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CITY OF DANBURY
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MEMORANDUM

TO: Honorable Mark D. Boughton via the Common Council

FROM: David W. St.Hilaire, Director of Finance *DWS*

DATE: July 29, 2008

RE: **Community Development Block Grant Program – Program Year 34**

Attached is a resolution which will allow the City of Danbury to submit the City's 2008-2013 Consolidated Plan. This resolution will also allow the City to apply for and accept funding from the U.S. Department of Housing and Urban Development for the Community Development Block Grant Program (CDBG).

Available funding for the time period August 1, 2008 through July 31, 2009 totals \$619,682. No local cash match is required. The Executive Summary of the Consolidated Plan and a listing of the Policy Committee's recommended recipients for Program Year 34 is attached.

The Common Council is respectfully requested to consider this resolution at its next meeting.

DWS/ag

cc: Larry Wagner, L.Wagner & Associates

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RESOLUTION

CITY OF DANBURY. STATE OF CONNECTICUT



_____ A. D., 200__

RESOLVED by the Common Council of the City of Danbury:

WHEREAS, the United States Department of Housing and Urban Development has allocated funds under Title I of the Housing and Community Development Act of 1987, as amended, which authorized the Community Development Block Grant Program; and

WHEREAS, it is in the best interests of the City of Danbury to apply for a grant under such Act; and

NOW, THEREFORE, BE IT RESOLVED THAT Mark D. Boughton, Mayor of the City of Danbury, is hereby authorized to approve and submit the City's Consolidated Plan 2008-2013 and Annual Action Plan for Program Year 34 and make application on behalf of the City of Danbury to the United States Department of Housing and Urban Development for grant funds for the Community Development Program Year commencing August 1, 2008 through July 31, 2009 for the Thirty-Fourth Year Funding in accordance with all pertinent laws and regulations and the Statement of Community Development Objectives and Projected Use of Funds proposed by the Mayor's Community Development Program Policy Committee.

BE IT FURTHER RESOLVED THAT Mark D. Boughton, Mayor of the City of Danbury, is hereby authorized to execute all contracts and take all necessary actions to effectuate the purposes of this grant application.

Danbury Consolidated Plan 2008-2013

Executive Summary

This Five Year Consolidated Plan replaces the Plan prepared for the period between July 15, 2003 and July 15, 2008. The process of preparing the 2008-2013 Plan has included the following:

- ✦ Update of statistical data describing housing and non-housing community development needs.
- ✦ Review and revision as appropriate priorities and objectives to address needs.
- ✦ Analysis of resources available to address identified needs.
- ✦ Focus on a strategy to use CDBG funds to leverage other resources to address identified needs.
- ✦ Establishment of measurement benchmarks.

During the preparation of this Five Year Consolidated Plan, emerging economic conditions continued to impact the ability of the City of Danbury and other entities to provide services to low- and moderate-income persons. These conditions include the rising cost of energy, turmoil in the housing and financing markets, increasing rates of residential foreclosures, increasing numbers of veterans returning to the community facing a variety of issues, the challenges of rising taxes and the possibility of declining charitable donations to non-profits. In this environment, the need for a strategy to leverage resources and make funding decisions based on anticipated outcomes becomes vital. This approach is discussed throughout this Consolidated Plan.

Community Profile

Since the preparation of the 2003-2008 Plan, the U.S. Department of Housing and Urban Development (HUD) made available data which estimates housing needs in Danbury. These estimates are based on the 2000 Census which, although approximately 8 years old, is still the basic data for many federal programs. Where possible, other demographic statistics and projections have been used to update the description of existing conditions. This process identified the following trends since the preparation of the previous Plan in the form of a comparative community profile.

Burdens on Renter Households: Of the 11,327 renter households in the City of Danbury in 2000, 30.9% indicated that their rent exceeded 30% of their income. This figure compares to approximately 37% in 1990. In addition, 13.5% of the specified renter households paid more than 50% of their household income for housing costs as of 2000, compared to 14% in 1990.

Cost Burden/Income: The 2000 Census data from the CHAS Data Book shows that approximately 56% of all renter households qualified for housing assistance since their incomes were at or below 80% of the Area MFI, compared to only 45% in 1990. This increase is indicative of the household income of Danbury renter households not keeping pace with increases in the income of other households in the region. Of renter households earning 30% or less of the Area MFI, 64.8% paid more than 30% of their income toward housing costs, compared to 50% in 1990. Renter households earning between 30% and 50% of the Area MFI faced similar cost burden problems, with 57% of these households paying more than 30% of their household income for housing compared to 73% in 1990. While those households earning 50% to 80% of Area MFI and 80% or greater of Area MFI saw a noticeable decrease in cost burden, housing cost problems were still apparent, with 21.2% of the former renter household subset paying over 30% of household income toward housing. This figure compares to 45.5% in 1990.

**Table A
Housing Problems Output for All Households**

Name of Jurisdiction: Danbury town, Connecticut			Source of Data: CHAS Data Book			Data Current as of: 2000					
Household by Type, Income, & Housing Problem	Renters					Owners					
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(L)
1. Household Income <=50% MFI	1,223	1,742	634	1,445	5,044	1,579	719	196	534	3,028	8,072
2. Household Income <=30% MFI	894	738	244	820	2,696	739	259	56	255	1,309	4,005
3. % with any housing problems	41.8	81.7	91.8	76.8	67.9	72.3	90.3	85.7	84.3	78.8	71.5
4. % Cost Burden >30%	41.8	79.1	69.3	75.6	64.8	72.3	90.3	50	84.3	77.2	68.9
5. % Cost Burden >50%	25.7	67.8	43	52.4	46.9	43.3	83	14.3	64.7	54.1	49.3
6. Household Income >30% to <=50% MFI	329	1,004	390	625	2,348	840	460	140	279	1,719	4,067
7. % with any housing problems	48.3	73.1	76.9	66.4	68.5	33.3	76.1	100	73.1	56.7	63.5
8. % Cost Burden >30%	47.1	66.6	32.1	62.4	57	33.3	76.1	100	73.1	56.7	56.9
9. % Cost Burden >50%	9.1	12.8	3.8	12	10.6	19	34.8	50	34.1	28.2	18
10. Household Income >50 to <=80% MFI	134	554	200	450	1,338	304	560	90	195	1,149	2,487
11. % with any housing problems	33.6	23.3	80	44.4	39.9	16.1	71.4	77.8	59	55.2	47
12. % Cost Burden >30%	33.6	8.8	17.5	34.4	21.2	16.1	69.6	44.4	59	51.7	35.3
13. % Cost Burden >50%	7.5	0	0	2.2	1.5	1.3	13.4	22.2	17.9	11.7	6.2
14. Household Income >80% MFI	145	2,180	580	2,040	4,945	1,730	6,655	1,374	1,890	11,649	16,594
15. % with any housing problems	0	9.2	56.9	7.1	13.7	11.8	13.2	29	17.7	15.6	15
16. % Cost Burden >30%	0	2.8	0	3.2	2.5	11.8	11.6	13.8	16.7	12.7	9.7
17. % Cost Burden >50%	0	0	0	0	0	1.2	1.5	1	2.1	1.5	1
18. Total Households	1,502	4,476	1,414	3,935	11,327	3,613	7,934	1,660	2,619	15,826	27,153
19. % with any housing problems	38.5	37.2	71.7	35.3	41	29.6	23.5	39.6	33.2	28.2	33.5
20. % Cost Burden >30	38.2	30.4	23.3	31.3	30.9	29.6	22	23.9	32.4	25.6	27.8
21. % Cost Burden >50	18	14.1	8.5	13.1	13.5	13.9	6.9	6.7	12.8	9.5	11.2

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Owner Cost Burden/Income: As reported by the 2000 Census, 58.3% of all dwelling units in Danbury were owner-occupied. 26.4% of these homeowners earned less than 80% of the Area MFI at the time. As illustrated in Table A, 4,462 or 28.2% of all homeowners reported having some type of housing problem, and 25.6% paid more than 30% of their household income for housing costs, compared to 27.6% in 1990. However, 9.5% paid more than 50% of their household income for housing expenses, compared to only 6.9% in 1990.

The percentage of households with housing problems earning less than 30% of the Area MFI was 78.8% in 2000. For households earning between 30% and 50% of Area MFI, 56.7% had housing problems in 2000. These figures were 76.2% and 44.2%, respectively, in 1990. However, the decrease in reported housing problems slowed considerably between those households earning between 30% and 50% of Area MFI and those earning between 50% and 80% of Area MFI. While 56.7% of the former reported housing problems, 55.2% of the latter still reported housing problems. These figures were 44.2% and 40.8%, respectively, in 1990. Thus, increasing the income of a household from the 30% to 50% cohort to the 50% to 80% cohort appeared to only minimally aid in the reduction of housing problems.

The trends from the 1990 to 2000 CHAS data for housing cost burden in Danbury are mixed. While cost burden among renters eased between 1990 and 2000, an increasing number of renter households fell below the 80% of Area MFI threshold. For owner households, housing cost burden increased for many of the low and moderate income household subsets.

Elderly Persons: For many seniors, fixed incomes and high housing and medical costs are resulting in a struggle for economic survival. The elderly also lack social and economic opportunities. In 2000, 45.1% of the owner households earning less than 80% of the Area MFI were elderly households and 21.3% of the renter households earning less than 80% of the Area MFI were elderly households. Among the elderly households (not including those earning greater than 80% of the Area MFI), problems/cost burden are present in significant numbers except among those moderate-income renters and owners.

Among all elderly owner households in the City, 304 (or 8.4%) of the elderly owner-occupied units in 2000 earned 50-80% of the Area MFI, compared to 5.6% in 1990. A total of 23.2% of the City's total elderly owner households (840) in 2000 earned incomes between 30-50% of the Area MFI, compared to 23.4% in 1990. Finally, elderly homeowners who earned 0-30% of the Area MFI comprised 20.5%, or 739 households, of the City's total elderly owner-occupied household population, compared to 27.2% in 1990.

Cost Burden/Race and Ethnicity: In 2000, 36.5% of all renter households in Danbury were minority households, compared to only 24% in 1990, and these households generally absorb a disproportionate amount of the rental housing cost burden in the City due to a higher likelihood of lower household incomes. In 2000, 55.4% of all minority-headed renter households reported housing problems, compared to 63.5% in 1990. Also, 77.4% of those with incomes below 30% of the Area MFI were identified as having housing problems in 2000, compared to 83.5% in 1990. For those households with incomes between 30% and 50% of the Area MFI, the incidence of housing problems decreased to 69.1% of these households, compared to 87.7% in 1990. Finally, 51.5% of those households with incomes between 50% and 80% of the Area MFI still experienced housing problems in 2000, compared to 66.3% in 1990. This data indicates that between 1990 and 2000, the percentage of renter households who are minority households increased substantially, while the housing cost burden experienced by these households decreased.

Overall, Black and Hispanic households experienced housing problems at varying rates compared to one another. For households earning less than 30% of the Area MFI, 80.4% of the Black renter households experienced housing problems compared to 76.8% for Hispanic households in 2000. For households earning

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between 30% and 50% of the Area MFI, 73.5% of the Hispanic renter households experienced housing problems compared to only 53.3% for Black households. For households earning between 50% and 80% of the Area MFI, 68.2% of the Black renter households experienced housing problems compared to 60.3% for Hispanic households. Finally, for households earning more than 80% of the Area MFI, 42.0% of the Hispanic renter households experienced housing problems compared to only 21.1% for Black households.

In general, the rate of households experiencing housing problems declined between 1990 and 2000 with increases in income more consistently for Hispanic households than for Black households. However, once Black households moved pass the 80% of Area MFI threshold, their incidence of housing problems dropped considerably. Hispanic households earning more than 80% of Area MFI experienced a high rate of housing problems, a rate that was double that of their Black household counterparts.

Priorities and Objectives

In terms of priorities and objectives, Danbury's Strategic Plan continues to focus on segments of the population most in need. These include the needs of the homeless, lower income renters, people with special needs and senior citizens. Danbury continues to serve as the primary provider of services to these population segments within the Housatonic Valley Region. With regards to homelessness, Mayor Boughton has led an initiative to address this need on a regional basis by successfully gaining financial support from communities throughout the region.

The priorities contained in the 2003-2008 Consolidated Plan Strategic Plan proposed to be retained in the 2008-2013 Strategic Plan are as follows:

Housing Priorities

- **Provide affordable rental housing opportunities for extremely low and very-low income renters by increasing the supply and maintaining the availability of affordable rental housing in the City.**
- **Cultivate affordable homeownership opportunities through the financing or construction of housing for first time homebuyers, the preservation of existing ownership housing through rehabilitation and improving the availability of supportive social services to homeowners.**

Homeless Priorities

- **Increase the level and delivery of support services to the homeless and those at-risk of becoming homeless.**

Other Special Needs/Non-Homeless Priorities

- **Support and promote supportive housing services through programs which may include health services, family counseling, substance abuse counseling, parenting skills, and other appropriate services which would assist them in overcoming or better dealing with their special needs.**

Non-Housing Community Development Priorities

- **Maintain and improve existing public facilities and encourage the development of upgraded facilities, particularly with regard to, clean up of contaminated sites, parks/recreation facilities and parking facilities serving low-income populations.**

- Encourage the continued maintenance and improvement of the City's infrastructure, particularly with regard to street and sidewalk improvements, as well as flood drain improvements.
- Support the continuance and/or expansion of existing public service programs including those which provide services to the handicapped, youth, an/or substance abusers or which offer transportation services and employment training.
- To expand existing efforts to meet the needs of the City's physically handicapped population by supporting projects designed to make current facilities accessible or to provide new handicapped accessible facilities/equipment.
- To enhance and expand existing economic development efforts, particularly with regard to the rehabilitation of commercial/industrial structures, improvement of infrastructure to benefit commercial/industrial businesses, micro-business development and the provision of technical assistance to new and established businesses.
- To enhance and expand other community development efforts, particularly with regard to lead-based paint remediation/education and code enforcement activities.
- To promote and encourage the continued operation of existing senior programs and services such as those offered by the Department of Elderly Services
- To promote the development of supportive programs for youth including job/career development extracurricular activity, computer literacy, and volunteerism
- To continue support of anti-crime programs in cooperation with the City of Danbury Police Department
- To continue existing administrative and planning activities necessary for the implementation of the objectives, actions and programs outlined in this Strategic Plan including fair housing counseling, tenant-landlord counseling and/or public awareness

Based upon input received during the process of preparing the 2008-2013 Five Year Consolidated Plan, some additional priorities have been included.

Housing Priorities

- Assist and protect existing homeowners from the potential fallout from severe changes in the housing market should they materialize, through programs and services that help prevent or limit foreclosures.

Homeless Priorities

- Continue to address the issue of homelessness consistent with the Mayor's Task Force To End Homelessness Plan released in 2006.

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- **Address the needs of homeless veterans in the community through the expansion of facilities to meet their needs.**

Non-Housing Community Development Priorities

- **Increase the effectiveness of the delivery of services and programs to low- and moderate-income persons by increasing the capacity of non-profit providers.**

The proposed 2008-2009 Annual Action Plan funding allocations are consistent with these priorities.

Resources To Meet Needs

The City of Danbury realizes that its annual allocation of Community Development Block Grant (CDBG) funds is not sufficient to meet its housing and community development needs. These resources include approximately 15 City departments and agencies as well as 75 or more community based organizations. Danbury's ability to address the issue of homelessness has increased significantly since the last Consolidated Plan was prepared. As mentioned earlier, the regional nature of homelessness has been recognized. In addition, the Continuum of Care approach to homelessness has become more formalized.

Annual Action Plan

The 2008-2009 Annual Action Plan proposes 17 activities plus general administration and contingencies to be funded with \$968,682 of Fiscal Year 2008 funds, reallocated funds and unexpended Program Year 31 funds. The activities are consistent with the priorities and objectives established in the Five Year Plan. Of the 17 activities, 4 serve the homeless population; 3 support programs for people with disabilities; 4 address housing needs; and 2 provide services to seniors.

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CITY OF DANBURY
 Community Development Block Grant
 Program Year 34
 August 1, 2008 - July 31, 2009
 Proposed Projects

ACTIVITY	PROJECT	AMOUNT
1	CIOC Harambee Program Support	\$11,000.00
2	Health, Housing & Welfare Department - Shelter Operating Costs	\$35,000.00
3	Homeless Connect	\$5,000.00
4	Department of Elderly Services - Van Purchase	\$9,000.00
5	TBICO Security Deposit Program	\$15,000.00
6	United Way - Non-Profit Resource Center	\$10,000.00
7	ARC Dream Homes	\$15,000.00
8	Danbury Housing Authority	\$107,000.00
9	Huntingdon Hall ADA Improvements	\$35,000.00
10	Family & Children's Aid Security Improvements	\$4,400.00
11	Health, Housing & Welfare Department - Veterans Housing Project	\$50,000.00
12	Ability Beyond Disability - Rehab Improvements	\$50,000.00
13	General Administration	\$75,000.00
14	Section 108 Repayment	\$150,000.00
15	ADA in Public Buildings	\$15,000.00
16	Contingency	\$33,282.00
	Total Project Costs	\$619,682.00