August 18, 2016

Mr. Matthew Reutter
Grants Coordinator
Office of Congressman Joe Courtney (CT-02)
77 Hazard Avenue, Unit J
Enfield, CT 06082

Dear Mr. Reutter:

HUD is responding to the August 17, 2016 inquiry regarding the availability of HUD resources to assist a great number of homeowners affected by crumbling foundations in North East Connecticut. The HUD funded Small Cities CDBG Program may be used to repair an individual resident’s foundation; however, there are several limitations and requirements on these funds. The HOME program may also be used to repair an individual’s foundation; but, this program has even more stringent terms.

HUD grant funds are awarded to the State of Connecticut and administered by the Department of Housing (DOH), generally, for the benefit of smaller communities throughout the state. The State of Connecticut, through a consolidated planning process, determines the priorities and criteria for the use of these HUD funds. In order to use CDBG or HOME funds to address this foundation issue, a local Municipality would need to operate a housing rehabilitation program. Currently, DOH does not make HOME funds available for housing rehabilitation programs, in its consolidated plan. Also, HOME funds can only assist low- and moderate-income households, and HOME funded rehabilitation cannot only address specific building systems.

The DOH administered Small Cities program does make awards to local Municipalities for housing rehabilitation programs. Municipalities apply for these funds through an annual competition. DOH typically receives applications each Spring. In order for individual residents to receive CDBG Small Cities funding, the appropriate Municipalities would have to apply to DOH for funds to operate a housing rehabilitation program, targeted at repairing these deficient foundations. Small Cities housing rehabilitation funds may only assist low- and moderate-income households, address an Urgent Need, or address conditions of Slum and Blight. HUD funded housing rehabilitation programs almost always assist low- and moderate-income households. The “Urgent Need” qualifying path, might be used to assist higher income households. The Urgent Need requirements are detailed at 24 CFR 570.483(d).

If you have any questions, please contact Alanna C. Kabel at (860)240-9770, or by email at Alanna.C.Kabel@hud.gov.

Sincerely,

Kristine Foye
Deputy Regional Administrator