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CITY OF DANBURY
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M E M O R A N D U M

DATE: 1/27/09
TO: HON. MARK D. BOUGHTON VIA THE COMMON COUNCIL
FROM: DAVID W. ST. HILAIRE, DIRECTOR OF FINANCE *DWS*
RE: RESOLUTION-NEIGHBORHOOD STABILIZATION PROGRAM

Attached for your review is a resolution that will allow the City of Danbury, in conjunction with the Danbury Housing Authority, to apply for and accept federal funding for the Neighborhood Stabilization Program(NSP). This funding is considered Community Development Block Grant Funds(CDBG) and will be disbursed by the State of Connecticut Department of Economic and Community Development. The purpose of this funding is for the redevelopment of abandoned and foreclosed upon homes and residential properties.

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

Attach.

DWS/sk

Cc: P. Schierloh, S. Leroy, C. Sistrunk, L. Wagner, A. Gray

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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, Title III, Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes, of the Housing and Economic Recovery Act of 2008 (HERA) allocated \$25,043,385 in federal funds to the State of Connecticut to be considered as Community Development Block Grant Funds (CDBG) for the redevelopment of abandoned and foreclosed upon homes and residential properties (the Neighborhood Stabilization Program or NSP); and

WHEREAS, pursuant to Chapter 127c, and Part VI of Chapter 130 of Connecticut General Statutes, the Commissioner of the State of Connecticut Department of Economic and Community Development is authorized to disburse such federal monies; and

WHEREAS, the State of Connecticut's 2008 Action Plan Substantial Amendment requires that each sub-recipient (as that term is defined in the Substantial Amendment) submit a Local Action Plan (as that term is defined in the Substantial Amendment) to the State of Connecticut, Department of Economic and Community Development (State or DECD) in order to receive funds allocated to said subrecipient; and

WHEREAS, it is desirable and in the public interest that the City of Danbury submit a Local Action Plan to the State in order to make funding commitments using CDBG grant NSP funds for activities associated with the implementation of the Local Action Plan, including the disbursement of such funds.

NOW, THEREFORE, BE IT RESOLVED:

1. That the City of Danbury is cognizant of the conditions and prerequisites for the state financial assistance imposed by The Connecticut General Statutes as well as 24 CFR Part 58 and agrees that all applicable State and Federal requirements will be satisfied prior to the commitment and /or expenditure of NSP funds, as applicable.
2. That the filing of a Local Action Plan as a condition of State financial assistance by the City of Danbury is hereby approved and that Mayor Mark D. Boughton or Scott LeRoy, its Director of Health, Housing & Welfare, are authorized to execute and file such Local Action Plan with DECD, to provide such additional information, to execute such other documents as may be required, to execute an Assistance Agreement with the State of Connecticut for State financial assistance if such an agreement is offered, to execute any amendments, decisions, and revisions thereto and all other documents required by the State or HUD for the receipt of CDBG grant NSP funds as may be necessary to carry out the intent of this resolution and in accordance with all applicable law, to administer funds as required, and to act as the authorized representative of Danbury.
3. The term "contractor" shall refer to the resolving municipality herein. The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved.

The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation.

Neighborhood Stabilization Program

12.2

Danbury has been designated as a Second Tier Community by the Connecticut Department of Housing and Community Development (DECD) and is eligible to compete with eight other communities for \$2.6 million in Neighborhood Stabilization Program funding awarded to the State of Connecticut under the Housing and Economic Recovery Act of 2008 (HERA).

Danbury is preparing an Action Plan to be submitted to DECD on February 2, 2009 requesting funding and outlining how the funds will be utilized. The purpose of the program is to acquire and re-develop foreclosed and abandoned properties for use as affordable housing in accordance with program regulations. The City of Danbury is partnering with the Housing Authority of the City of Danbury (HACD) which will act as the entity to acquire, renovate and manage housing units under the program. The program area will consist of census tracts 2101, 2102, 2107 and 2106, which have been identified as areas of need of assistance with respect to foreclosed properties and determined to be able to benefit from stabilization funding. Per program requirements, at least 30% of the funding must be used for housing for persons within 50% of the area median income limits. The remainder can be used for housing for persons up to 120% of the area median income. The goal of the program is re-cycle foreclosed and abandoned properties to provide housing for Danbury's workforce while also stabilizing neighborhoods in need of assistance due to the presence of foreclosed and abandoned properties.

The Action Plan will be posted on the City of Danbury website at www.ci.danbury.ct.us.