

To: CRCOG
From: Congressman Joe Courtney
Date: October 6, 2016
Re: State process on CDBG

Please see information below regarding the state's process on allocating CDBG funds, as provided by the Office of Legislative Research with input by the Department of Housing.

Regarding legislative and administration involvement in determining fund distribution:

- Legislative Involvement – Allocation Plan Process: Pursuant to section 4-28b of the general statutes, the Governor is required to submit recommended allocation plans for federal block grant funds to the appropriate committees of cognizance for their review and approval. For the Community Development Block Grant – Small Cities (CDBG-Small Cities) federal funding, the Department of Housing, in consultation with OPM, prepares the Governor's allocation plan, and it is reviewed and approved by the Appropriations, Commerce, and Housing committees. The allocation plan is in line with the federal requirements set by HUD and consistent with the State's Five Year Consolidated Plan for Housing and Community Development.
- Legislative Involvement – Application Process: The submitted allocation plan outlines the method the state intends to use to award funding to municipalities under this program, which, as stated above, is subject to the review and approval of the legislative committees of cognizance. Criteria regulated by HUD are included in the plan and include items such as the potential awardee's income level and also outlines eligible types of projects. Only municipalities can receive funding under this grant; they are the fiduciary who earmarks the funding for eligible projects consistent with the federal regulations and the state's priorities. Applications are reviewed and scored by DOH using published rating and ranking criteria consistent with the allocation plan approved by the legislative committees. Those applications that rank highest are then recommended to the Commissioner for final approval for funding.

Anticipated timeline of the allocation process:

- As a result of input from the Legislative Committees in prior years, the Department has established a process to maximize the time during which municipalities have access to these federal funds. A Notice of Funding Availability (NOFA) will be published in December 2016, with an application workshop held in January 2017 for potential applicant municipalities. Anticipated priorities and associated rating and ranking criteria are made available at the time of NOFA release, subject to approval as part of the Allocation Plan process noted above. Applications are due April 13, 2017, and are evaluated using the approved priorities and rating and ranking criteria. Evaluations are expected to be completed in early June, with recommendations made at that time. Ideally, decisions will be made before or about July 1, as the program year begins on July 1, and grantee municipalities can begin to incur cost as of July 1. Once the decisions are announced, the municipalities then go through the contracting process before the funding is finally released. The timeframe for the contract negotiations varies by activity and municipality.