## Town of Hampton Board of Selectmen Public Hearing for CT Small Cities Grant Application April 7, 2016 Page 1 of 2

A Public Hearing was held Thursday, April 7, 2016, at the Town Office Building for the purpose of soliciting public input regarding a proposed Fiscal Year 2016 Small Cities CDBG Program Grant Application to be submitted to the Connecticut Department of Housing (DOH). The proposed application will request funding to continue the Hampton Regional Housing Rehabilitation Program (HRHRP), and to discuss the progress of the FYs 2014 and 2015 Small Cities grants. It also provided an opportunity to comment on the proposed grant and the existing program, and the recent approved <u>Program Income Reuse Plan</u>.

<u>Present for the Board:</u> First Selectman Allan Cahill, Selectman Chapel, and Selectman Grindle. **Staff Present:** Valerie Imre, Administrative Assistant/Recording Secretary

First Selectman Cahill opened the public hearing and summarized its purpose. He introduced Peter Sanborn, of Community Opportunities Group, Inc. (COG), representing HRHRP and the Town's Small Cities Program Office. The HRHRP currently serves the towns of Hampton, Brooklyn, Chaplin, Eastford, Pomfret, and Scotland. Hampton proposes to file this application jointly on behalf of these municipalities. If awarded, Hampton will be the lead administrative municipality and legal recipient of the grant.

Mr. Sanborn explained that this is the second hearing relating to this grant application. Normally, Hampton holds only one hearing prior to submitting a grant application; that hearing was held on March 17. Unfortunately, it was discovered after the hearing was held that the *Chronicle* had not published the hearing notice two times, as required by the CT DOH. Because of the inadequate noticing, this hearing was scheduled to rectify the problem. This hearing notice was published on March 23 and April 1 in the Norwich *Bulletin*.

Activities eligible for funding under the CT Small Cities CDBG Program include housing rehabilitation and/or support of new housing construction, economic development, public housing modernization, infrastructure and public facilities. Maximum grant limits range from \$400,000-\$800,000, depending on the activity category. Any proposed project must address at least one of three national objectives of CDBG program. Mr. Sanborn described these and the manner in which they are used to qualify a grant activity.

The HRHRP assists qualifying low- and moderate-income households in these five communities with home improvements and repairs. The Town currently intends on submitting a grant application for \$450,000, which will be used for direct assistance, program delivery and general administrative costs. Although the current waiting list of applicants seeking assistance represents a likely demand for far more than this amount, the Town needs to request a realistic amount to enable it to complete the grant on schedule (2 years). Its ability to meet required timetables affects its ability to receive grants in future years.

Mr. Sanborn said that the maximum cap on a grant application for housing rehab is \$400,000, but increases to up to \$600,000 if three or more communities join together. Mr. Sanborn said that Hampton is one of only a few communities in the state that operates a regional housing rehab program and that it was the first one ever to do so, making it a leader.

In addition to the grant funds, the Town may also receive Program Income from prior grants that may be used to assist additional households. He explained that the Town has received approximately \$650,000 in loan repayments over the years. These funds have been recycled

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by the program to assist additional homeowners. These repayments are known as Program Income. Because the timing and amount of Program Income that the Town receives is not predictable, he recommends that the Town be conservative in its grant request in order to meet the performance schedule. This is because of a requirement that the Town substantially spend down Program Income before requesting grant funds directly. Thus, if the Town receives several loan payoffs within a grant period, this could adversely affect its ability to complete the grant on schedule. Another consideration is that, currently, there are a small number of contractors who work in the program - this is the most limiting factor in being able to move funds quickly. The Program works continuously to try to recruit more contractors.

He said that the town needs to include a Program Income Plan in the grant application. This lays out how the Town will use income that may be earned from this and prior grants. He explained some technical matters that govern Program Income. He noted for the public that the BOS approved an updated Program Income Plan on March 17 and that the Plan was another handout on the table.

Mr. Sanborn said that he wanted to summarize the Town's grant activity under consideration for the FY 2016 funding round. The application is due on April 11. Because the HRHRP still has substantial waiting list, it plans to seek additional funding to continue the program. He referred to the informational handout, which also summarized the status of the two active grants, as well as earlier achievements. Mr. Sanborn that the \$400,000 FY 2014 grant should be completed on schedule by mid-summer, and that he expects that the \$450,000 FY 2015 funds will be fully committed in early 2017. The Town has only about \$50,000 remaining to commit under FY14 grant. If the Town receives the FY 2016 grant, it will probably be awarded in July or August. Even accounting for the current grants, there will be many applications awaiting assistance. On average, the Program receives one new application per month.

Mr. Sanborn said that he was available to respond to comments, and answer questions. Selectman Grindle asked if anything was different between the March 17 hearing and tonight. Mr. Sanborn referred to the informational handout sheet again and to the income limits table. These income limits changed last week, increasing slightly, from \$500 to \$2,000 depending on income category and household size.

If anyone wishes to view the prior FY 2015 Small Cities Program Grant Application, or the FY16 grant application's Environmental Review Record, a copy of each is will be available either at the First Selectman's office or the Small Cities Program office: 455-9132, ext.8). The FY 2016 grant application itself is not yet currently available as it is being finalized. It will be available to the public on April 12, either at the Selectmen's or the HRHRP office.

<u>Adjournment:</u> There being no further matters to discuss at this Public Hearing, First Selectman Cahill adjourned the meeting at 6:29 P.M.

Respectfully submitted,

Valerie Imre Recording Secretary