

CITY OF DANBURY
ENVIRONMENTAL REVIEW RECORD

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) I
INCLUDING PY35 CDBG ALLOCATION FOR
DANBURY HOUSING AUTHORITY NSP ACTIVITIES

MARK D. BOUGHTON
MAYOR

JULY 23, 2009

TABLE OF CONTENTS
CITY OF DANBURY
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NEIGHBORHOOD STABILIZATION PROGRAM (NSP) I
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DANBURY HOUSING AUTHORITY NSP ACTIVITIES

SECTION I	PROJECT ABSTRACT/DATA
SECTION II	EXEMPT ACTIVITIES
SECTION III	CATEGORICALLY EXCLUDED ACTIVITIES AND NARRATIVE (INCLUDING STATUTORY CHECKLIST)
SECTION IV	PUBLICATION
SECTION V	EXHIBITS
SECTION VI	MAPS

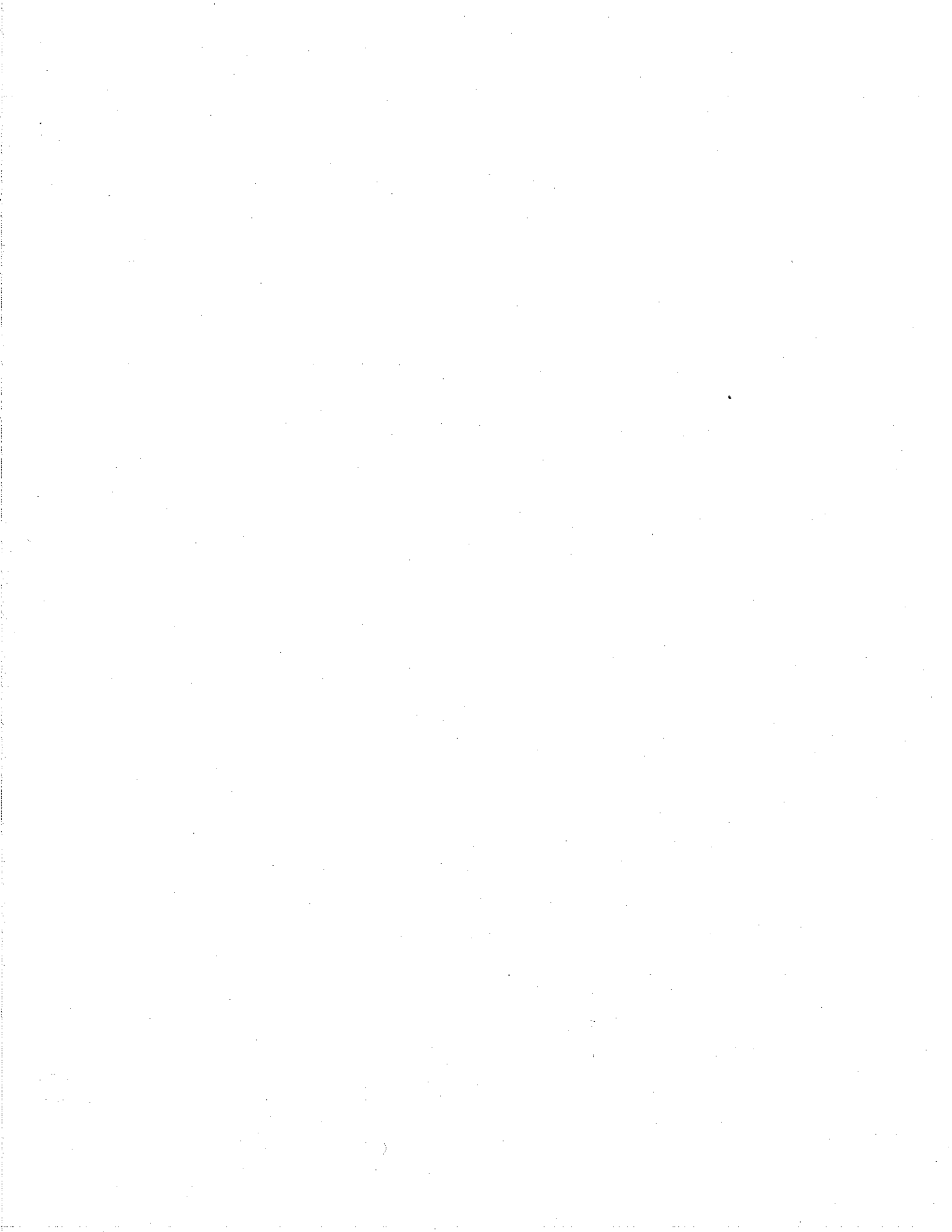
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ENVIRONMENTAL REVIEW RECORD CHECKLIST

COMPONENTS	YES	NO	N/A	COMMENTS
1. Brief Project Description	X			
2. Explanation of Exemption or Categorical Exclusion Determinations (as relevant)	X			
3. Statutory Checklist*: Environmental Requirements Other Than NEPA. (For all Cat. Excl. Projects, including Cat. Excl. Projects determined to be exempt pursuant to 58.34(a)12, and projects requiring EA or EIS)/Other Requirements Checklist**	X			
4. Environmental Assessment Document (Depending on level of clearance req.)		X		
5. Environmental Assessment Checklist (Optional)		X		
6. Notice of Finding of No Significant Impact as posted/published (as relevant)	X			
Notice of Intent to Request a Release of Funds as posted/published (as relevant)	X			
8. Combined FONSI/RROF as posted/published (as relevant).		X		
9. a. Distribution List of FONSI (as relevant) b. Distribution List of RROF (as relevant) c. Distribution List of FONSI/RROF (as relevant)	X			
10. Any comments received and recipient responses.				
11. Certification of Environmental Review, Request for Release of Funds submitted (as relevant)				
12. Notice of Removal of Grant Condition/Release of Funds (as relevant)				
13. Post-Review Revisions and Changes, Written Decisions, Amendments, and Supplements (as relevant)				
14. Continuing Project (58.47) Determination (as relevant)				
15. EIS documentation required by 58.55-60 (as relevant)				

* Section 58.5 Requirements

** Section 58.6 Other Requirements



PROJECT ABSTRACT

CITY OF DANBURY

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) I
INCLUDING PY35 CDBG ALLOCATION FOR
DANBURY HOUSING AUTHORITY NSP ACTIVITIES

Original X
Revisions
Amendments

Name and Title of Authorized Official Representative:

Mark D. Boughton, Mayor

Address: City Hall, 155 Deer Hill Avenue, Danbury, CT 06810

Telephone: 203-797-4511 **e-mail:** m.boughton@ci.danbury.ct.us

Lead Agency:

Finance Department

Project Representative: David St. Hilaire, Finance Director

Address: City Hall, 155 Deer Hill Avenue, Danbury, CT 06810

Telephone: 203-797-4652 **e-mail:** d.hilaire@ci.danbury.ct.us

Project Name/Location:

Neighborhood Stabilization Program (NSP) I

Refer to attached NSP Draft Substantial Amendment in exhibits

Project Summary Description:	NSP Funds \$	
	Projected	Other
	867,350	500,000
<u>Refer to NSP Draft Substantial Amendment</u>		<u>Includes CCBG</u>
<u>Attached as exhibit</u>		<u>program 35 funding</u>
		<u>of \$140,000</u>

PROJECT DATA

PURPOSE OF THE PROJECT:

Purchase, rehabilitate and rent foreclosed residential properties for permanent Danbury Housing Authority ownership to stabilize neighborhoods experiencing high rates of foreclosure and provide affordable rental housing for LMI households. This review incorporates the \$867,350 NSP funding and the PY35 CDBG funding of \$140,000 as well as other Housing Authority financial contributions.

STATUS OF THE PROJECT:

Approved by DECD, in preliminary phase. Categorically excluded.

PROJECT AND AREA DESCRIPTION:

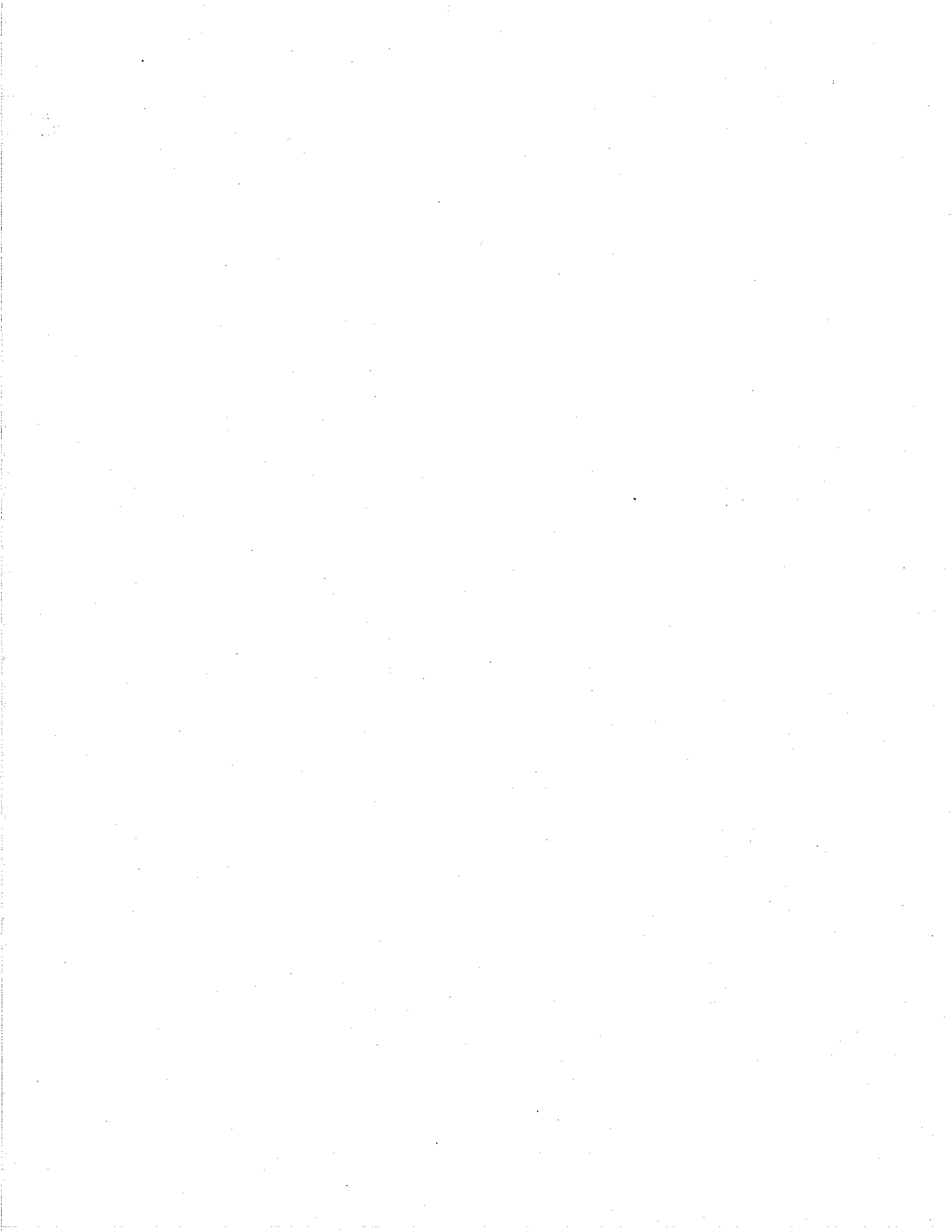
Refer to NSP Substantial Plan Amendment attached as exhibit.

EXISTING CONDITIONS AND TRENDS:

Refer to NSP Substantial Plan Amendment attached as exhibit.

PROJECT AND AREA MAPS AND PLANS:

Attached



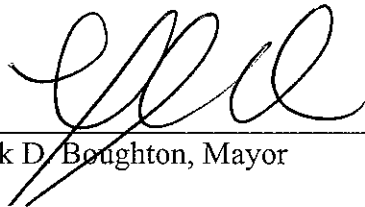
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FINDING OF EXEMPTION

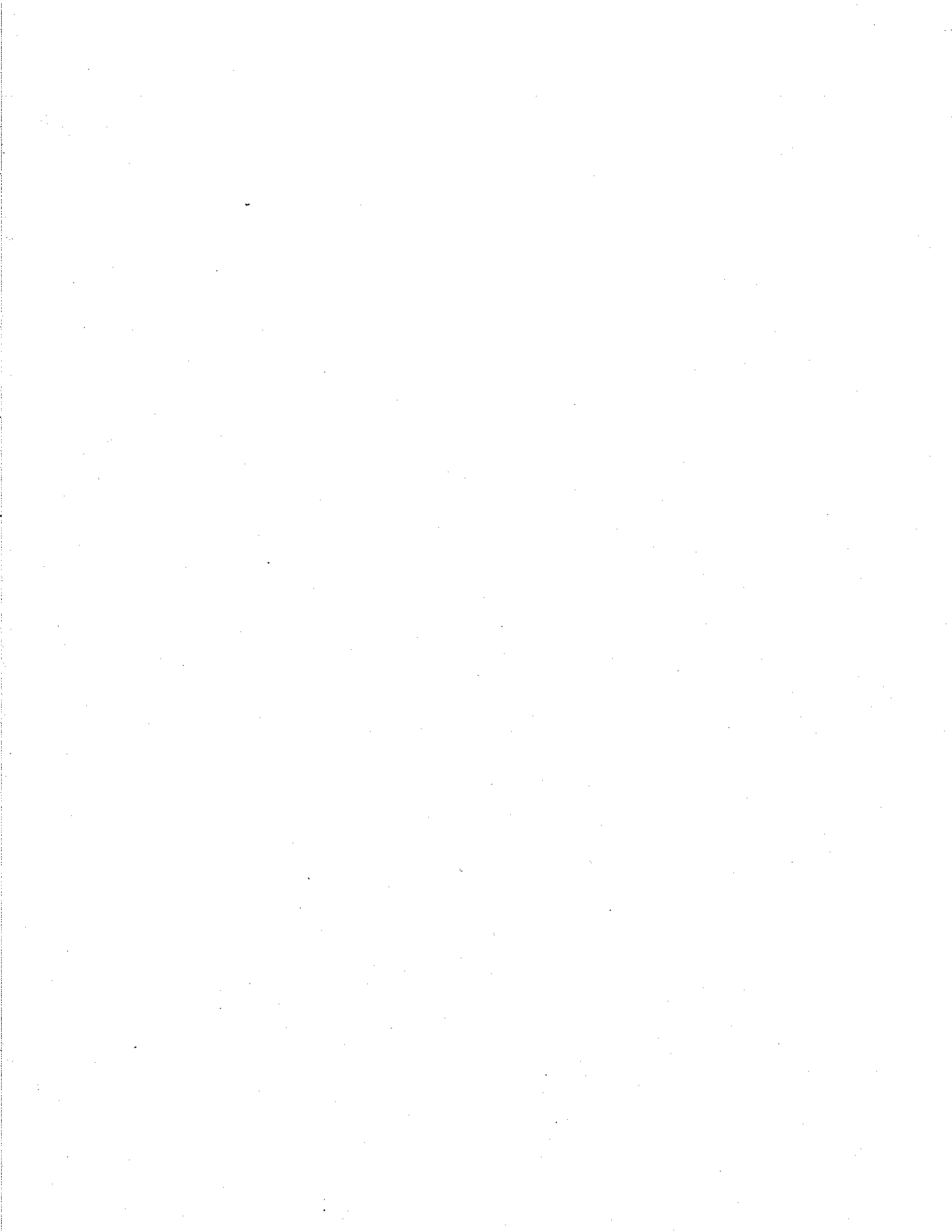
The following activities have been reviewed under Section 58.34 and have been found to be exempt from the provisions of the National Environmental Protection Act (NEPA) and the other provisions of laws or authorities cited in Section 58.5. No further environmental review or Request for Release of funds is required.

- (1) Environmental and other studies, resource identification and the development of plans and strategies;
- (3) Administrative and management activities;
- (4) Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
- (5) Inspections and testing of properties for hazards or defects;
- (8) Engineering or design costs.



Mark D. Boughton, Mayor

Date 7-31-09



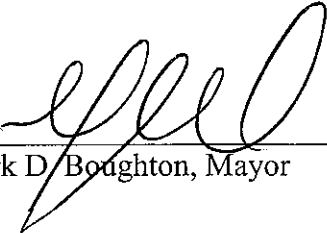
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Finding of Categorical Exclusion

It is the finding of the City of Danbury that the following activity funded through the NSP I Grant is categorically excluded from review under the National Environmental Policy Act of 1969 per 24 CFR 58.35a as follows:

- (2) Rehabilitation of buildings and improvements when the following conditions are met:
- (i) In the case of a building for residential use (with one to four units), the density is not increased beyond four units, the land use is not changed, and the footprint of the building is not increased in a floodplain or in a wetland;
 - (ii) In the case of multifamily residential buildings:
 - (A) Unit density is not changed more than 20 percent;
 - (B) The project does not involve changes in land use from residential to non-residential; and
 - (C) The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.
- (5) Acquisition (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land provided that the structure or land acquired, financed, or disposed of will be retained for the same use.
- (6) Combinations of the above activities.



Mark D. Boughton, Mayor

Date

7-31-09

STATUTORY CHECKLIST

Are all activities of this project 58.34(a)(1)-(11) Exempt and/or 58.35(b) Categorically Excluded (CE) from NEPA procedures?
 Yes No. If "Yes" attach supporting documentation including citations to applicable subsection of 58.34(a)(1)-(11) and/or 58.35(b) and complete Other Requirements Checklist (58.6). Sign and date below and keep this form in the project ERR. Remaining portions of the Checklist need not be filled out. Do not initiate RROF procedures. Funds may be obligated for this Exempt project. If "No" proceed to question B.

B. 1. Is this a 58.35(a) CE Project? Yes No. If "Yes", then document by specific reference(s) to Section 58.35(a) why this project qualifies as a 58.35(a) CE project and respond to question B2. If "No" then go to question C.

2. Does the project trigger a 58.5 Compliance Threshold? Yes No. If "Yes" perform all actions as per relevant compliance requirements, complete columns B & C, sign and date form; complete, sign and date Other Requirements Checklist; then initiate RROF procedures, beginning with publication/posting of RROF Notice. If "No"; complete columns A & C; project is exempt under 58.34(a)(12), do not initiate RROF procedures, and funds may be obligated after signing and dating this form and completing Other Requirements Checklist.

C. Does this project require an Environmental Assessment (EA)? Yes No. If "Yes" fill out the Checklist, documenting all determinations and compliance with any 58.5 laws and authorities as necessary, then sign and date it; complete, sign and date Other Requirements Checklist.; make both checklists part of the project ERR; and complete Part II of the ERR format. Even if an EA has already been completed, 24 CFR Part 58, Subpart H procedures, beginning with publication/posting of FONSI/RROF Notice, cannot be initiated until all 58.5 and 58.6 determinations and compliance processes have been completed. Some theoretically CE projects may be deemed by the grantee, because of their environmental effect, to warrant either an EA or Environmental Impact Statement.

Project Name and Identification No. Neighborhood Stabilization Program (NSP) I inc. PY35 CDBG allocation for Danbury Housing Authority
NSP Activities

AREA OF STATUTORY OR REGULATORY COMPLIANCE	A NO CIRCUMSTANCE REQUIRING COMPLIANCE	B DATE COMPLIANCE ACHIEVED	C REFERENCES TO NOTES PROVIDING DOCUMENTATION, SOURCES, AND EXPLANATION OF CHECKED BOXES
Air Quality	X		Not new construction
Historic Properties			Refer to SHPO letter attached
Floodplain Management			All projects reviewed for 100 yr flood zone Re: Statutory Checklist
Wetlands Protection	X		Not new construction
Coastal Zone	X		Not in CZM area – map attached
Sole Source Aquifers	X		Refer to attached maps – no impact – not in SSA area
Endangered Species	X		Not new construction
Wild & Scenic Rivers	X		Not located near designated waterway
Farmland Protection	X		Not new construction
Noise (24 CFR Part 51B)	X		Not new construction
Hazardous Facilities (24 CFR Part 51C)	X		Refer to attached list of sites
Airport [except for Clear Zone Notification of [24 CFR Part 51D 303 (a)(3)]	X		Not near designated facility-list attached
Site Contamination [24 CFR Part 58.5(i)]			Each property review will be reviewed for hazmat prior to acq.
Environmental Justice (Executive Order 12898)	X		No circumstances requiring compliance

Prepared By: Laurence E. Wagner Title: CDBG Administrator Date: July 23, 2009

Statutory Checklist

page 1 of 2

COMPLIANCE THRESHOLDS

Historic Properties (includes archeology): The project involves a National Register (NR) or eligible (for the NR) property and/or there are NR properties or eligible properties in the Area of Potential Effect. This determination is based on a review of the NR, field observation, information check with the SHPO, and check with other individuals or groups having the requisite expertise. Initiate and complete procedures and 36 CFR 800 et. seq.

Floodplain Management: The project is within or will impact on the 100 year floodplain identified by the FEMA Flood Hazard Boundary or Flood Insurance Rate Map. If no such maps have been published, the same finding is necessary by the grantee's Engineer or local Flood Control Agency. If the Project involves a critical action (e.g. a fire station, a hospital, etc), the 500 year flood plain applies. Initiate and complete reviews required by the AHUD Procedures for the Implementation of Executive Order 11988", as set forth in 24 CFR Part 55. (Project may be approved if there is no practicable alternative outside the floodplain.)

Wetlands Protection: The project is within, or will affect a wetland. This finding is based on review of Federal National Wetlands Inventory Maps unless more current information is available. Initiate and complete the Water Resources Council 8-step procedure. (Project may be approved if there is no practicable alternative outside the wetland area).

Coastal Zone Management (CZM): The project is within the area covered by a Federally-approved CZM Program. A consistency determination/permit from the State CZM agency or other relevant jurisdictional authority is required to document consistency.

Sole Source Aquifers and Safe Drinking Water: The project will occur in an area designated by EPA as a sole source aquifer. Contact US EPA Regional Office to confirm whether project meets the threshold for a formal EPA review. If it does, then a circumstance requiring compliance exists. Compliance is achieved by obtaining EPA's formal review and approval of the project.

Farmland Protection Policy Act of 1981: The project involves the conversion of farmland to non-agricultural use. Recipients can obtain assistance from the USDA Soil Conservation Service, in determining whether a proposed location or site meets the Act's definition of farmland. If the site meets the Act's definition, then the recipient must complete the review process as set forth in 7 CFR Part 658, "Farmland Protection Policy: Final Rule."

Endangered Species: The project will affect an endangered species of plants or animals, or an critical habitat. This finding is based on a review the "Federally-Listed Endangered and Threatened Species" for the county in which the project is situated. Initiate and complete consultation with the U.S. Fish and Wildlife Service (FWS).

Wild and Scenic Rivers: The project will have an effect on a river which is a component of the National Wild and Scenic Rivers System or is under consideration for inclusion in the System. This finding is based on information from and consultation with the Department of the Interior (DOI). Consult DOI Park Service for resolution assistance.

Air Quality: The project is within a non-attainment area for which EPA has approved the State Implementation Plan (SIP), and there are SIP controls for such a project. Consider compliance issues in the project decision. If issues are transportation-related, priority must be given to implementing those portions of the SIP to achieve and maintain national primary air quality standards. The Department of Environmental Protection responsible for SIP implementation should be consulted. Permits should be obtained as relevant.

Noise Abatement and Control (24 CFR Part 51B): The project involves noise sensitive uses [24 CFR Part 51.101(a)(3)], and the ambient noise level at the Project site is above 65 dB. This finding is based on the HUD Noise Assessment Guidelines (NAG) or other acoustical data. Require appropriate mitigation measures or justify deviation from the HUD standards.

Hazardous Operations Explosive or Flammable in Nature (24 CFR Part 51C): The project is in the vicinity of hazardous operation involving explosive or flammable fuels or chemicals which exceed the standards and application of HUD Guidebook, "Siting of HUD-Assisted Projects Near Hazardous Facilities". Require appropriate mitigation measures as per the above-cited regulations. NOTE: 24 CFR Part 51C does not apply to projects involving the renovation only of existing commercial, industrial, institutional, or open space-recreational facilities.

Runway Clear Zones at Designated Commercial Service Airports and Clear Zones and Accident Potential Zones at Military Airfields (24 CFR Part 51D): The project is located in such zones and consists of activities as cited in 24 CFR Part 51D, Section 51.302. Comply with appropriate procedures and policies set forth in the above-cited regulations.

Site Contamination* [24 CFR part 58.5(i)(2)]: Based upon an evaluation of previous uses of the project site/structures involved and area in proximity** to the site, a site inspection, and other current techniques by qualified professionals determined necessary by the RE, site contamination issues have been identified. Particular attention should be given to any proposed site on or in the general proximity to such areas * dumps, landfills, industrial sites or other locations that are creating problems, or are suspected of creating problems related to hazardous materials, contamination, toxic chemicals and gases, and radioactive substances. Since it is HUD policy that properties being proposed for use in HUD programs be free of contamination problems that could affect the health and safety of occupants, or conflict with the intended utilization of a project property, the RE must either require appropriate mitigation measures to assure a safe site, or require evidence from the project sponsor that appropriate mitigation measures have been implemented by qualified professionals, consistent with relevant Federal, State, and local laws and regulations, ensuring that the occupants of proposed sites will not be adversely affected by the type of hazards listed above.

Statutory Checklist

page 2 of 2

COMPLIANCE THRESHOLDS

Environmental Justice (Executive Order 12898): At minimum, a circumstance requiring compliance with the Executive Order should be considered to exist if: the project or activities are located in a predominantly minority or low income neighborhood; or if the project site or neighborhood suffers disproportionately from high adverse environmental impacts on low income and/or minority populations relative to the community at large. Furthermore a circumstance requiring compliance with the Executive Order may exist, and documented determinations should be made, if a proposal: includes new housing construction, or acquisition of housing for low income or minority residents; and is proposed in a neighborhood that is currently (or planned to be) primarily non-residential. In addition, projects/activities that are close enough to predominantly low income or minority neighborhoods to a potentially adverse environmental effect on those groups, or that will employ or serve a clientele of predominantly low income or minority persons on the project site, should be evaluated on a case-by-case basis. Disproportionate adverse environmental impacts should be avoided or mitigated to the extent practicable. Consideration of steps taken to identify, and as appropriate, to avoid or mitigate such impacts should be documented in the ERR.***

No circumstances likely requiring compliance

* Excerpted from point III, page 56120, in the Supplementary Information section of amendment to 24 CFR Part 58, as published in the Federal Register, 9/29/03 (Volume 68, Number 188): "The policy set forth in Sec. 58.5(i)(2) requires due diligence in accordance with the language in that section, but is not intended to suggest any liability for damages caused by unknown or undiscovered hazards where an appropriate review has been performed. In addition, the policy that sites be free from hazardous materials, etc., does not require a complete absence of such materials, but only that the property be free of hazards where the hazard could affect the health and safety of occupants or conflict with the intended use of the property. The policy also does not prescribe any specific form of remediation, which may vary depending upon the nature of the hazard."

** HUD has left the definition of the term "proximity" as used in Sec. 58.5(i)(2), up to the Responsible Entity. As concerns certain Programs under which HUD is to perform environmental reviews (i.e. the HOPWA, SHOP, and Youthbuild Programs), proximity is discussed as the area within 3,000 feet of the project site.

*** The Executive Order calls on Federal agencies, and in the case of HUD, units of general purpose government acting under an assumption of HUD's environmental review responsibility, to identify and address, to the extent practicable, disproportionately high adverse human health or environmental effects of their programs, policies and activities on minority and low income populations.

Revised 10/03

Statutory Checklist

List of Applicable Statutes and Regulations 24 CFR Part 58.5 Federal Laws and Authorities.

(a) *Historic properties.* 1) The National Historic Preservation Act of 1966 (16 U.S.C. 470f *et seq.*): as amended: particularly section 106 (16 U.S.C. 470f): except as provided in § 58.17 of this part for section 17 projects.

(2) Executive Order 11593. Protection and Enhancement of the Cultural Environment, May 13, 1971 (36 FR 8921 *et seq.*): particularly section 2(c).

(3) The Reservoir Salvage Act of 1960 (16 U.S.C. 469 *et seq.*) particularly section 3 (16 U.S.C. 469a-1): as amended b) the Archeological Historic Preservation Act of 1974.

(b) *Floodplain management and wetland protection.* (1) Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 *et seq.*) as amended: particularly sections 102(a) (42 U.S.C. 4012a (a) and 4106 (a).

(2) Executive Order 11988. Floodplain Management, May 24, 1977 (42 FR 28931 *et seq.*): particularly section 2(a).

(3) Executive Order 11990. Protection of Wetlands. May 24, 1977 (42 FR 28951 *et seq.*): particularly section 2 and 5.

(c) *Coastal areas protection and management.* (1) The Coastal zone Management Act of 1972 (16 U.S.C. 1451 *et seq.*) as amended: particularly section 307 (c) and (d) (16 U.S.C. 1456 (c) and (d)).

(2) The Coastal Barrier Resources Act of 1982 (16 U.S.C. 3501 *et seq.* particularly sections 5 and 6 (16 U.S.C. 3504 and 3505.

(d) *Sole source aquifers.* The Safe Drinking Water Act of 1974 (42 U.S.C. 201.300 (f) *et seq.* and 21 U.S.C. 349) as amended: particularly section 1424(e) (42 U.S.C. 300b-303(e).

(e) *Endangered species.* the Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.* as amended: particularly Section 7 (b) and (c) (16 U.S.C. 1278 (b) and (c)).

(f) *Wild and scenic rivers.* The Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 *et seq.*) as amended: particularly section 7 (b) (c) and (d) (16 U.S.C. 1278 (c) and (d)).

(g) *Air quality.* The Clean Air Act (42 U.S.C. 7401 *et seq.*) as amended: particularly section 176 (c) and (d) (42 U.S.C. 7308 (c) and (d)

(h) *Farmlands protection.* Farmland Protection Policy Act of 1961 (7 U.S.C. 4201 *et seq.*) particularly section 1540(b) and 1541 (7 U.S.C. 4201 and 4242).

(i) *HUD environmental standards.* Environmental Criteria and Standards (24 CFR Part 51) and Site Contamination.

(j) *Environmental justice:* Executive Order 12898 Federal Actions to address environmental justice in minority populations and low-income populations.

Other Requirements (Section 58.6) Checklist

PROJECT NAME Neighborhood Stabilization Program (NSP) Inc. PY35 CDBG allocation for Danbury Housing Authority NSP Activities

GRANT NUMBER

In addition to the duties under the laws and authorities specified in 58.5 for assumption by Responsible Entities (RE's) under the laws cited in 58.1(b), RE's must comply with the following requirements. Applicability of the following requirements does not trigger the certification and release of funds procedure under this Part or preclude exemption of an activity under 58.34 (a) (12) and/or the applicability of 58.35(b). However, the RE remains responsible for addressing the following requirements in its ERR and meeting these requirements, where applicable, regardless of whether the activity is exempt under 58.34 or Categorically Excluded under 58.35 (a) or (b).

(a) Federal Flood Insurance Purchase Requirements (do not apply to funds from Federal formula grants made to a State).

- (1) Does the project involve acquisition or construction (including rehabilitation) in a community identified by the Federal Emergency Management Agency (FEMA) as having special flood hazard areas (100 year and 500 year floodplains)? Yes No If "Yes," go to (a)(2). If "No," go to Question (b).
- (2) Is the project located in 100 year flood plain (500 year floodplain for "critical" actions*)? Yes No If "Yes," go to (a) (3). If "No," go to Question (b).
- (3) Is the community in which the project is located () participating in the National Flood Insurance Program or, () has less than a year passed since FEMA notified the community concerning such hazards. (Please check one of the above depending on the situation) Yes No . If "Yes," attach a statement concerning how you will assure that flood insurance will be maintained in accordance with the "Flood Insurance Protection" guidance sheet attached to this Checklist and go to Question (b). The implementation of this project consistent with your statement must be made a condition on the environmental findings and recommendations for the project. If "No," project cannot be funded.

*As defined in the U.S. Water Resources Council's Floodplain Management Guidelines for Implementing Executive Order 11988.

(b) Coastal Barriers Resources

Is the project to be undertaken located in the coastal Barrier Resources System, as amended by the Coastal Barrier Improvement Act of 1990 (16 U.S.C. 3501)?

Yes No . If "Yes," Federal financial assistance may not be provided. If "No," then go to Question (c).

(c) Projects located in Close Proximity to Airports Contained on the HUD list of 24 CFR Part 51D Covered Airports.

Does the project involve assistance, subsidy, or insurance for the purchase or sale of an existing property in a Runway Clear Zone or Clear Zone as defined in 24 CFR Part 51D? Yes No If "Yes," the buyer must be advised that the property is in a runway Clear Zone or Clear Zone, what the implications of such a location are, and then there is a possibility that the property may, at a later date, be acquired by the airport operator. The buyer must sign a statement acknowledging receipt of this information. The implementation of this requirement must be made a condition in the environmental review findings and recommendations for this project.

Prepared by: Laurence E. Wagner Title: CDBG Administrator

Date: July 23, 2009



NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

August 4, 2009

City of Danbury
155 Deer Hill Avenue
Danbury, CT 06810

203-797-4511

On or about August 11, 2009 the City of Danbury will submit a request to the DECD and HUD for the release of \$867,350 of NSP funds authorized under Title II of the Housing and Economic Recovery Act of HFRA of 2008 and \$140,000 of PY35 CDBG Federal funds under Title I of the Housing and Community Development Act of 1974 (PL 93-383), to undertake a project known as Neighborhood Stabilization Program (I) for the purpose of purchasing and/or rehabilitating foreclosed property within the designated areas of Census Tracts 2102, 2101, 2107 and 2108 for ownership of the Danbury Housing Authority as permanent rental housing for LMI and LMMI persons and households.

The activities proposed are categorically excluded under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act (NEPA) requirements. An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at Finance Department Office, City Hall, 155 Deer Hill Avenue, Danbury, CT and may be examined or copied Monday-Wednesday 7:30 a.m. - 6:00 p.m.; Thursday 7:30 a.m. - 6:30 p.m.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the Finance Department Office. All comments received by August 11, 2009 will be considered by the City of Danbury prior to authorizing submission of a request for release of funds.

RELEASE OF FUNDS

The City of Danbury certifies to DECD and HUD that the Mayor in his capacity as Mayor consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. DECD's and/or HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the City of Danbury to use NSP and/or CDBG Program funds.

OBJECTIONS TO RELEASE OF FUNDS

DECD and/or HUD will accept objections to its release of fund and the City of Danbury's certification for a period of fifteen days following the anticipated submission date or its actual

receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the City of Danbury; (b) the City of Danbury has omitted a step or failed to make a decision or finding required by DECD or HUD regulations at 24 CFR part 58; (c) the grant recipient has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by DECD or HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 38, Sec. 58.76) and shall be addressed to DECD, 505 Hudson Street, Hartford, CT 06106 or U.S. Department of HUD, One Corporate Center, Hartford, CT 06103-3220 . Potential objectors should contact HUD/DECD to verify the actual last day of the objection period.

Mark D. Boughton, Mayor

Request for Release of Funds and Certification

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB No. 2506-0087
(exp. 3/31/2011)

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)

1. Program Title(s) Neighborhood Stabilization Program (I)	2. HUD/State Identification Number	3. Recipient Identification Number (optional)
4. OMB Catalog Number(s) 14.218	5. Name and address of responsible entity City of Danbury 155 Deer Hill Avenue, Danbury, CT 06810	
6. For information about this request, contact (name & phone number) David St. Hilaire, Finance Director 203-797-4652		
8. HUD or State Agency and office unit to receive request Department of Economic and Community Development U.S. Dept of Housing and Urban Development	7. Name and address of recipient (if different than responsible entity)	

The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following

9. Program Activity(ies)/Project Name(s) NSP Acquisition/Rehabilitation CDBG PY35 Acquisition/Rehabilitation	10. Location (Street address, city, county, State) Tracts 2101, 2102, 2107 and 2108
11. Program Activity/Project Description	

Purchase/rehab foreclosed existing residential property to stabilize eligible neighborhood areas (Tracts 2101, 2102, 2107 and 2108) for permanent rental housing to be owned by the Danbury Housing Authority for occupancy by LMI and LMMI persons and households.

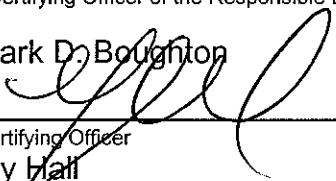
Part 2. Environmental Certification (to be completed by responsible entity)

With reference to the above Program Activity(ies)/Project(s), I, the undersigned officer of the responsible entity, certify that:

- The responsible entity has fully carried out its responsibilities for environmental review, decision-making and action pertaining to the project(s) named above.
- The responsible entity has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969, as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local laws.
 - After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal did did not require the preparation and dissemination of an environmental impact statement.
 - The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.
 - The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.
 - In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

- I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.
- I am authorized and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity Mark D. Boughton x 	Title of Certifying Officer Mayor
Address of Certifying Officer City Hall 155 Deer Hill Avenue Danbury, CT 06810	Date Signed 8-11-09

Part 3. To be completed when the Recipient is not the Responsible Entity

The recipient requests the release of funds for the program and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

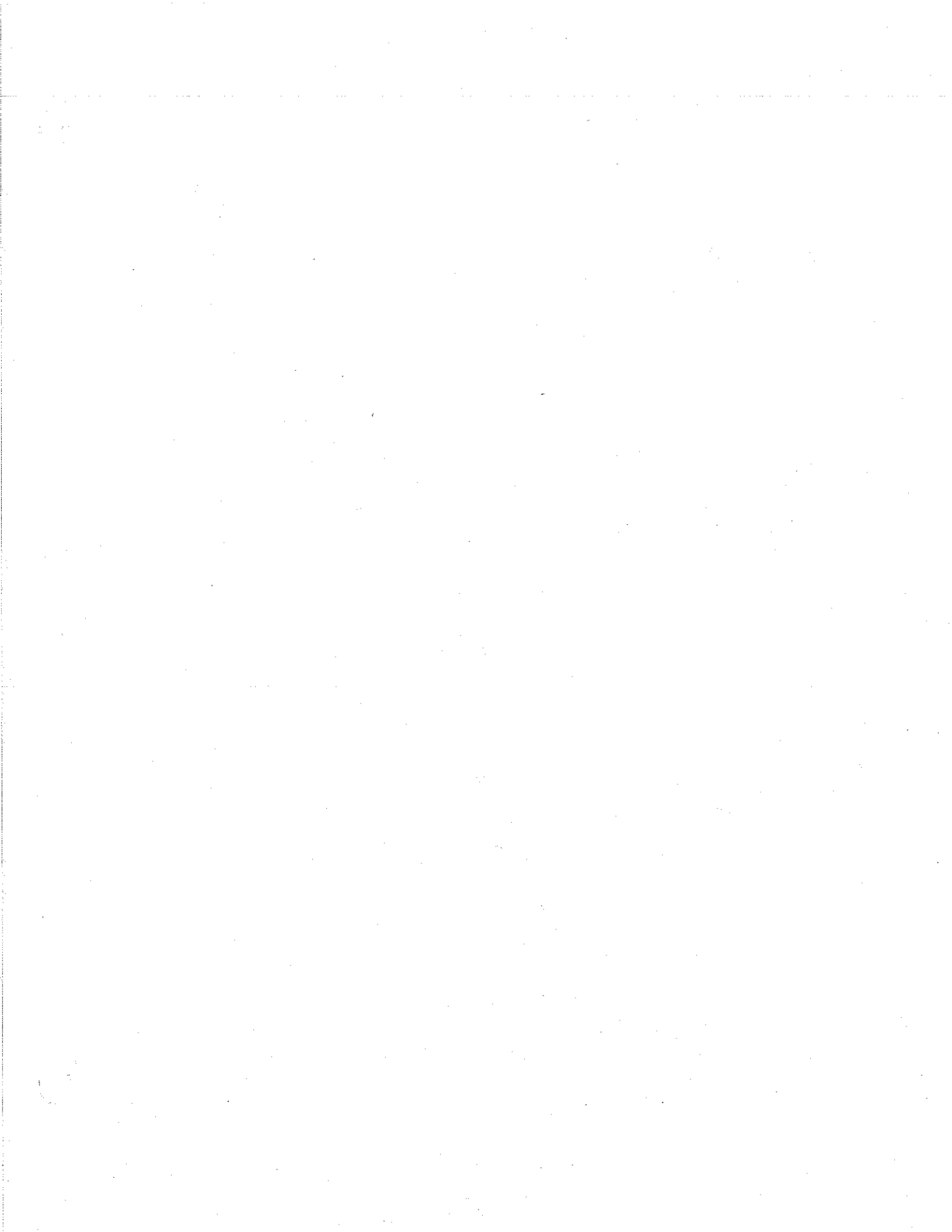
Signature of Authorized Officer of the Recipient X	Title of Authorized Officer
	Date Signed

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Dissemination List Pursuant to 24 CFR 58.43

DATE SENT

- | | | |
|----|--|----------------------|
| 1. | <u>Regional Office of the Env. Protection Agency</u>
<u>1 Congress Street, Suite 1100</u>
<u>Boston, MA 02114-2023</u> | <u>July 31, 2009</u> |
| 2. | <u>Headquarters of the Env. Protection Agency</u>
<u>Ariel Rios Building, 1200 Pennsylvania Avenue, N.W.</u>
<u>Washington, DC 20460</u> | <u>July 31, 2009</u> |
| 3. | <u>Connecticut Dept. of Env. Protection Agency</u>
<u>79 Elm Street</u>
<u>Hartford, CT 06106-5127</u> | <u>July 31, 2009</u> |
| 4. | <u>Local News Media</u>
<u>Danbury News-Times</u> | <u>July 31, 2009</u> |
| 5. | <u>Appropriate Local Agencies</u>
<u>ARC, TBICO, CDBG Administrator</u>
<u>Health and Housing Department</u> | <u>July 31, 2009</u> |
| 6. | <u>Interested Individuals and Groups</u>
<u>City Clerk</u>
<u>City website</u> | <u>July 31, 2009</u> |



July 23, 2009

Karen Senich
Executive Director
CT Commission on Culture & Tourism
1 Constitution Plaza, Second Floor
Hartford, Connecticut 06103

Re: Consultation under 36 CFR Part 800.4(a)
Community Development Block Grant Program – City of Danbury NSP-I and PY35 CDBG

Dear Ms. Senich:

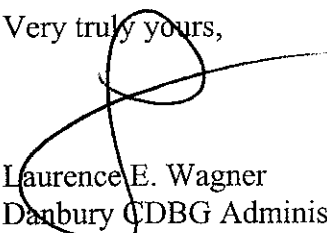
The City of Danbury has received a grant in the amount of \$867,350 from the State Department of Economic and Community Development and \$140,000 from HUD to purchase/rehab foreclosed existing residential properties located in the designated Census Tracts of 2101, 2102, 2017 and 2108 for permanent rental housing owned by the Danbury Housing Authority for occupancy by LMI/LMMI persons.

In accordance with the provisions of 36 CFR Part 800.4(a), the City has reviewed the published lists of the National Register of Historic Places from January 1974 to the present, and the most recent publication of your office listing the State Historic Places.

We do not feel that this activity will have an adverse impact since the City and the Danbury Housing Authority will identify any potentially historic or architecturally significant structures to be acquired and continue to work closely with your office in applying the Secretary's "Standards" in the rehabilitation of these structures.

If you disagree with our finding of no adverse effect, have additional information we should consider, or have any questions, please do not hesitate to call. If we do not hear from you within 30 calendar days, we will assume that you agree with our determination and will proceed with the project.

Very truly yours,



Laurence E. Wagner
Danbury CDBG Administrator

LEW/sas

cc: David St. Hilaire
Andi Gray

L. Wagner & Associates

51 LAKESIDE BOULEVARD EAST • WATERBURY, CT 06708 • (203) 573-1188 • FAX (203) 573-1373

Environmental Review

Statutory Checklist

Federal Laws and Authorities listed at Sec. 58.5

Project Name and Identification No. Housing Acquisition/Rehabilitation NSP/CDBG Program

Area of Statutory or Regulatory Compliance	Not Applicable to This Project	Consultation Required*	Review Required*	Permits Required*	Determination of consistency Approvals, Permits Obtained*	Conditions and/or Mitigation Actions Required*	Provide compliance documentation. Additional material may be attached.
Historic Properties			X				Survey/Inv # Year Built Specs App'd by Date Specs App'd
Floodplain Management			X				FIRM Panel # Flood Zone A__B__C__ If Zone A, attach insurance
Wetlands Protection			X				Date memo rec'd from Inland/Wetlands Office
Coastal Zone Management							
Water Quality - Aquifers	X						Sole Source Aq. Not effected
Endangered Species	X						No new construction
Wild and Scenic Rivers	X						Project not located in vicinity of Farmington River
Air Quality	X						Not a major stationary source of pollutants
Farmlands Protection	X						No new construction
Manmade Hazards:							
Thermal/Explosive			X				Fire Marshal Memo P.O.
Noise	X						Not a noise sensitive use.
Airport Clear Zones	X						No FAA designated Clear Zones in Mun. Borders
Toxic Sites							
Environmental Justice							

*Attach evidence that required actions have been taken.

Statutory Checklist

Federal Laws and Authorities listed at Sec. 58.6 and
Permits, Licenses, Forms of Compliance Under Other Laws - Federal, State and Local

Project Name and Identification No. Housing Rehabilitation Revolving Loan Program

Other Areas of Statutory and Area of Statutory or Regulatory Compliance	Not Applicable to This Project	Consultation Required*	Review Required*	Permits Required*	Determination of consistency Approvals, Permits Obtained*	Conditions and/or Mitigation Actions Required	
Federal Requirements							
Flood Insurance - 58.6(a)							
Coastal Barriers - 58.6(b)							
Airport Clear Zone Notification - 58.6(c)							
Water Quality							
Solid Waste Disposal							
Fish and Wildlife							
State or Local Statutes (to be added by Responsible Entity)							

Provide compliance documentation. Additional material may be attached.

Prepared by: _____

 Laurence E. Wagner

 Approved by: _____

Title: CDBG Administrator

 Title: _____

Danbury Community Emergency Response Plan



Danbury Local Emergency Planning Committee
2007-2008 Update

SECTION III
Hazard Identification

A) Purpose

The cornerstone of the Community Emergency Response Plan is the hazard analysis and Risk Analysis of the City of Danbury industrial facilities subject to EPCRA. For each extremely hazardous chemical used or stored at a fixed facility, a quantitative and a qualitative analysis has been conducted. The transportation network is not subject to a quantitative analysis. The hazard analysis includes:

- 1) A "credible worst case" dispersion model of a hazardous atmosphere during an accidental release of hazardous materials from fixed sites.
- 2) A Vulnerability Screening Table: the community receptors identified within the potential hazard zone and a risk assessment for each of the primary industrial facilities.
- 3) A discussion of the overall risks to Danbury, from the primary fixed sites and transportation networks from an accidental releases of hazardous materials.

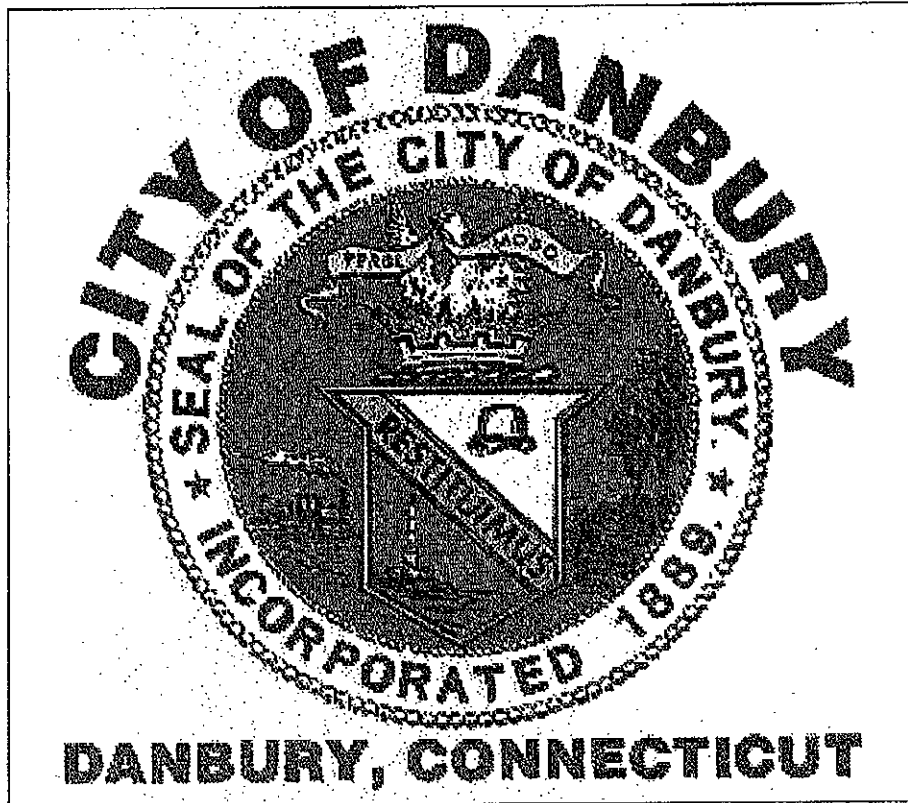
Table III.1:
Primary and Secondary Industrial Facilities in Danbury

#	Facility	Street	Tier II Reporters	Type Facility
1	ATMI	7 Commerce Drive	X	Technological Materials
2	Banta Direct Marketing	Prindle Lane	X	Printing
3	Barden/FAG Corporation	200 Park Avenue		Ball Bearing Mfg
4	Bedoukian Research	21 Finance Drive	X	Organic Aroma Compounds
5	Boehringer Ingelheim	East Ridge Road	X	Pharmaceuticals
6	Buzaid Mutual Fuel	125 South Street		Fuel Distributors
7	Danbury Army Reserve Center	11 Eagle Rd	X	US Army Ctr
8	Danbury Landfill	23 Plumtrees Road	X	Closed Landfill
9	Dow	39 Old Ridgebury Rd	X	HQ
10	Fuel Cell Energy	3 Great Pasture Road	X	R & D
11	Fuel Cell Energy	1 Great Pasture Rd	X	R & D
12	GAR Electroforming	Augusta Drive		Plating

13	Goodrich	100 Wooster Heights Road	X	Optical Equipment
14	Heli-Coil	Shelter Rock Lane		Screw Insert Mfg
15	Hoffman Fuel	170 White Street		Fuel Distributors
16	Home Depot	114 Federal Road	X	Warehouse Store
17	Leahy Fuels	Seegar Street		Propane, bulk
18	Leahy's Bulk Gas Storage	Old Sherman Turnpike		Propane, bulk
19	Mankind Corp.	1 Casper St	X	R & D
20	Marcus Dairy	3 Sugar Hollow Rd	X	Dairy
21	Margerie Reservoir Plant	Peck Road	X	Water Treatment
22	Miller Stevenson Chemical Co.	55 Bacus Avenue	X	Chemical
23	Mitchell Fuels	7 Federal Road	X	Fuel Distributor
24	News-Times, The	333 Main St	X	Newspaper
25	O&G	9 Segar St	X	Cement supplier
26	Pitney Bowes	37 Executive Drive	X	HQ
27	Pitney Bowes	34 Executive Drive	X	Mfg
28	Republic Foil	55 Triangle Street		Metal Foil Mfg.
29	RSA Corporation	36 Old Sherman TnPk	X	Organic Chemicals
30	Sealed Air Corporation	Old Sherman TnPk	X	Foam Packaging
31	TechAir	50 Mill Plain Road	X	Propane & Industrial Gas
32	Tilcon	Plum Trees Road	X	Asphalt & Supplies
33	Tilcon Connecticut Inc.	Eagle Road	X	Asphalt & Supplies
34	Veolia//Danbury POTW	Plumtrees Road	X	Waste Water Treatment
35	Yankee Gas Service	Pahquioque Avenue	X	Propane & Natural Gas

B) Summary of Primary Facilities

There are 27 facilities that report under EPCRA. Of these, 13 have hazardous materials with a potential off site release consequence. Six of the 13 have vulnerable receptors in their potential threat zones. It should be noted that although many of these facilities store or use more than one hazardous chemical, only that chemical with the longest dispersion distance is considered. The Hazard Analyses are documented in the industrial facilities files located at the Danbury Health Department



City of Danbury
Draft Neighborhood Stabilization Program (NSP)
Local Action Plan Substantial Amendment

Table of Contents

Executive Summary.....	Page 1
Section A, Identification of Area(s) of Greatest Need.....	Page 3
Section B, Distribution of Uses of Funds.....	Page 10
Section C, Definitions and Descriptions.....	Page 23
Section D, Low Income Targeting.....	Page 25
Section E, Acquisitions and Relocation.....	Page 25
Section F, Public Consultation and Partnership Process.....	Page 26
Section G, NSP Information by Activity.....	Page 26
Section H, Total Budget.....	Page 30
Section I, Performance Measures.....	Page 30
Section J, Attachments.....	Page 31
Section K, Certifications.....	Page 32
Appendix I, Consolidated Plan-City of Danbury	
Appendix II, Map of Census Tracts, Income Eligibility	
Appendix III, HACD Relocation Plan	
Appendix IV, HACD Tenant Selection Plan	
Appendix V, Section L City of Danbury Resolution with Certification of Placement on 2/3/09 Agenda	
Appendix VI, Affordable Rents	

EXECUTIVE SUMMARY

This document amends the City of Danbury 2008 Annual Action Plan for July 1, 2008 through June 30, 2009. This amendment is made in accordance with the U. S. Department of Housing and Urban Development's (HUD) guidelines for the Neighborhood Stabilization Program (NSP), as authorized under Title III of the Housing and Economic Recovery Act (HERA) of 2008. The State of Connecticut has identified the City Of Danbury as a Tier 2 City and eligible for an allocation of \$867,350 in NSP funds to the City of Danbury. This amendment to the 2008 Annual Action Plan describes how the City proposes to use these funds to address the requirements of HERA for meeting identified needs within the community.

In response to the NSP allocation, the City established a planning committee to examine foreclosure and subprime loan data for the City of Danbury in order to identify the areas of greatest need for NSP funding. The committee took into account the three required criteria stipulated by HUD for identifying areas of greatest need and identified four (4) census tracts that have been or will be most severely impacted by foreclosures, subprime lending and future foreclosures. These census tracts are: 2101, 2102, 2106, and 2107.

The NSP Program is a potential source of permanent rental housing for an eligible veteran, with the potential to provide badly-needed accessible housing for a disabled veteran. Significant progress has already been made in implementing Housing For Heroes, including substantial investments in the proposed NSP Action Plan area. This includes major commitments by the City and the US Department of Veterans Affairs to provide transitional beds for veterans at the City shelter at 41 New Street (tract 2101) as well as a \$600k collaborative project to produce a mix of supportive transitional housing and permanent housing for veterans at 18 New Street (tract 2107). This project involves the combined financial contributions of the US Department of Veterans Affairs, the City of Danbury, the Housing Authority of the City of Danbury and the Non-Profit Development Corporation of Danbury. HACD is a valued member of the Veterans Workgroup whose contributions have also involved the creation of a project-based voucher program and adoption of a priority preference for veterans in applications for HACD housing

assistance. The Housing Authority of the City of Danbury has proposed using a significant amount of replacement housing funds for this NSP initiative. The City of Danbury and HACD's combined resources in the amount of \$1.3 million dollars in acquisition and rental opportunities

Based on its analysis, the City proposes making the majority of NSP funds available for the purchase of (8) foreclosed or abandoned properties in its Center City and North main street revitalization area. Through a partnership with proposed subrecipient, the Housing Authority of the City of Danbury (HACD), the City will leverage an additional \$532,000 of HACD replacement housing funds to make a significant impact upon revitalization areas. This partnership will result in \$1,399,350 available for a NSP program in the City of Danbury. The City expects that this funding will result in the acquisition and rental of approximately (8) eight units of abandoned or foreclosed properties for use as affordable housing for rental opportunities to low-, middle-, and moderate-income (LMMI) households. It is further anticipated that 30 percent of NSP funds will be used to benefit households earning less than 50 percent of area median income, including provision of workforce housing as well as homeless veterans and seniors. All program income received as a result of NSP activities will be revolved into additional NSP-eligible activities for LMMI households within the 4 target census tracts.

A. Identification of Area(s) of Greatest Need

Response:

The City of Danbury has conducted an analysis to determine areas in the City that meet the Neighborhood Stabilization Program (NSP) requirements to give priority emphasis to areas of greatest need. The City collected data from a variety of resources to identify neighborhoods meeting the following criteria: (1) areas with the greatest percentage of foreclosures, (2) areas with the highest percentage of homes financed by subprime mortgage-related loans, and (3) areas identified as likely to face a significant rise in the rate of home foreclosures.

The greatest need analysis was conducted using various data from resources including the City of Danbury's Tax Assessor's office for foreclosure information, the City of Danbury Consolidated Plan, the U. S. Department of Housing and Urban Development (HUD), Home Mortgage Disclosure Act (HMDA), and the First American Loan Performance to interpret subprime mortgage and related loans and predict future foreclosures. The City of Danbury also used data from HVCEO 2008 Housing Marketing Assessment and the City of Danbury Ten Year Plan to end Homelessness.

As part of the analysis, a geographic information system (GIS) was utilized to define areas by Census Tracts and help visualize foreclosure trends taking place in the city. As a result of analyzing these data and trends, the City was able to define the Census Tracts areas of greatest need. A breakdown of the data collected and presented for each of the criteria as defined in the NSP program requirements is provided in the following sections.

1. Greatest Percentage of Foreclosures Filings

As reported by City of Danbury Tax Assessors Office, the City of Danbury has experienced a surge in foreclosure activity in 2008. A summary of data for the prior five years is listed below:

TABLE 1

FORECLOSURES INITIATED-CITY OF DANBURY	
2008	646
2007	373
2006	346
2005	248
2004	188

Source: Danbury Land Records

The yearly statistics show a steady, but modest, increase from 2004-2007 followed by a significant jump from 2007 to 2008 (a 73% increase). While this does not give conclusive figures about the number of foreclosures that ultimately occurred in Danbury as the result of these actions, it is a strong indication that there is a significant increase in foreclosure activity in Danbury and a consequent need for NSP funding.

*City of Danbury Local Action Plan Submission Template
Neighborhood Stabilization Program (NSP)*

TABLE 2

TABLE 2 Pre-Foreclosure and Foreclosure Data by Census Tract January 1, 2008 thru September 2008		
CENSUS TRACTS	2008 LIS PEN FILINGS	PERCENT
2101	25	6.3%
2102	27	6.3%
2103	32	8.6%
2104	51	12.8%
2105	27	6.3%
2106	60	17.5%
2107	44	11.8%
2108	36	9.0%
2109	19	4.2%
2110	20	5.0%
2111	0	0
2112	29	7.2%
2113	15	3.7%
2114	12	2.8%

City land record data for the first nine months of 2008 showed that highest number of foreclosure actions being initiated in census tract 2106. One reason for this seemed to be the high number of foreclosure actions initiated involving condominiums in this area. For this reason, census tract 2106 has been elevated by the City into a category of greatest need although it received only a moderate risk ranking of 6 under the HUD methodology. Tract 2107 also ranked high in number of foreclosures initiated (3rd highest) according to City records, solidifying its position among the areas of greatest need. While Tract 2101 and 2102 showed moderate numbers of foreclosures initiated according to City records for the period studied, the City retained these tracts as among the greatest areas of need due to the overwhelming evidence of risk suggested by the HUD supplied data.

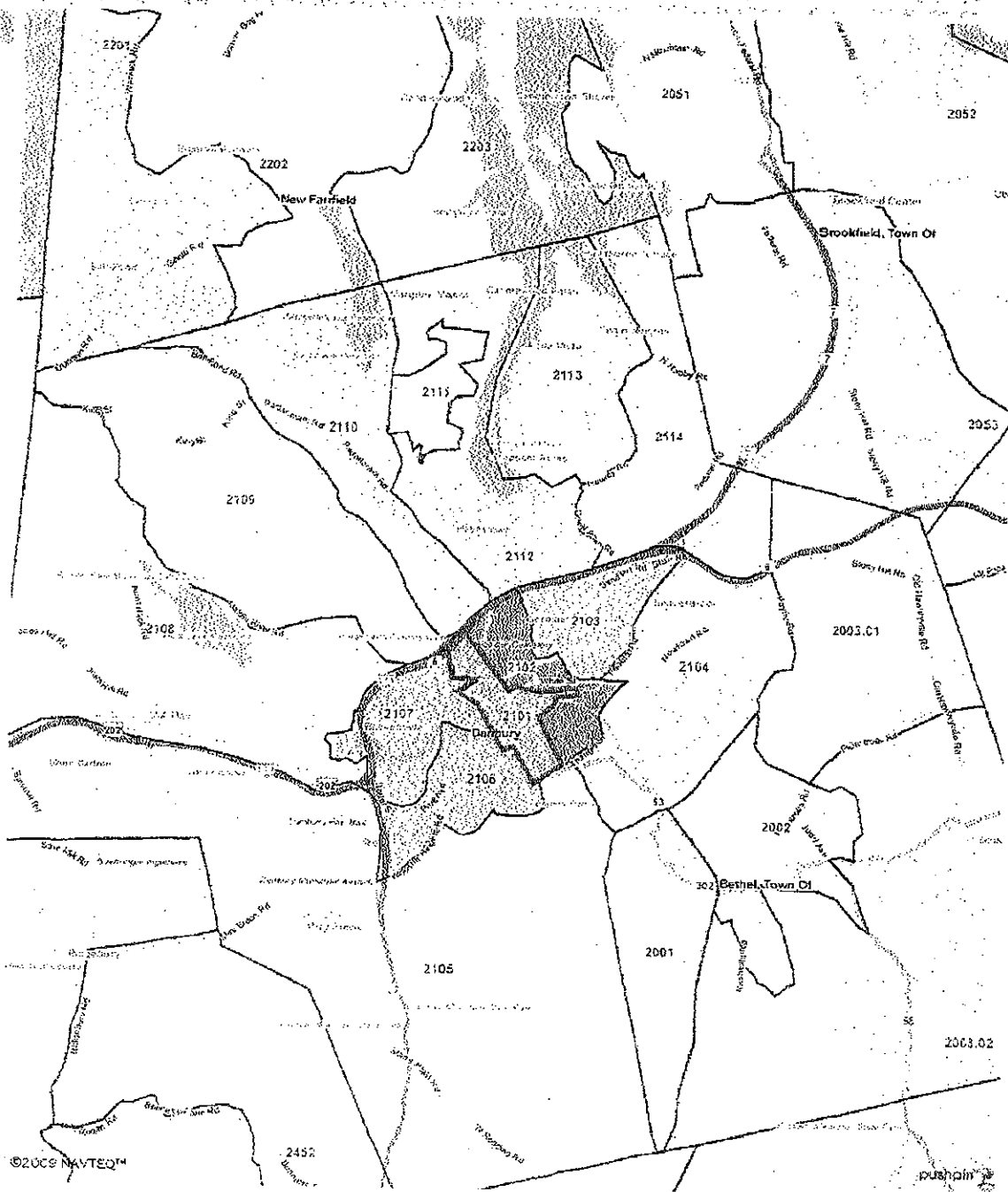
Map 1 on the next page depicts estimated foreclosure by census tract based on data supplied by HUD. Map 2 highlights the top 4 Census Tracts for the highest amount of foreclosures activity that are also listed in Table I, on page 3. Most of these areas are located in the Center City area and North Main suggesting that older city neighborhoods have been impacted severely by the foreclosure crisis.



Map 1 Predicted 18-month underlying problem foreclosure rate, according to HUD, as of 2008.

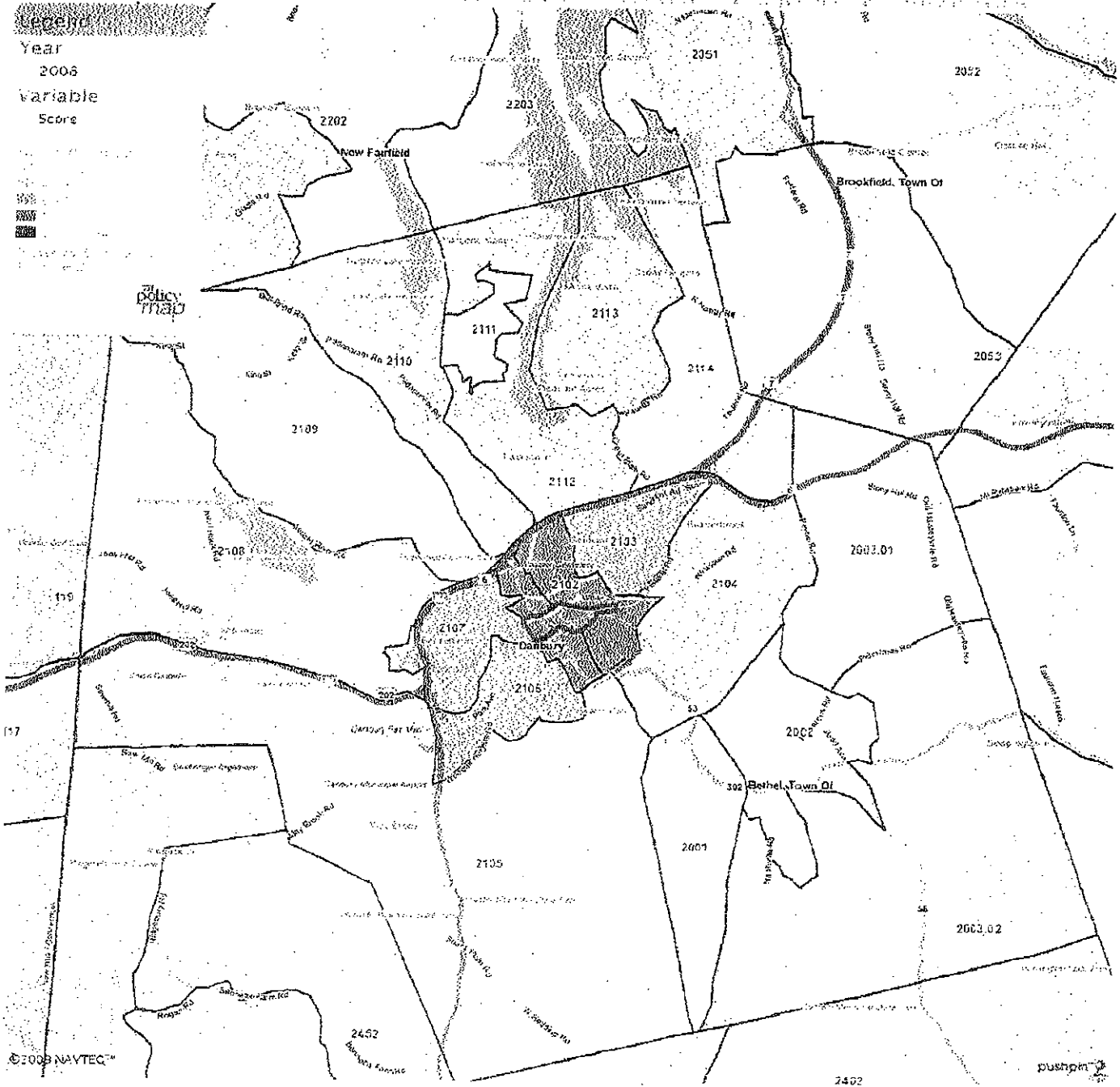
Predicted 18-month underlying problem foreclosure rate, according to HUD, as of 2008.

Legend
Year
2008
Variable
Rt





Map 1 A Estimated foreclosure/abandonment risk score, according to HUD, as of 2008.
Estimated foreclosure/abandonment risk score, according to HUD, as of 2008.



A review of the data for Danbury (see Table 1) reveals that two Central City census tracts had the highest Foreclosure and Abandonment Risk Scores. Census tracts 2101 and 2102 both were assigned risk scores of 8 out of a possible 10. Census tract 2109 had the lowest risk score of 1, followed by Census Tract 2108 with a risk score of 2. Census tract 2107 also was assigned a higher than normal risk score of 7. Other tracts with risk scores of concern were 2106 and 2103 with scores of 6. All other tracts were assigned risk scores of 5 or below.

HUD's estimated foreclosure rates also point to tracts 2101 and 2102 as being our areas of greatest need with foreclosure rates of 5.4% and 6.9% respectively. Census tract 2107 again ranked third worst of Danbury's tracts with a foreclosure rate of 5.2%. Danbury's lowest foreclosure rates were found in tracts 2108 (1.6%), 2109 (1.8%) and 2114 (1.9%). Other tracts with levels high enough to be of concern were 2106 (4.4%) and 2103 (4.5%).

USPS vacancy rate data shows that tract 2101 has the highest vacancy rate of 3.0%, followed by tracts 2103 (2.8%) and 2102 (2.2%). Tract 2107 ranks fourth with a rate of 2.1%. All other tracts had vacancy rates less than 2%, with tracts 2105, 2109, 2110 and 2114 all with rates less than 1%. This indicator again points to Central City areas being those in greatest need. Census tract 2102 again ranked highest for another key indicator of risk: the rate of high cost loans. The rate for this tract was 45.4%, signaling a potentially high risk of foreclosure and high need for program assistance. Ranking second highest was tract 2101 with a rate of 35.8%. Census tract 2107 ranked third with a rate of 34.3%. Among the tracts with low high cost loan rates were 2108 (10.8%), 2109 (11.8%) and 2114 (13.0%). This indicator also points to the Central City area consisting of tract 2101, 2102 and 2107 as Danbury's area of greatest need in terms of NSP program funding.

HUD data was available at the Block Group level for two other key indicators of need: the number and the percentage of persons at or below 120% of the median income. While a large portion of the City would qualify as Middle-Low-Moderate Eligible areas based on the 120% standard according to HUD data, there is significant correlation of high percentages of persons meeting the 120% standard in those census tracts that are also deemed to have the highest foreclosure risk scores. Census Tract 2101 (with a foreclosure risk score of 8) consists of three census block groups with percentages ranging from 84.2% to 94.6% within the 120% AMI standard. Census tract 2102 (the other tract with a risk score of 8) has one block group with a slightly lower AMI % of 70.2, but the other two block groups in the tract have percentages of 89.2 and 90.4 respectively. Tract 2107 (with a rating score of 7) also has block groups with high AMI percentages, ranging from 75.5% to 95.4%. This reflects the data on low-moderate income concentrations found in the City of Danbury's Consolidated Plan, which is hereby incorporated by reference. The data also reflects a correlation between the percentage of middle-low-moderate income persons within block groups and the rate of the foreclosure and risk score in the census tract. For example, two of the block groups

in the census tract with the lowest risk score (2109) have 120% AMI percentages below fifty percent. Three of the five block groups in tract 2108 (risk score of 2) have 120% AMI percentages below fifty percent.

Taking all HUD provided data into account; the greatest area of need identified consists of the central Danbury area comprised of the contiguous census tracts 2101 and 2102. On balance, census tract 2102 would rate slightly higher in need due to the higher percent of foreclosure starts (6.9% vs. 5.4%). Ranking only slightly below in terms of need would be the area composed of census tract 2107 which borders tract 2101. This tract had a rating score of 7 and a foreclosure rate of 5.2%, both only slightly below that of the highest two tracts. Taken as a whole, these tracts compose much of what was formerly the old "City of Danbury" prior to its merger with the "Town of Danbury" in the 1960's.

Areas of the City deemed to be of moderate need would be census tracts 2106 and 2103, which both rated risk scores of 6 and had nearly equal foreclosure rates (4.4% and 4.5%). Both have high concentrations of low-moderate income persons and are characterized by pockets of substandard housing.

Areas of the City deemed to be of lower need would be census tracts 2104, 2105, 2108, 2109, 2110, 2112, 2113 and 2114 (2111 largely consists of the Federal prison). All of these areas had risk scores of 5 or below and foreclosure rates of 3.6% or below. Many block groups within these tracts had lower percentages of low-moderate income persons which seemed to correspond with them having more neighborhoods of a suburban rather than Central City character.

A review of foreclosure activity reflected on the Danbury land records appears to support the validity of the HUD data and risk projections used to identify areas of higher need. A review of data for the prior year period supports the conclusion of high foreclosure activity in the Central City area. While the sample is not large enough to be conclusive, it does support the HUD data as well as anecdotal information on pre-foreclosure and default trends provided to the Danbury Housing Partnership by real estate and lending professionals active in the Danbury housing market. The Partnership was told that a wave of additional foreclosures will be working through the system in the coming year as reflected by pre-foreclosure activity and requests for market appraisals by banks on properties in arrears. City code enforcement officials also report an increase in dealing with code problems at properties that have been foreclosed or apparently abandoned. The City's Unified Neighborhood Inspection Team reports that there were more than 25 such actions during the past year involving properties located in the area comprised of census tracts 2101, 2102 and 2107. Data from the City's Consolidated Plan also supports the rankings of census tracts indicated by the HUD risk projections. Census tracts 2101, 2102 and 2107 are the three tracts with the highest concentrations of low-moderate income persons in Danbury.

City Ranking of Areas of Greatest Need
Ranked by Census Tract

Highest Need

1. Census Tract 2102
2. Census Tract 2101
3. Census Tract 2107
4. Census Tract 2106

Moderate Need

1. Census Tract 2104
2. Census Tract 2103

Lowest Need

1. Census Tract 2112
2. Census Tract 2113
3. Census Tract 2110
4. Census Tract 2105
5. Census Tract 2114
6. Census Tract 2108
7. Census Tract 2109

B. DISTRIBUTION AND USES OF FUNDS

The following section provides descriptions of 1) the four proposed target areas, and the 2) the proposed budget for use of NSP funds.

1) Target Areas. As was outlined in Section A, the City of Danbury has identified 4 census tracts (2101, 2102, 2106 and 2107) that based upon available data provided by HUD and other sources, have been most impacted by home foreclosures, and have a propensity to significantly increase in the number of foreclosures. While there are other census tracts that the City has categorized as having moderate needs, these four census tracts appear to have the greatest need when data relating to HUD's three criteria, defined in Section 2301 (c)(2) of HERA, are objectively considered.

The four (4) census tracts are located in Danbury's Urban Core District that includes the central business district and surrounding older neighborhoods of the City. The Core contains a diverse mix of different racial and ethnic groups, housing types, and densities. Retail stores and offices, and business and professional services of great variety are found within the downtown and along adjacent streets.

Two neighborhood centers are located at E. Liberty Street and Town Hill Avenue and at Division and W. Wooster Streets. Major public and institutional uses are also found within the Core, including the downtown campus of Western Connecticut State University, the Superior Court House, City Hall, the Danbury Public Library, and the Danbury Train Station.

The downtown serves as the financial, governmental, and transportation center of the Region. Much of the central business district falls within the Main Street Historic District, and includes many distinctive buildings listed on the National Register of Historic Places. Principle roads serving the area include Main Street, South Street, West Street-Lake Avenue, and White Street.

Nearly one-half of all housing units in the Center City were built prior to 1940, of which over ninety percent are occupied. According to the 1990 Census, two-thirds of all householders rent their dwellings, accounting for nearly half of the City's entire rental market. Although most dwelling units within the Center City are in good condition, there are several pockets that exhibit one or more characteristics of urban blight.

In addition to multi-family dwellings, many single-family homes can also be found, typically on small lots. In some instances, especially attractive single-family neighborhoods fall within multifamily zoning districts.

In 1990, Center City had a population of 16,815, fully one-quarter of Danbury's entire population. Forty-one percent of Danbury's total Asian population, 40% of its

black population, and more than half of its Hispanic population reside within Center City. While the white population remains as the major racial group, it has declined as a proportion of the total population as blacks and Asians have increased. Nearly 16% of the Core's residents described themselves as of Hispanic origin. Of non-Hispanics, the Census reports that 68% were white, 10% were African- American, and 6% were Asian or Pacific Islander, notably Indian, Cambodian, and Chinese.

The Center City median family income in 1990 was \$40,197, significantly less than the City wide income of \$51,144. In the two Census tracts 2101 and 2102 that makes up the bulk of the Core, 12.7% of all families were living below the poverty level, two-thirds with single female heads of households.

The NSP Program is a potential source of permanent rental housing for an eligible veteran, with the potential to provide badly-needed accessible housing for a disabled veteran in Danbury's Center City. Significant progress has already been made in implementing Housing For Heroes, including substantial investments in the proposed NSP Action Plan area. This includes major commitments by the City and the US Department of Veterans Affairs to provide transitional beds for veterans at the City shelter at 41 New Street (tract 2101) as well as a \$600k collaborative project to produce a mix of supportive transitional housing and permanent housing for veterans at 18 New Street (tract 2107).

This project involves the combined financial contributions of the US Department of Veterans Affairs, the City of Danbury, the Housing Authority of the City of Danbury and the Non-Profit Development Corporation of Danbury. HACD is a valued member of the Veterans Workgroup whose contributions have also involved the creation of a project-based voucher program and adoption of a priority preference for veterans in applications for HACD housing assistance. The City expects to partner with the Housing Authority of the City of Danbury. The City will leverage the \$867,350 NSP funds with HACD in replacement housing funds in the amount of \$500,000 representing a total amount of \$1.3 million in NSP funds. This unique partnership furthers the City of Danbury and HACD's mutual strategic goal of increasing the number of deed restricted affordable units in the City and providing workforce, veterans and senior housing as follows:

The four (4) census tracts provide a wide geographic area for use of NSP funds. The City expects to partner with the Housing Authority of the City of Danbury. The City will leverage the \$867,350 NSP funds with HACD in replacement housing funds in the amount of \$500,000. The combined resources of \$1,367,350 million will facilitate the addition of (10) deed restricted, affordable , rental units.

This unique partnership furthers the City of Danbury and HACD's mutual strategic goal of increasing the City of Danbury's expanding opportunities for workforce, veterans and senior housing as follows:

Number of Units	Targeted Area (s)	Income Level
Work Force Housing		
3	Center City	Less than 50% of AMI
2	Center City	120% of AMI
Veterans Housing		
1	Center City	Less than 50% of AMI
1	Center City	120 % of AMI
Senior Housing		
2	Center City	120% of AMI
Non-Elderly Disabled		
1	Center City	Less than 50% of AMI

2) Proposed NSP Budget. All NSP funds will be used to benefit low-, moderate, and middle-income (LMMI) households in obtaining affordable rental housing within the target areas. In addition, a minimum of 30 percent of NSP funds will be used for permanent housing activities that benefit households at or below 50 percent of area median income. Based on the total amount awarded to the City of Danbury, allocations for the two area median income groups defined in HERA and for City's grant administration will be as follows:

- Minimum of 30% of funds must benefit households at 0-50% AMI \$ 260,000
- 70% of funds will benefit households 0-120% MHI \$ 607,350
- Proposed 5% administrative set aside for the City and HACD: \$43,600
- Total NSP Award \$867,350

The 30 percent of NSP funds that must benefit households with incomes at or below 50 percent of median income may be used for activities that provide permanent housing for homeless and special needs populations, for rental housing. The Housing Authority of the City of Danbury has proposed using a significant amount of replacement housing funds for this NSP initiative. The City expects HACD to collaborate with homeless/special needs providers to apply for and/or collaborate on projects that will use City NSP funds to help meet the needs of and integrate these populations within the four (4) target Census Tracts .

Aside from these two broad income categories that must be monitored by the City with respect to NSP funding, the proposed uses of the funds are shown in Section H. The percentage of funds allocated in this table for various activities is generally based upon the average cost to purchase a single-family housing unit in Danbury. This average cost takes into account variations in home values within the neighborhoods and Census Tracts described in the Table 1 that have been most affected by the foreclosure crisis.

Coordination of NSP Action Plan with other City Plans and Initiative

Ten-Year Plan To End Homelessness

Danbury's plan was adopted by the Common Council in March of 2006 and seeks to end chronic homelessness through a coordinated, community-wide effort to implement a variety of housing and social service initiatives. Oversight of implementation of the plan is the responsibility of the Danbury Housing Partnership, which is also charged with encouraging the creation of affordable housing opportunities for families, individuals, veterans, seniors and workers. Implementation of the NSP Action Plan in Danbury would add to existing efforts underway to address the following affordable housing goals in the Ten-Year Plan:

- Production of 435 supportive or affordable housing units over ten years.
- Production of affordable housing for veterans
- Production of affordable housing for seniors.

Mayor's Housing For Heroes Initiative

Danbury Mayor Mark Boughton's Veterans Housing Workgroup developed a plan to address the housing needs of veterans in a comprehensive manner. The three phased plan seeks to produce a continuum of housing to meet the needs of our community's veterans ranging from emergency and transitional housing to permanent rental and home-ownership housing. The NSP Program is a potential source of permanent rental housing for an eligible veteran, with the potential to provide badly-needed accessible housing for a disabled veteran. Significant progress has already been made in implementing Housing For Heroes, including substantial investments in the proposed NSP Action Plan area. This includes major commitments by the City and the US Department of Veterans Affairs to provide transitional beds for veterans at the City shelter at 41 New Street (tract 2101) as well as a \$600k collaborative project to produce a mix of supportive transitional housing and permanent housing for veterans at 18 New Street (tract 2107). This project involves the combined financial contributions of the US Department of Veterans Affairs, the City of Danbury, the Housing Authority of the City of Danbury and the Non-Profit Development Corporation of Danbury. HACD is a valued member of the Veterans Workgroup whose contributions have also involved the creation of a project-based voucher program and adoption of a priority preference for veterans in applications for HACD housing assistance.

City of Danbury Consolidated Plan

The proposed NSP Action Plan will support many of the priorities identified in the City's Consolidated Plan for 2008-2012 adopted by the City in accordance with HUD requirements as a CDBG entitlement city. The activities proposed under the NSP Program will also be mutually supportive of significant City investments in the proposed program area outlined in the City's Annual Action Plan for Program Year 34.

The NSP Action Plan is consistent with priorities and recommended actions contained in the Consolidated Plan, including, but not limited to, the need for affordable housing, comprehensive neighborhood improvement, and the need to further fair housing choice. Among the specific priorities that would be supported by the NSP Program are:

- Housing Priority A (pg 66): to provide affordable rental housing opportunities for low income renters and seniors (30% to 50% of median).
- Homeless Priority A (pg 67): support development of housing for specifically identified need groups, such as veterans.
- Community Development Priority D (pg 69): expand efforts to meet the needs of the City's physically handicapped population.
- Community Development Priority F (pg 69): enhance and expand other community development efforts particularly with regard to lead-based paint remediation and code enforcement activities.
- Affordable Housing Needs (pg 72): high need levels identified for small and large families, high need levels for senior housing.

The Program Year 34 Action Plan includes a number of projects reflecting significant investment of CDBG funding in the proposed program area, including funding to support projects undertaken by the City of Danbury, the Housing Authority of the City of Danbury, the Non-Profit Development Corporation of Danbury, Family & Children's Aid and Ability Beyond Disability. The City of Danbury is in the process of soliciting applications for Fiscal Year 35 funding and will take into consideration support of and coordination with NSP Program activities in allocating Program Year 35 funding.

City of Danbury Comprehensive Plan and Capital Improvement Plan

The City of Danbury's Comprehensive Plan was prepared by the Department of Planning and Zoning and adopted by the Planning Commission following extensive public input in 2002. The NSP Activity Plan proposed is consistent with the City's Comprehensive Plan and will help implement key City objectives involving the provision of affordable housing opportunities and the strengthening of key urban core neighborhoods. The NSP Program complements the following key issues and strategies identified for the Urban Core:

1. Enhance the vitality of the Urban Core
 - Implementation of the Downtown Danbury Redevelopment Plan
 - Support continued improvements in the North Main Street Revitalization Area

- Design and implement improvements in the South Main Street Revitalization Area
2. Promote the stabilization of neighborhoods in the Urban Core
 - Provide CDBG funding to assist in rehabilitation programs
 - Acquire abandoned residential properties for subsequent rehabilitation
 - Assist in implementation of neighborhood plans for the Elm/Beaver, Rowan Street and Blind Brook Neighborhoods
 3. Improve the visual quality of the Urban Core
 4. Implement road, infrastructure and public facility improvements in the Urban Core
 - Implement road and streetscape improvements
 - Implement sidewalk improvements
 - Undertake drainage improvements to prevent flooding
 - Develop a public park in the Blink Brook Neighborhood

The NSP Program complements the following key issues and strategies in the City Plan regarding housing:

1. Improvement of substandard housing and protecting stable neighborhoods from changes that invite deterioration.
 - Continue funding City housing rehabilitation activities
 - Continue efforts of the Housing Authority to improve the design and functioning of its housing projects
 - Maintain code enforcement
 - Maintain standards to ensure adequate light and air and the control of nuisances
3. Support actions to expand the supply of affordable housing
4. Help meet the special housing needs of the elderly, disabled and homeless

Danbury's Capital Improvement Plans have resulted in significant City investments in the proposed NSP Program area. Leading the list is the multi-million dollar investment in building the new City Police Station in the North Main Street area located in census tract 2101. This has not only resulted in the removal of dilapidated structures formerly located on this site, but will make a great contribution to the appearance, function and safety of the entire neighboring area once the station is occupied in the Spring of 2009. North Main Street was also the site of extensive public and private investments in road, sidewalk, streetscape, landscaping and traffic control improvements as part of the North Main Street Revitalization Program. The City continues to encourage improvements in this area while also planning and implementing additional public improvements in the Downtown Center and South Main Street Revitalization areas. In addition to road, sidewalk and streetscape improvements, a new parking garage was built just off of Main Street on Library Place. Further improvements involving significant investment on the part of the City are planned. The City has also utilized the City capital budget, operating budget and CDBG programs to make significant improvements in road drainage,

paving, sidewalks, lighting and accessibility upgrades throughout the proposed NSP area.

Housatonic Valley Council of Elected Officials (HVCEO) Greater Danbury Housing Market Assessment

HVCEO is the regional planning agency for the ten-town region that includes Danbury as its urban core. HVCEO has just completed a comprehensive assessment of housing market conditions and housing needs in the region. The HVCEO assessment documents that the need for affordable housing in all categories currently far outstrips the existing inventory and current resources. Among the categories of need in the assessment that would potentially be at least partially addressed by the NSP funding are:

- Need for affordable housing for current residents
- Need for affordable housing for the area workforce
- Need for senior housing
- Need for special needs housing, including housing for disabled persons
- Need for housing for people who are homeless

The application for NSP Program funding and coordination with existing sources like CDBG funding and HACD's Housing Replacement Funds is consistent with the study's recommendations for action on the part of local governments to fund affordable housing.

Relationship of Action Plan to Danbury's Analysis of Impediments (AI) to Fair Housing

The NSP Action Plan has been developed following consultation with the City of Danbury's Analysis of Impediments (AI) To Fair Housing Choice with the aim of addressing impediments identified in the City's AI and furthering fair housing goals set forth therein. As a CDBG entitlement community, the City's AI was developed in accordance with HUD requirements and was last amended in 2008. Proposed NSP activities and program areas have been chosen to best match the requirements of NSP with the goals of furthering fair housing. Danbury's NSP Action Plan will help address the following impediments to fair housing choice identified in the City's AI:

- Identified Impediments in the AI outside of Danbury's control:
 - Impediment 1: High housing costs due to private and financial forces.
 - Impediment 2: Lack of adequate State and Federal Funding for Affordable Housing.
- Identified Impediments in the AI within Danbury's control (to varying degrees):
 - Impediment 3: Unsafe conditions and substandard housing.
 - Impediment 4: Older neighborhoods in need of improvements.
 - Impediment 5: Minority and low income concentrations in central city.
 - Impediment 6: Lack of senior housing.

- Impediment 7: Affirmative marketing of rental housing insuring equal housing access.
- Impediment 8: Barriers affecting special needs groups
- Impediment 9: Barriers affecting the availability of accessible housing.
- Impediment 10: Affordable housing availability for families with children.
- Impediment 11: Barriers affecting City's Limited-English-Proficiency population

The NSP Program funding will enable Danbury to help provide a number of families and individuals with affordable housing in the midst of a high housing cost region. The need for affordable housing documented in the City's Consolidated Plan far outstrips the available State, Federal and Local resources. This program helps address that disparity by providing Federal funds through the State to provide affordable housing for at least some of residents.

The program design will also help the City of Danbury augment its efforts to address unsafe living conditions and substandard housing. The housing units to be provided under this program will be brought up to safe and sanitary conditions consistent with all applicable codes and will be made safe from environmental hazards such as lead paint. The program will also add to the significant effort being made by the City through code enforcement, the efforts of its Neighborhood Improvement Unit and its community development program to address the health and condition of older neighborhoods in a holistic manner. NSP funding will help stabilize and upgrade Danbury's central city area which is a major source of rental housing for its residents and workers. The program will not only provide affordable housing for the tenants thereof, but will help save neighboring housing that would otherwise begin to deteriorate due to the cancerous effects of nearby foreclosed and abandoned properties. This is particularly true of the chosen program area which contains a large number of rental dwellings and smaller condominium developments which are at risk of being lost due to the effects of foreclosure. Affirmative marketing efforts to be undertaken in connection with the NSP Program will ensure that all persons will have the opportunity to take advantage of the housing opportunities created.

The provision of a mix of lower income and middle income housing opportunities will also help address income and ethnic concentration issues in the central City area. The decision to utilize the 120% AMI option for additional units to be provided above the 50% AMI required percentage was based in part on consultation with the AI and the desire to attract a diverse income population to the chosen neighborhoods. The provision of accessible housing units will also help provide needed housing opportunities for special needs groups such as disabled persons, senior citizens or veterans.

The degree to which some other specific impediments are addressed will, of course, depend on the mix of applicants that apply and are selected. The intent of the program design is to provide a mix of housing opportunities for a variety of populations identified to be in need of assistance in the AI and Consolidated Plan. We hope that this involve a mix of units for families, seniors, individuals, disabled residents and veterans.