$3,000,000 in order to achieve the first phase of redevelopment and replacement of these units. As this table shows, there is significant remaining unmet need relative to the rehabilitation or replacement of these units.

Table 1 Summary of Multifamily Unmet Need						
Town/County	Project Name	Total # of Units	Total Development Cost	CDBG-DR Assistance	Estimated Assistance Other Sources (DOH/LIHTC/Other)	Remaining Unmet Need
Stamford/Fairfield	Summer Place (fka: Ed Czescik Homes)	48	\$14,525,240	\$6,400,000	\$8,125,240	\$0
Stamford/Fairfield	Scattered Site (Phase 2 of Ed Czescik Homes)	2	\$200,000	\$0	\$100,000	\$100,000
Bridgeport/Fairfield	Crescent Crossing (Phase 1 Marina Village)	93	\$33,939,463	\$6,975,000	\$26,964,463	\$0
Bridgeport/Fairfield	Marina Village 2	84	\$29,050,960	\$0	\$16,500,000	\$12,550,960
Bridgeport/Fairfield	Marina Village 3	84	\$29,050,960	\$0	\$16,500,000	\$12,550,960
Bridgeport/Fairfield	Marina Village 4	102	\$35,500,000	\$0	\$22,000,000	\$13,500,000
Norwalk/Fairfield	Washington Village - Phase 1	80	\$44,896,773	\$11,855,590	\$33,041,183	\$0
Norwalk/Fairfield	Washington Village - Phase 2	85	\$31,019,939	\$0	\$17,000,000	\$14,019,939
Norwalk/Fairfield	Washington Village - Phase 3	108	\$39,413,570	\$0	\$19,000,000	\$20,413,570
Stratford/Fairfield	Meadowview Manor	100	\$32,307,600	\$0	\$32,307,600	\$0
	Elm Terrace	50	\$16,153,800	\$0	\$8,000,000	\$8,153,800
	Robert F. Kennedy Apartments	75	\$24,230,700	\$0	\$12,000,000	\$12,230,700
Meriden/New Haven	Mills Memorial Housing	140	\$43,000,000	\$0	\$18,000,000	\$25,000,000
Various/New Haven	Scattered Site Small Multifamily	80	\$12,250,000	\$3,769,410	\$2,501,025	\$5,979,565
			\$385,539,005	\$29,000,000	\$232,039,511	\$124,499,494

## Summary of Unmet Housing Need

As demonstrated above, there is significant unmet need relative to housing in the most impacted and distressed counties, Fairfield and New Haven, in excess of \$239,299,000. The Department is committed to working with these local housing authorities to identify other potential sources for the subsequent phases of redevelopment of these vital resource properties.

## E. Reallocation of CDGB-DR Funds

### Tranche 1, 2 and 3 Recap

The Original Allocation table shows the activities and funding levels for Tranche 1, Tranche 2 and Tranche 3 of CDBG-DR.

Original Allocation					
CDBG-DR Tranche 1, 2 and 3 Activities and Funding					
Activity	Unmet Need in All Eligible Areas	Tranche 1 Allocation	Tranche 2 Allocation	Tranche 3 Allocation	Resilient Bridgeport RBD
Owner-Occupied Housing (Unmet Rehabilitation Need and Mitigation)	\$111,500,000	\$33,000,000	\$4,200,000	\$6,886,050	\$0
Owner-Occupied Reimbursement (Completed Rehab and Mitigation)		0	\$11,200,000	0	\$0
0 – 80% AMI – Priority One					
80 – 120 % AMI – Priority Two					
120 - 150% AMI – Priority Three		0	\$10,000,000	0	\$0
Owner-Occupied Mitigation					
0 – 100% AMI – Grant					
100 – 120 % AMI - \$30k grant/referral to Shoreline RF	\$147,907,500	\$26,000,000	0	\$3,000,000	0
120 - 150% AMI – \$15k grant/referral to Shoreup CT					
Multi-family (Rehab & New Construction)	\$151,600,000	\$6,200,000	\$30,000,000	\$1,000,000	\$8,000,000
Infrastructure/Public Facilities	NA	0	\$300,000	\$0	\$0
Evidence-based Strategies	\$10,797,888	\$1,000,000	0	0	0
Economic Revitalization	\$27,758,056	0	0	0	0
Mitigation	NA	\$3,591,000	\$3,300,000	\$572,950	\$500,000
Administration	\$25,000,000	\$2,029,000	\$7,000,000	\$0	\$1,500,000
Planning	<b>\$474,563,444</b>	<b>\$71,820,000</b>	<b>\$66,000,000</b>	<b>\$11,459,000</b>	<b>\$10,000,000</b>
<b>TOTAL</b>					

## Tranche 1, 2 and 3 Reallocation

The Revised Allocation table shows the revised activities and funding levels for Tranche 1, Tranche 2 and Tranche 3 of CDBG-DR. Please note that there have only been minor revisions to better address the specific needs of the actual projects and activities being funded.

Revised Allocation CDBG-DR Tranche 1, 2 and 3 Activities and Funding					
Activity	Unmet Need in All Eligible Areas	Tranche 1 Allocation	Tranche 2 Allocation	Tranche 3 Allocation	Resilient Bridgeport RBD
Owner-Occupied Housing (Unmet Rehabilitation Need and Mitigation)	\$111,500,000	\$33,306,000	\$4,200,000	\$2,886,050	0
Owner-Occupied Housing (Completed Rehab Reimbursement and Mitigation)			\$10,200,000	0	0
0 – 80% AMI – Priority One					
80 – 120 % AMI – Priority Two					
120 - 150% AMI – Priority Three					
Owner-Occupied Housing/Mitigation		0	\$11,000,000	\$3,000,000	0
0 – 100% AMI – Grant					
100 – 120 % AMI - \$30k grant/referral to Shoreline RF					
120 - 150% AMI - \$15k grant/referral to Shoreup CT					
Multi-family (Rehab & New Construction)	\$147,907,500	\$26,000,000	0	\$4,000,000	0
Infrastructure/Public Facilities	\$151,600,000	\$6,119,000	\$30,000,000	\$1,000,000	\$8,000,000
Evidence-based Strategies	NA	0	\$300,000	0	0
Economic Revitalization	\$10,797,888	\$194,000	0	0	0
Mitigation	\$27,758,056	0	0	0	0
Administration	NA	\$3,591,000	\$3,300,000	\$572,950	\$500,000
Planning	\$25,000,000	\$2,600,000	\$7,000,000	0	\$1,500,000
<b>TOTAL</b>	<b>\$474,563,444</b>	<b>\$71,820,000</b>	<b>\$66,000,000</b>	<b>\$11,459,000</b>	<b>\$10,000,000</b>

## Administration of the Program

DOH administers the Tranche 1, Tranche 2 and Tranche 3 Funds through selective application processes wherever feasible. The project eligibility requirements implemented by DOH include the following (though not all requirements will apply to all types of projects):

- Applicants must be “Eligible Applicants” as defined by HUD program regulations as modified by the Federal Register Notice;
- Proposed activity must be an “Eligible Activity” as defined by HUD program regulations as modified by the Federal Register Notice;
- Projects must meet at least one National Objective and such national Objective(s) must be fully supported within the application;
- Consistency with the goals and strategies of the Action Plan must be demonstrated;
- Fair Housing and Equal Opportunity Compliance must be evidenced by a Fair Housing Action Plan that complies with DOH’s guidelines/policies; and
- Applicants must be in compliance with all existing assistance agreements with DOH and cannot be in default under any CHFA or HUD-administered program.

### ***Owner-Occupied Housing (Unmet Rehabilitation & Mitigation)***

#### Grant Caps

- The total grant minimum including mitigation is \$10,000.
- The total grant maximum including mitigation is \$250,000.
- Waivers of the grant cap for low to moderate income families may be granted on a case-by-case basis.

#### Funding Priorities

- Priority 1: Assist households whose income is less than 80% of the AMI and who are also currently displaced from their home.
- Priority 2: Assist those whose income is less than 80% of the AMI.
- Priority 3: Assist households whose income is between 80% and 120% of the AMI and who are also currently displaced from their home.
- Priority 4: Assist those whose income is 80% to 120%.
- Priority 5: Assist households whose income is above 120% of the AMI and who are also currently displaced from their home.
- Priority 6: Assist those whose income is above 120% of AMI depending on funding availability.

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***Owner-Occupied Reimbursement (Completed Rehabilitation including Mitigation, where appropriate)***

Grant Caps

- There is no minimum reimbursement level.
- The total grant maximum including mitigation is \$150,000.

Funding Priorities

- Priority 1: Reimbursement for completed activity of those whose income is less than 80% of the AMI.
- Priority 2: Reimbursement for completed activity of those whose income is 80% to 120% of AMI.
- Priority 3: Reimbursement for completed activity of those whose income is 120% to 150% of AMI.
- Priority 4: Depending on funding availability, reimbursement for completed activity of those whose income is over 150% of AMI.

***Owner-Occupied Mitigation (Mitigation Only activities)***

Grant Caps

- The total grant minimum for mitigation is \$10,000.
- The total grant maximum for mitigation is \$250,000.

Funding Priorities

- Priority 1: Reimbursement grant up to \$250,000 and a referral to SHOREUP CT to those whose income is less than 100% of the AMI. (Note: LMI applicants at or below 80% of AMI may be eligible for a waiver up to 100% of the mitigation cost).
- Priority 2: Reimbursement grant up to \$100,000 and a referral to SHOREUP CT to those whose income is 100% to 120%.
- Priority 3: Reimbursement grant up to \$60,000 and a referral to the SHOREUP CT to those whose income is 120% to 150%.
- Priority 4: Reimbursement grant up to \$30,000 and a referral to the SHOREUP CT to those whose income is above 150% of AMI.

Due to federal limitations, second homes are not eligible for assistance. Any individuals identified as requesting assistance for “second homes” will be referred to SHOREUP CT for potential assistance.

***Multi-family Housing (Rehabilitation, New Construction & Mitigation):***

The Multifamily CDBG-DR assistance programs provide funding for necessary expenses related to disaster relief, long-term recovery and restoration of multifamily housing impacted as a result of Superstorm Sandy. This assistance targets eligible Low to Moderate Income (LMI) multifamily properties with unmet need, including public housing, HUD-assisted housing, McKinney-Vento funded shelters and housing for the homeless, which were damaged by Superstorm Sandy and depending upon state and/or federal requirements, located either within or outside the 100 or 500 year floodplain in any eligible community located in the four designated counties with emphasis on properties located in Fairfield and New Haven counties.

Grant Caps

1. Scattered Site Rehabilitation and Rebuilding Program (SSRR) (non-owner occupied)
  - The total grant minimum including mitigation, as indicated above is \$10,000.
  - The total grant maximum including mitigation, as indicated above is \$250,000.
  
2. Multifamily Rehabilitation Program (Outside the floodplain) (MFRO)
  - The minimum grant allowed for rehabilitation, reconstruction and/or mitigation per unit is \$5,000.
  - The maximum grant allowed for rehabilitation, reconstruction and/or mitigation per unit is \$75,000.
  
3. Multifamily Rehabilitation/Rebuilding & Mitigation Program (Inside the floodplain) (RRMI)
  - The minimum grant allowed for rehabilitation, reconstruction and/or mitigation per unit is \$5,000.
  - The maximum grant allowed for rehabilitation, reconstruction and/or mitigation per unit is \$75,000.

## Funding Priorities

- Projects that benefit LMI persons and/or are located in LMI Areas (i.e. an area with household incomes at or below 80% of the area median income);
- Projects that enable the State to satisfy the federal requirement that at least 80% of CDBG-DR funds be spent in Fairfield and New Haven Counties;
- Projects that include deep income targeted units (i.e. units for extremely low income persons or families, the homeless or persons at risk of becoming homeless);
- Projects that address conditions that threaten the health and safety of either the occupants or the public;
- Projects that contribute significantly to the long-term recovery and economic revitalization of the affected area;
- Projects undertaken on behalf of a beneficiary or sponsor that commits to contribute financially in the repair, construction or mitigation of the project (this can be through private insurance, NFIP, FEMA, SBA, and/or other sources); and
- Mitigation – cost effective resiliency and other activities designed to harden the property in order to minimize reoccurrence of storm damage whenever possible when undertaken with rehabilitation to correct the damage conditions caused by the disaster.
- Projects involving the relocation of existing multifamily housing that serves LMI persons and is located within the 100 year floodplain in New Haven and Fairfield Counties.
- Projects involving the repair and rehabilitation of LMI housing located outside the 100 year floodplain in New Haven and Fairfield Counties.

## ***Economic Revitalization:***

### Grant Caps

- There is no minimum grant requirement.
- The maximum grant for economic revitalization is \$50,000 from CDBG-DR and \$50,000 from the State Small Business Express Program per business.
- There are also loan funds available in accordance with the current State Small Business Express Program guidelines.

## Funding Priorities

Any small business in one of the four eligible counties is eligible to participate.

## ***Infrastructure/Infrastructure-related Projects***

### Grant Caps

There are no grant caps associated with this activity. However, local governments will be required to provide a 25% match toward the total development cost of the activity for the second and third tranches of funding.

### Funding Priorities

- Restoration or replacement of infrastructure damaged as a result of Superstorm Sandy, especially for projects that are vital for the redevelopment of properties damaged as a result of Superstorm Sandy.
- Resilience/mitigation activities related to water or wastewater systems.
- Resilience/mitigation activities related to streets and/or drainage systems.
- Resilience/mitigation of transportation systems and controls.
- Resilience/mitigation of energy systems.
- Other mitigation activities.

All potential infrastructure or infrastructure-related projects must have been identified on or before the 18 month anniversary of Superstorm Sandy, which would allow them to meet the Urgent Need national objective.

By their nature, these infrastructure and infrastructure-related projects meet the criteria for “Urgent Need”:

1. Regional climate change has resulted in a sudden and unexpected need to address these activities;
2. Failure to take on these activities would result in an immediate or future threat to the health and welfare of the community;
3. As previously noted, all potential infrastructure or infrastructure-related projects must have been identified on or before the 18 month anniversary of Superstorm Sandy; and
4. There are currently no other funds available to carry out these activities.

## ***Evidence-based Strategies***

DOH is interested in pursuing homeless prevention strategies with strong evidence of impact that, if successfully replicated and scaled, could reduce future demand for government funding. DOH will seek assistance in the implementation of a demonstration project that will attempt to address

homeless prevention, with the intention to reduce or eliminate recidivism or chronic homelessness.

DOH, in coordination with the Department of Mental Health and Addiction Services (DMHAS), intends to respond to a Request for Proposals from the Corporation for Supportive Housing in pursuit of a grant up to \$150,000 in support of this activity. If successful in receiving this grant, DOH and DMHAS will leverage these two funding sources to determine if “pay for success” can be a working model in Connecticut.

### ***Planning for Mitigation/Resiliency***

The State recognizes that future storms may severely damage homes, businesses, infrastructure and public facilities in municipalities throughout Connecticut. It is essential that our infrastructure and public facilities be hardened in anticipation of these events. Based on input from other state agencies and local governments, DOH continues to support a coordinated effort to promote consistency in resiliency and mitigation planning across State agencies and local governments, training and capacity building initiatives to promote preparedness, hazard mitigation, and future disaster resilience at the local, regional and state level, and specific studies to coordinated, cost effective long-term resiliency and mitigation investments, including the development of “green” initiatives.

Also, in accordance with the federal guidelines, the State will utilize a portion of these Planning funds to offset the costs incurred to develop the proposed programs and activities through which CDBG-DR funds will be administered.

### ***Administration***

Total administrative fees for CDBG-DR are set by HUD at 5% of the total allocation. In part, this is due to HUD’s recognition that the potential for fraud, waste and abuse is significant with any large federal program based on past experience nationally. As a result, the financial and programmatic requirements for the use, distribution, and monitoring of these funds are stringent. In order to meet these stringent obligations significant staff and administrative resources are necessary to ensure federal compliance.

In addition, there are long term compliance and monitoring requirements associated with CDBG-DR funds that will require oversight by the State well beyond the period during which program funds may be expended. Specifically, all program funds must be committed to specific projects on or before June 1, 2018. As required in the Federal Notice, all program funds must be fully expended, with all projects completed before March 19, 2019. However, some projects will require compliance monitoring by the State for up to fifteen years beyond 2019. In order to effectively administer CDBG-DR funds, consistent with these federal requirements, and to ensure that the necessary safe guards are provided, and monitoring processes and procedures are established and followed, the State intends to utilize the full allotment of administrative funds allowed under the Federal Register Notice. However, prior to the commitment date noted above, the State can request that a portion of these funds be reallocated to program activity as necessary and DOH intends to use these funds for such purpose, if appropriate.

### ***Future Adjustments in Distributions***

In accordance with federal guidelines, and as demonstrated in this Substantial Amendment, any proposed alterations or modifications in these distributions in excess of 25% of the original distribution require the preparation and submission of an amended Substantial Amendment. This Substantial Amendment includes such an adjustment; see Revised Allocation Table on page 12 of this Substantial Amendment.

## **F. Update on National Disaster Resilience (NDR)**

The State of Connecticut, through a collaboration of state agencies lead by DOH, was successful in competing for funding under the National Disaster Resilience Competition, and as noticed in the Federal Register, Vol. 81, No. 109; June 7, 2016 Page 36557, titled: “National Disaster Resilience Competition Grant Requirements”, was awarded \$54,277,359 in support of various activities in Bridgeport, Connecticut, as well as New Haven/Fairfield Counties.

Since that original notification, DOH has been working with HUD to implement the National Disaster Resilience (NDR) grant. The successful administration of these funds, in full compliance with the original application and the federal regulations associated with NDR continues to a high

priority for DOH. Although a contract has not yet been executed for these grant funds, DOH has carried out the following activities:

- DOH has established a website dedicated to providing information on the NDR activities, including links to NDR materials posted on the resilientbridgeport.com website
- NDR projects continue to be part of the workshops associated with the Bridgeport RBD strategy, which are held approximately bi-monthly
- Hold regular periodic meetings with potentially affected property owners to provide direct updates on concepts, plans and activities
- Convene regular periodic meetings with HUD local and regional staff to discuss the process including environmental review and coordination with RBD
- Convene pre-project development and scoping activities with Connecticut Institute for Resilience and Climate Adaptation (CIRCA) and State Agencies Fostering Resilience (SAFR)
- Develop solicitations for consultant support for multiple activities beginning with preparation of an Environmental Impact Statement covering both NDR and RBD activities
- Develop presentations on upcoming planning and project activities for multiple conferences and workshops including Connecticut Association of Floodplain Managers and the Connecticut Chapter of the National Association of Housing and Redevelopment Officials
- Continue collaborative conversations on “best practices” and policy development with other NDR grantees (including Norfolk, VA and New York State) on strategies for a successful rollout and implementation.

As further described in the Citizen Participation section of this Substantial Amendment, DOH is committed to a robust and meaningful community and stakeholder outreach process for NDR, in coordination with the Resilient Bridgeport pilot project.

## **G. Public Notice and Inclusive Decision Processes (Citizen Participation)**

The State’s CDBG-DR Substantial Amendment planning process has been coordinated through a collaborative effort of local, state, federal and private sector partners. The State has offered numerous opportunities for public notice and comment on previous Substantial Amendments including, but not limited to:

- Holding meetings and/or teleconferences with the mayors and first selectman of affected communities as part of the Long Term Recovery Working Group;
- Attending monthly meetings of CONN-NAHRO (housing authorities);

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- Notice of a seven-day public comment period to solicit input in the development of the Substantial Amendment was posted from December 11, 2014 through December 18, 2014;
- Holding a Public Hearing on December 18<sup>th</sup>, 2014 in the City of Bridgeport in coordination with the continued community involvement relative to Resilient Bridgeport;
- Submitting an Allocation Plan to the Connecticut Legislature for the distribution of the third tranche of funding of \$11.459M and an update of the first and second tranche of funding in the amount of \$137.82M;
- Posting the full Substantial Amendment to the Action Plan Tranche 3 on the Department of Housing web site on January 8, 2015 for 30 days of public comment;
- Holding a Legislative Public Hearing on the full Amendment, with an emphasis on the Allocation of funds.

Pursuant to Section 4-28b of the Connecticut General Statutes, the Joint Standing Committees of Connecticut's General Assembly that have cognizance, are required to meet to review Community Development Block Grant Allocation Plans.

In addition, Resilient Bridgeport was created through a robust public participatory process that spanned the Rebuild by Design timeframe in 2013 and 2014. City staff worked to continue the stakeholder engagement process since the conclusion of the competition in the spring of 2014 so that there was not a major gap in the public's awareness and involvement in the initiative's progress.

DOH is committed to a robust and meaningful community and stakeholder outreach process throughout the multi-year effort to plan, design, and implement the RBD project, Resilient Bridgeport. DOH has demonstrated this commitment and its ability to achieve this desired outcome through the several month effort leading up to the competition submission and the multi-year post-award planning initiative that has allowed us to arrive with the community at this stage in the process. The meetings, workshops, events, and digital and personal outreach that has occurred to this point serve as the template for the future activities articulated in this plan.

As the grantee receiving CDGB-DR funds, DOH has a Citizen Participation Plan in place which can be found on its website at [http://www.ct.gov/doh/lib/doh/citizen\\_participation\\_plan.pdf](http://www.ct.gov/doh/lib/doh/citizen_participation_plan.pdf) .

The following is the project-specific Citizen Outreach Plan (COP) designed to provide a transparent and inclusive community engagement process that allows all citizens and stakeholders in the affected neighborhoods of Bridgeport and beyond the opportunity to shape, with their local knowledge and expertise, the scope, outcome, and implementation of the identified pilot project. The upcoming stages of this initiative, including the environmental review, will produce additional technical analysis that will further define the pilot project beyond its current identification. Local citizens and stakeholders will provide instrumental feedback as new information emerges to ensure that the outcomes of the ultimate pilot project are consistent with those determined through the participatory process.

Community stakeholders will be engaged during the feasibility/environmental review, design, and construction/implementation phases of the project. In developing this COP, DOH complied with all HUD citizen participation plan requirements described in Section VI of Federal Register Notice FR-5696-N-11 and will comply with the public involvement requirements of the National Environmental Policy Act (NEPA), 40 CFR Sec. 1506.6 Public Involvement.

The purpose of the Resilient Bridgeport COP is to engage and collaborate with the general public, including vulnerable and underserved populations, racial and ethnic minorities, persons with disabilities, and person with limited English proficiency, as well as municipal officials, community organizations, and the academic community, in the RBD planning, design, and implementation process.

This COP builds off of the success of the robust stakeholder engagement process that has taken place throughout the RBD competition and since the award in 2014 which has included:

- The creation of a Resilient Bridgeport website: [www.resilientbridgeport.com](http://www.resilientbridgeport.com),
- Robust use of social media including but not limited to Facebook,
- Formation of a “Think Tank” composed of neighborhood leaders to help structure the outreach process thus far,
- Approximately bi-monthly workshops utilizing participatory techniques for stakeholder engagement and resulting in detailed project feedback and direction,
- Tailored presentations and participatory opportunities for affected public housing residents, hosted at their community center, to target this underserved population,

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- Attendance and presentation at various local community groups' regularly scheduled meetings with project updates,
- Approximately bi-monthly meetings with City agency representatives,
- Approximately bi-monthly meetings with State agency representatives,
- Regular individual meetings with affected property owners, developers, and institutions,
- Production and distribution of the Resilient Bridgeport Atlas, Resilient Bridgeport broadsheets, and YouTube videos of lectures from outside experts, and
- The establishment of a project storefront where materials related to the project progress are posted on boards and windows, meetings and events are held, and drop-ins are
- Welcome from neighborhood stakeholders interested in learning more.

Taking the lessons learned from the process to date, going forward, this COP proposes the establishment of a Community Advisory Committee and a Technical Advisory Committee to formalize the relationships that have been built thus far and guide the process as it continues.

Community Advisory Committee (CAC). The CAC will be composed of elected representatives from the public sector, representatives of neighborhood organizations and the most impacted public housing and adjacent co-op, and key institutions and businesses located proximate to the pilot project. The CAC will replace the "Think Tank" utilized thus far in the planning stage of the process. The CAC will meet regularly and may include representatives from the following:

- Mayor's Office
- City Council (2)
- Connecticut General Assembly
- Connecticut Senate
- Marina Village Resident Association
- Park City Communities (a/k/a Housing Authority of the City of Bridgeport)
- South End Neighborhood Revitalization Zone
- Seaside Village Board of Directors
- University of Bridgeport
- Santa Energy
- The Green Team
- Sikorsky Aircraft

Members of the CAC will be expected to share information with their constituents as the process progresses, determine community priorities to be factored into the project design, and help drive participation in project workshops and public hearings.

### ***Technical Advisory Committee (TAC)***

The TAC will be composed of City, State, and regional agencies that will be able to provide technical feedback on the pilot project design and may play a role in ultimately permitting the designed project for construction. The TAC will meet at critical junctures in the design process and may include representatives from the following:

- Bridgeport Office of Planning and Economic Development
- Bridgeport Public Facilities Department (including both Parks and Engineering)
- Bridgeport Water Pollution Control Authority
- Greater Bridgeport Transit
- Metro COG
- Connecticut Department of Energy and Environmental Protection
- Connecticut Department of Transportation
- Connecticut Department of Economic and Community Development
- Connecticut Institute for Resilience and Climate Adaptation

### **The Outreach Process**

The process whereby stakeholder input will be gleaned will include three primary components: public hearings, workshops and special events, and the website and social media.

#### ***Public Hearings:***

All public hearing activities will be conducted in accordance with the public engagement requirements found in 24 CFR Part 58 (Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities) for environmental impact statements (EIS) and the public engagement requirements for substantial amendments noted above.

The required public comment periods, public hearings, and responses to comment will be followed and documented.

### ***Workshops and Special Events:***

In addition to, and in alignment and coordination with, the required public hearings associated with the completion of the environmental review and any necessary substantial amendments to the approved Action Plan, public participatory workshops for stakeholder engagement will be hosted by the project in keeping with the nearly 10 that have been coordinated by the project to this point. These events will be designed to combine public education with robust opportunities for feedback on the project scope and direction. Going forward, these workshops will be organized around key project milestones and will merge the outreach processes for the RBD-funded components of Resilient Bridgeport with those components funded through the National Disaster Resilience Competition. As has been done at previous workshops, special attention will be paid to ensure that materials, structure, and location are designed to facilitate the participation of underserved populations, specifically residents of the most affected public housing project.

### ***Website and Social Media:***

[Resilientbridgeport.com](http://Resilientbridgeport.com) will continue to evolve and play a vital role in documenting information presented at previous public events as well as public feedback and providing a venue for information about the future of the project and supplement the workshops' and public hearings' role in garnering stakeholder input. It is also expected that the use of other social media applications will continue to grow, building an increasingly large and robust mechanism for reaching stakeholders and informing them of project status and future opportunities for engagement.

### ***Vulnerable Populations***

The Resilient Bridgeport COP includes transparent and inclusive outreach to community groups that serve vulnerable and underserved populations, including racial and ethnic minority populations, persons with limited English proficiency, and persons with disabilities. Representatives from these communities will be part of the Resilient Bridgeport CAC and they will assist the project team in continuing to identify the communication networks that reach the

broader underserved and vulnerable population. All outreach to these populations will be in accordance with 24 CFR Part 570 (HUD Community Development Block Grants). Information will be made available in forms accessible to persons with disabilities and persons of limited English proficiency (LEP) at all public hearings.

This draft Substantial Amendment to the Action Plan was made available for a 30 day public comment period, starting on Thursday, November 24, 2016 and ending on Monday, December 26, 2016. A Legal Notice requesting comment on the draft Substantial Amendment was published in two newspapers, including one in Spanish on Thursday, November 24, 2016. A copy of the legal notice was sent to all the municipalities and public housing authorities, applicable tribes, DOH's Community Partners, and the members of the State Legislature's Appropriations Committee, Commerce Committee, Planning and Development Committee, and the Chairs of the Housing Sub-Committee. The legal notice and the Substantial Amendment to the Action Plan were posted to the designated Hurricane Sandy page on the DOH website for the 30 day comment period. Comments were accepted in written or electronic versions. Hard copies of documents were also made available upon request. Limited English Proficiency (LEP) is addressed by the availability of a Google translation browser button.

### **Summary of Comments Received and Response**

This section will be completed upon the end of the public comment period, and included in the submission to HUD.

### **Citizen Complaint Procedures**

The State will accept written citizen complaints from citizens related to the disaster recovery programs, Action Plans, Substantial Amendments, or quarterly performance reports. Written complaints should be submitted via email to [CT.Housing.Plans@ct.gov](mailto:CT.Housing.Plans@ct.gov) or be mailed to:

Program Manager  
CDBG-DR Program  
Department of Housing  
505 Hudson Street

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The State will make every effort to provide a timely written response to every citizen compliant within fifteen working days of the receipt of the complaint, where practical. All citizen complaints relative to Fair Housing/ Equal Opportunity violations involving discrimination will be forwarded to the following address for disposition: Commission on Human Rights and Opportunities, 25 Sigourney Street, Hartford, CT 06106.

### **Limited English Proficiency**

Requests for this Amendment to the Action Plan or related documents in alternate formats consistent with the provisions of federal requirements related to limited English proficiency must be directed to the ADA (504) Coordinator, of the Department of Housing.

### **H. Certification of Resilience Standards**

The State of Connecticut certifies that it will apply the Infrastructure Resilience Guidelines that are identified in the Hurricane Sandy Rebuilding Strategy and identified in this Action Plan Substantial Amendment dated March 23, 2014 to the extent that is practicable and reasonable. In addition, the State will use the methodology, priorities and principals identified in the Connecticut Natural Hazard Mitigation Update when selecting infrastructure projects for funding.

