

CITY OF NEW BRITAIN



The Honorable
Erin E. Stewart
Mayor

June 6, 2014

The Honorable Mark H. Bernacki
Town and City Clerk
27 West Main Street
New Britain, CT 06051

Dear Mr. Clerk:

The City of New Britain is home to myriad non-profit organizations that provide critical services and worthwhile programming to our residents. Years of economic stagnation at the national, state and municipal levels have taken a severe toll on these groups, increasing the intensity of competition among them for government funding, including those dollars received by the City from the Department of Housing and Urban Development (HUD) via Community Development Block Grants (CDBG), Emergency Solutions Grants (ESG), and HOME funds.

The annual requests for funding always far exceed the dollars available for allocation, leaving the Commission on Community and Neighborhood Development (CCND) with the oftentimes arduous task of carefully scrutinizing each application, listening to testimony, and making recommendations on which organizations should be funded, and those that should not. Those recommendations are then transmitted to the Common Council for action. Last week, the Council authorized \$1,501,180 in CDBG, \$489,829 in HOME funds, and \$129,876 in ESG (attached).

I do have reservations about the manner in which organizations are ultimately selected, particularly for CDBG funds. The purpose of the CDBG is either to help nascent service providers get off the ground, or to help existing ones expand the level of services they offer. The reality in New Britain is that we have continued to fund the same groups, year after year, without asking if what we are funding comports with these core tenets of CDBG. The truly sad

result is that by doing so they have become dependent upon these dollars so that their continued existence is threatened without them. It creates a Catch-22 scenario for both CCND and the Council. But this is not the primary reason I write today.

On May 20, 2014, the City received a letter from the Director of Community Planning and Development for HUD in Connecticut, Gary Reisine, who stated the following:

For most cities receiving CDBG entitlement grants, there is an annual limit of 15% that can be spent on public services. This percentage limitation is applied against the most recent formula grant amount, plus the amount of program income received in the prior year. New Britain chose in 1984 to take advantage of a one-time exception that allowed cities that exceeded 15% in either 1982 or 1983 to continue to spend either the dollar amount or the percentage that was spent in one of those two years. New Britain spent \$445,432 in one of those years, and claimed the exception in 1984. The statute and regulations have allowed New Britain and similarly situated cities to continue to use that exception ever since.

Mr. Reisine went on to state that the 1984 exception was intended to help these cities transition to the 15% cap gradually. Simply put, New Britain has not done that. In recent years, the Council has continued to allocate funds according to the \$445,432 ceiling and made no appreciable effort to bring us closer to conformance with the 15% limit. This caught the attention of HUD back in 2008, prompting several communications with the two prior administrations, imploring them to begin bringing the City toward conformance. Until this year, there has been no substantial effort to do so, and our future receipt of CDBG funds has now been placed into jeopardy.

In 2013, under the previous administration, the Common Council awarded the full \$445,732, constituting 28% (13 points above the cap). This year, I had several conversations with Council leadership and the CCND about the need to bring us toward compliance. The recommendations CCND made to the Council would have brought us to 21% - a substantial step. The Council then added back \$52,000, bringing us up to 25%, as indicated in the attachment. While I acknowledge that this is a slight step in the right direction, I firmly believe that we must strive to make a better effort to reduce our percentage, and a three point reduction is simply not sufficient.

My final reservation concerns the manner in which the Council awards were adopted. On May 27th, the night before the Council was to act on these allocations, both caucuses met to discuss their priorities. At a point during these meetings, the leadership of the majority caucus informed their counterparts in the minority that they did not have any intention of taking-up the CDBG, HOME, and ESG allocations until the June 11th meeting, obviating the need for further negotiation between the caucuses at that time. The minority relied on this representation and

adjourned for the evening, leaving their discussions incomplete. At the next night's Council meeting, the majority informed the minority (and myself) that they did, in fact, intend on acting upon these allocations mere moments before the meeting was called to order. At worst, this had the effect of disenfranchising six members of our Common Council. At best, it was a violation of the professional courtesy that has marked, and will continue to mark, our proceedings.

For the aforementioned reasons, and with all due respect to the Common Council of the City of New Britain, I hereby veto the 2014 Annual Plan for HUD Programs, as approved on May 28, 2014. It is my sincere hope that this will allow for adequate discussions, both within and between the caucuses, and yield a plan that takes a more substantial step toward compliance with HUD regulations.

Sincerely,

A handwritten signature in black ink that reads "Erin E. Stewart". The signature is written in a cursive, flowing style.

Erin E. Stewart
Mayor

Cc: Common Council
Gennaro Bizzarro, Corporation Counsel
Christopher Wolf, Acting Finance Director
Kenneth Malinowski, Acting Director of Municipal Development

Consolidated Plan for HUD Programs 2014 Annual Plan

As Amended, Approved May 28, 2014

Community Development Block Grant Program

No.	Applicant	Project Title	Allocation
2	Dept. of Public Works	Curb Ramp Construction	\$ 75,000
5	City	Clean & Lien	\$ 27,944
6	City	Spot Demolition	\$ 175,000
7	City	Property Rehabilitation Program	\$ 265,000
8	Rebuilding Together New Britain	Rebuilding Together	\$ 70,000
11	City	Business Assistance Program	\$ 212,000
12	East Side NRZ	East Side NRZ	\$ 5,000
		General Management & Administration	\$ 300,236
PS-1	NB Health Department	Senior/Disabled Outreach Program	\$ 14,000
PS-3	NB Senior Center	Community Support Worker	\$ 10,500
PS-4	RSVP	Senior Volunteer Services	\$ 8,000
PS-5	CW Resources	Homeowner Property Maintenance	\$ 9,000
PS-6	HRA	Las Perlas Hispanas Senior Center	\$ 10,000
PS-8	Citizens for Quality Sickle Cell Care	Sensitize and Empower	\$ 9,000
PS-9	NB Health Dept.	Healthy Connections Program	\$ 9,000
PS-11	Boys & Girls Club	Project VIP	\$ 9,000
PS-12	Boys & Girls Club	Educational & Cultural Enhancement	\$ 19,000
PS-13	Boys & Girls Club	Camp Schade	\$ 24,000
PS-14	Parks & Recreation Dept.	Every Kid Counts After-School Program	\$ 29,000
PS-15	Gr. NB Teen Pregnancy Prevention	Education and Career Component	\$ 10,000
PS-16	YWCA	STRIVE	\$ 7,000
PS-17	PAL	Football & Cheerleading	\$ 17,000
PS-18	PAL	Summer Youth Program	\$ 16,000
PS-19	Warm the Children	Warm the Children	\$ 17,000
PS-20	Consolidated School District	Mentoring for Success	\$ 8,000
PS-21	New Britain Football & Cheerleading	Youth Football & Cheerleading Program	\$ 17,000
PS-22	Alton Brooks Youth Basketball League	Alton Brooks Outreach Program	\$ 6,000
PS-27	Prudence Crandall Center	New Britain Intervention Program	\$ 5,000
PS-28	OIC	OIC Advocacy Program	\$ 10,000
PS-29	Capital Workforce Partners	Youth Employment Engagement Specialist	\$ 8,500
PS-30	YWCA	Sexual Assault Crisis Service	\$ 9,000
PS-31	Human Rights & Opportunities	Fair Housing & Equal Opportunity	\$ 8,000
PS-32	HRA	Food and Resource Center	\$ 12,000
PS-34	Literacy Volunteers	Community Literacy Tutoring	\$ 15,000
PS-35	HRA	Polish Outreach	\$ 15,000
PS-36	Spanish Speaking Center	General Case Management & Nutrition	\$ 15,000
PS-38	Friendship Service Center	Overflow Shelter	\$ 20,000
PS-39	YMCA Southington	Special Needs Recreation	\$ 5,000
		CDBG Total	\$ 1,501,180

HOME Program

HOME-1	City	HOME Property Rehabilitation Program	\$ 100,000
HOME-2	City	Homeownership Program	\$ 100,000
HOME-3	HRA	Supportive Housing for People with AIDS	\$ 50,000
HOME-5	City	New Construction	\$ 124,122
		Community Housing Development Organizations (CHDO) Reserve - 15% of Total	\$ 74,825
		HOME Administration	\$ 49,882
		HOME Total	\$ 498,829

ESG Program

ESG-1	Friendship Service Center	Emergency Shelter and Soup Kitchen	\$ 41,225
ESG-2	Prudence Crandall Center	Emergency Shelter	\$ 20,000
ESG-3	TBD	New Britain ESG Rapid Re-Housing Program	\$ 42,911
PS-38	Friendship Service Center	Overflow Shelter	\$ 16,000
		Administrative Costs	\$ 9,740
		ESG Total	\$ 129,876

2014 CDBG Proposals Public Facilities & Housing

No.	Applicant	Project Title	2013 Prior Award	2014 Request	CCND Award	Common Council Award
1	NB Parks & Recreation Dept.	Beehive Stadium Renovations		\$ 400,000		
2	NB Public Works Dept.	Curb Ramp Construction	\$ 72,000	\$ 200,000	\$ 75,000	\$ 75,000
3	Armenian Church of Holy Resurrection	Community Hall & Kitchen Renovations		\$ 30,000		
4	New Beginnings Ministry	Warehouse Renovations		\$ 32,950		
5	City	Clean & Lien Program	\$ 18,000	\$ 30,000	\$ 27,944	\$ 27,944
6	City	Spot Demolition	\$ 10,000	\$ 175,000	\$ 175,000	\$ 175,000
7	City	Property Rehabilitation Program		\$ 375,000	\$ 265,000	\$ 265,000
8	Rebuilding Together New Britain	Rebuilding Together	\$ 60,000	\$ 70,000	\$ 70,000	\$ 70,000
9	Habitat for Humanity	Housing and Neighborhood Improvement Program	\$ 50,000	\$ 150,000		
10	CCARC	169 Rhodes Street Rehabilitation		\$ 70,000		
11	City	Business Assistance		\$ 200,000	\$ 264,000	\$ 212,000
12	East Side NRZ	East Side NRZ	\$ 8,000	\$ 5,000	\$ 5,000	\$ 5,000
13	City	NRZ Capacity Building		\$ 125,000		
		General Management & Administration	\$ 319,738	\$ 300,236	\$ 300,236	\$ 300,236
		Contingency	\$ 90,221			
		Subtotal Public Facilities & Housing		\$ 2,388,186	\$ 1,182,180	\$ 1,130,180
		Subtotal Public Services - from Page 2		\$ 914,738	\$ 319,000	\$ 371,000
		Total CDBG		\$ 3,302,924	\$ 1,501,180	\$ 1,501,180
		CDBG Grant Amount		\$ 1,501,180	\$ 1,501,180	\$ 1,501,180

2014 CDBG Proposals Public Services

No.	Applicant	Project Title	2013 Prior Award	2014 Request	CCND Award	Common Council Award
PS-1	NB Health Dept.	Senior/Disabled Outreach Program	\$ 14,000	\$ 18,500	\$ 14,000	\$ 14,000
PS-2	Catholic Charities	Elderly Outreach Counseling Program	\$ 9,000	\$ 39,020		
PS-3	NB Senior Center	Community Support Worker	\$ 10,652	\$ 10,800	\$ 10,500	\$ 10,500
PS-4	RSVP	Senior Volunteer Services	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
PS-5	CW Resources	Homeowner Property Maintenance	\$ 9,000	\$ 20,000	\$ 9,000	\$ 9,000
PS-6	HRA	Las Perlas Hispanas Senior Center	\$ 10,000	\$ 10,000		
PS-7	HRA	Wellness Resource Center	\$ 9,000	\$ 12,000		
PS-8	Citizens for Quality Sickle Cell Care	Sensitive and Empower	\$ 11,000	\$ 15,000	\$ 9,000	\$ 9,000
PS-9	NB Health Dept.	Healthy Connections Program	\$ 9,000	\$ 10,000	\$ 9,000	\$ 9,000
PS-10	Community Health Services	Dental Services		\$ 15,000		
PS-11	Boys & Girls Club	Project VIP	\$ 9,000	\$ 15,000		
PS-12	Boys & Girls Club	Educational & Cultural Enhancement	\$ 19,000	\$ 25,000	\$ 19,000	\$ 19,000
PS-13	Boys & Girls Club	Camp Schade	\$ 24,000	\$ 30,000	\$ 24,000	\$ 24,000
PS-14	NB Parks & Recreation Dept.	Every Kid Counts After-School Program	\$ 29,000	\$ 58,000	\$ 29,000	\$ 29,000
PS-15	Gr. NB Teen Pregnancy Prevention	Education and Careers Component	\$ 19,000	\$ 25,000	\$ 10,000	\$ 10,000
PS-16	YWCA	STRIVE	\$ 7,000	\$ 8,000	\$ 7,000	\$ 7,000
PS-17	PAL	Football & Cheerleading	\$ 17,000	\$ 26,212	\$ 17,000	\$ 17,000
PS-18	PAL	Summer Youth Program	\$ 16,100	\$ 22,908	\$ 16,000	\$ 16,000
PS-19	Warm the Children	Warm the Children	\$ 14,000	\$ 25,000	\$ 12,000	\$ 12,000
PS-20	Consolidated School District	Mentoring for Success	\$ 8,440	\$ 9,000	\$ 8,000	\$ 8,000
PS-21	New Britain Football & Cheer, Inc.	Youth Football & Cheerleading Program	\$ 19,000	\$ 24,100	\$ 17,000	\$ 17,000
PS-22	Alton F. Brooks Outreach Program	Alton F. Brooks Mentoring/Basketball Acad.	\$ 22,000	\$ 20,000	\$ 6,000	\$ 6,000
PS-23	NB Community Services Dept.	Saturdays for Special Kids		\$ 10,000		
PS-24	Nutmeg Big Brothers/Big Sisters	Community Based Mentoring Program		\$ 7,000		
PS-25	YMCA	YMCA Activity Bus Purchase		\$ 50,000		
PS-26	New Britain Youth Museum	Student Transportation Vehicle		\$ 42,000		
PS-27	Prudence Crandall Center	New Britain Intervention Program	\$ 5,000	\$ 10,000		\$ 5,000
PS-28	OIC	OIC Advocacy Program	\$ 10,000	\$ 10,000		\$ 10,000
PS-29	Capital Workforce Partners	Summer Youth Employment and Learning	\$ 8,500	\$ 36,453	\$ 8,500	\$ 8,500
PS-30	YWCA	Sexual Assault Crisis Service	\$ 9,000	\$ 13,000	\$ 9,000	\$ 9,000
PS-31	Human Rights & Opportunities	Fair Housing & Equal Opportunity	\$ 4,000	\$ 20,000	\$ 8,000	\$ 8,000
PS-32	HRA	Food and Resource Center		\$ 12,100		
PS-33	Urban Oaks Organic Farm	Affordable, Accessible Healthy Foods	\$ 9,000	\$ 72,577		\$ 12,000
PS-34	Literacy Volunteers	Community Literacy Tutoring	\$ 15,000	\$ 26,000	\$ 10,000	\$ 15,000
PS-35	HRA	Polish Outreach	\$ 19,000	\$ 15,000		\$ 15,000
PS-36	Spanish Speaking Center	Case Mgmt., Nutrition & Self Sufficiency	\$ 39,000	\$ 60,300	\$ 25,000	\$ 15,000
PS-37	Coram Deo, Inc.	Client Care Program	\$ 5,000	\$ 10,000		
PS-38	Friendship Service Center	Overflow Shelter	\$ 36,000	\$ 66,728		
PS-39	YMCA Camp Sloper - Southington	Special Needs Recreation	\$ 5,040	\$ 5,040	\$ 5,000	\$ 5,000
	Maximum Allowed: \$445,732	Subtotal Public Services	\$ 914,738	\$ 319,000	\$ 371,000	\$ 371,000

2014

ESG Proposals

No.	Applicant	Project Title	2013 Prior Award	2014 Request	CCND Award	Common Council Award
ESG-1	Friendship Service Center	Emergency Shelter and Soup Kitchen	\$ 35,071	\$ 41,225	\$ 41,225	\$ 41,225
ESG-2	Prudence Crandall Center	Emergency Shelter	\$ 15,000	\$ 20,000	\$ 20,000	\$ 20,000
ESG-3	HRA	ESG Rapid Re-Housing Program	\$ 51,972	\$ 40,000		
	TBD	Rapid Re-Housing				
	Friendship Service Center	Shelter Overflow, CDBG PS-38			\$ 42,911	\$ 42,911
		Administrative Costs	\$ 8,273	\$ 9,740	\$ 16,000	\$ 16,000
		Total		\$ 110,965	\$ 129,876	\$ 129,876
		ESG Grant Amount		\$ 129,876	\$ 129,876	\$ 129,876

Maximum allowed for Shelter activities: 60% = \$77,925

2014

HOME Proposals

No.	Applicant	Project Title	2013 Prior Award	2014 Request	CCND Award	Common Council Award
HOME-1	City	HOME Property Rehabilitation Program	\$ 30,000	\$ 295,000	\$ 100,000	\$ 100,000
HOME-2	City	Homeownership Program	\$ 30,000	\$ 300,000	\$ 100,000	\$ 100,000
HOME-3	HRA	Supportive Housing for People with AIDS	\$ 67,087	\$ 76,395	\$ 50,000	\$ 50,000
HOME-4	Habitat for Humanity	Home Ownership Program	\$ 100,000	\$ 100,000		
HOME-5	City	New Construction	\$ 162,463	\$ 350,000	\$ 124,122	\$ 124,122
		Community Housing Development Org. (CHDO)				
		Reserve - 15% of Total, Required	\$ 77,911	\$ 74,825	\$ 74,825	\$ 74,825
		HOME Administration	\$ 51,940	\$ 49,882	\$ 49,882	\$ 49,882
		Total		\$ 1,246,102	\$ 498,829	\$ 498,829
		HOME Grant Amount		\$ 498,829	\$ 498,829	\$ 498,829