



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center
77 W. Jackson Blvd., Room 2401
Chicago, Illinois 60604-3507
Phone: (312) 353-6236 Fax: (312) 886-6413

OFFICE OF PUBLIC HOUSING

JUL 3 1 2014

Ms. Sharon Ebert
Executive Director
Housing Authority of the City of Bridgeport
150 Highland Avenue
Bridgeport, CT 06604-3503

Dear Ms. Ebert:

The Department has reviewed the Housing Authority of the City of Bridgeport's (HACB) application for the demolition of 15 dwelling buildings containing 136 units at Marina Village, CT001000002. The Special Applications Center (SAC) received this application on January 14, 2014 via the Public and Indian Housing Information Center (PIC), Application DDA0005107. Supplemental information was received through April 17, 2014.

Field Office and FHEO Certification

The Environmental Assessment was performed by Fuss and O'Neill and the City of Bridgeport under 24 CFR Part 58 on September 25, 2013, and was signed off on by the Hartford Program Center on June 18, 2014.

The Hartford Program Center provided a certification stating that the submission accurately describes the current physical condition of the project proposed for demolition, and that the reasons provided by the HACB to justify the proposed action are correct and factual.

Under 24 CFR § 970.7(a)(1), in order for a demolition or disposition application to be approved after November 24, 2006, the effective date of this regulation, a Public Housing Agency (PHA) must provide "A certification that the PHA has described the demolition or disposition in the PHA Annual Plan and timetable under 24 CFR Part 903, and that the description in the PHA Annual Plan is identical to the application submitted pursuant to this part and otherwise complies with Section 18 of the Act (42 U.S.C. 1437p) and this part." The proposed action is included in the agency plan submitted to the Hartford Program Center on December 7, 2013.

On April 16, 2014, the Region I Fair Housing and Equal Opportunity Center (FHEO), Program Compliance Branch, recommended the demolition approval. An advance draft of this approval letter was sent to the HACB for their comments on April 17, 2014. The HACB responded with comments on April 21, 2014. An advance draft was sent to the Hartford Program Center for their comments on April 17, 2014, and a response was received on July 3, 2014.

Description of Development

The HACB proposed the demolition of 15 dwelling buildings containing 136 dwelling units and at Marina Village, CT001000002. Details of the proposed demolition are as follows:

Marina Village, CT001000002					
DOFA: 02-28-1941					
Bedroom Size	1-BR	2-BR	3-BR	4+BR	Total
Existing Units	78	187	115	20	400
Proposed Units	14	73	45	4	136
Number of Dwelling Buildings Existing					38
Number of Dwelling Buildings Proposed					15
Number of Non-Dwelling Buildings Existing					1
Number of Non-Dwelling Buildings Proposed					0
Number of (Dwelling and Non-Dwelling) ACC Units in PHA's Total Housing Inventory for All Developments					2622
Building Numbers Per PIC: 7, 25, 26, 27, 28, 29, 32, 34, 35, 36, 37, 38, 39, 42 & 43 at 733 South Avenue Bridgeport, CT					

History of the Development

The BHA has received the following Inventory Removal approvals at the development:

PIC Application	Removal Type	Number of Units Approved	Number of Acres Approved	Date of Approval
DDA0001925	Eminent Domain	0	0.10	4-24-2006
DDA0002289	Eminent Domain	0	0.18	11-17-2006

Reasons for Action (Justification)

The HACB proposed the demolition based on 24 CFR, Part 970.15, and has stipulated that the buildings proposed for demolition are obsolete as to physical condition, location, or other factors, making them unsuitable for housing purposes, and no reasonable program of modifications is cost-effective to return the portion of the public housing project to useful life; and the partial demolition will help to ensure the viability of the remaining portion of the development.

The 136 units were built in 1941. They were damaged by Hurricanes Irene and Sandy in August 2011 and October 2012, respectively. Of the damaged units, 16 units have been vacant for over 7 years, 49 units have been vacant since Hurricanes Irene and Sandy, and 35 units have been vacant due to general habitability issues. Repairs can neither be implemented efficiently nor adequately. While there are numerous deficiencies that could be mentioned, three exemplary deficiencies which highlight the need for removal and replacement are: no flashing (a combination of metal and fabric common at the time of construction has disintegrated at all buildings), doors and entrances do not meet ADA guidelines, and, all units have 30 Amp panel boards (100 Amp minimum panel boards are required with today's building codes).

The Total Development Cost (TDC) limit for the units proposed for demolition is calculated below. The Department used the TDC applicable at the time of submission of this demolition application.

TDC per Notice PIH-2011-38; Year: 2012			
Type of Structure: Row & Walk-up			Area: N/A
Bedroom Size	Number of Unit	TDC/Unit	Total Cost
1-BR	14	195,213	2,732,982
2-BR	73	229,949	16,786,277
3-BR	45	281,205	12,654,225
4-BR	4	334,871	1,339,484
TOTAL			\$33,512,968

The HACB provided an estimate for itemized rehabilitation costs, based upon the existing conditions of the units, which is included in the table on Exhibit - B at the end of this document. SAC made some adjustments to the items and amounts included, which are also shown on Exhibit - B. The HACB estimated a total of \$32,391,755 in rehabilitation costs. After the SAC adjustments, rehabilitation is estimated to cost \$21,201,482, which is 63.26 percent of the TDC limit.

HACB had submitted a Rental Assistance Demonstration application in November 2013 for the remaining 270 units, which was wait-listed. On April 14, 2014 HACB withdrew its RAD application and received confirmation from the HUD RAD Office on April 16, 2014. HACB has decided to submit a separate demolition application to HUD for the remaining 270 units.

We concur with the HACB's determination that the buildings are obsolete as to age and the damage caused by Hurricanes Irene and Sandy; and no reasonable program of modifications is cost-effective to return this portion of the project to its useful life.

Future Use of Property

The HACB has indicated that, after demolition, it intends to use the property on which this development was located for the redevelopment of new units through mixed finance. HACB issued a Request for Proposals for a Co-Developer in August 2013 and selected two co-developers for the redevelopment of Marina Village. The replacement units will be part of several mixed-income developments planned for the South End and East Side of the City of Bridgeport.

Demolition Cost

The application states that it will cost approximately \$3,180,000 to demolish the subject buildings at Marina Village, CT001000002. The HACB plans to use FFY 2013 funds from Capital Funds, Operating funds, Community Development Block Grant funds and other funds to cover the cost of demolition.

Other Requirements

The Department reminds the HACB that pursuant to 24 CFR § 970.21(c)(2), if any of the following types of federal financial assistance is used in connection with the demolition of public housing, the project is subject to section 104(d) of the Housing and Community Development Act of 1974, 42 U.S.C. 5304(d) (as amended), including the relocation payment provisions and the anti-displacement provisions, which require that comparable replacement dwellings be provided within the community for the same number of occupants as could have been housed in the occupied and vacant, occupiable low- and moderate-income units:

- Community Development Block Grant (CDBG) program, 42 U.S.C. 5301 et seq. (including loan guarantees under section 108 of the Housing and Community Development Act of 1974, 42 U.S.C. 5308 et seq.);
- HOME program, 42 U.S.C. 12701 et seq.

Please contact the HUD Hartford Program Center for additional guidance, if applicable.

Relocation

When the application was developed and transmitted to the Department, 36 units proposed for demolition were occupied. The HACB has submitted certification regarding relocation as required by the 24 CFR § 970.21(e) (f). The HACB estimated the relocation cost for the remaining residents to be \$81,792, which includes moving expenses and counseling/advisory services. The funds for relocation are allocated under Capital Funds FY 2013 and other funds. The housing resources offered will be HACB public housing units, Tenant Protection Vouchers, Project Based Vouchers and other options for those who choose to move out of the HACB program.

Resident Consultation

1. Project(s) Specific Resident Organization(s): Marina Village Resident Association
2. PHA-wide Resident Organization: None
3. Resident Advisory Board (RAB) in accordance with 24 CFR § 903.13: Resident Council

24 CFR § 970.9(a) requires that an application for demolition be developed in consultation with the tenants of the project involved, any tenant organization at the project involved and any PHA-wide organizations that will be affected by the activity. HACB has met continuously with residents since the storms occurred to keep them informed about emergency locations for residents and the future planned demolition and disposition in order to build new state-of-the-art mixed income housing, and where feasible, mixed use developments. HACB also developed a Memorandum of Understanding (MOA) working with Connecticut Legal Services (a representative of the residents) signed by the President of the Resident Council and HACB which clearly delineates resident involvement in the redevelopment process. HACB held

meetings on August 2, 12, 14 and 22 to specifically review the demolition and disposition application and discuss the impacts on residents, and to invite any and all questions and concerns. HACB continues to meet with residents to keep them informed about the ongoing development process for the sites to be used to provide Marina Village replacement housing.

HCAB has also met regularly and continues to meet with the Marina Village Resident Association President and is invited to the weekly meetings to discuss all issues related to the redevelopment of Marina Village. A copy of this application was provided to Marina Village residents, the Resident Association and the Resident Affairs Board, in addition to being posted on the HACB website.

Mayor/Local Government Consultation

As required by 24 CFR § 970.7(a) (14), the application package includes a letter of support from the Honorable Bill Finch, Mayor of the City of Bridgeport, dated August 19, 2013.

Board Resolution

As required by 24 CFR § 970.7(a) (13), the HACB's Board of Commissioners approved the submission of the application for demolition of the proposed property on December 16, 2013, via Resolution Number 12-16-13-150. The last resident consultation was on August 22, 2013. The consultation with the local government took place on August 19, 2013.

Approval

We have reviewed the application and find it to be consistent with Section 18 of the Act, and the implementing regulations, 24 CFR Part 970, including requirements related to resident consultation and relocation. Based upon our review, and finding that the requirements of 24 CFR Part 970 and Section 18 of the Act have been met, the proposed demolition of 15 buildings containing 136 units at Marina Village, CT001000002, as described in the application and identified previously, is hereby approved.

Operating Subsidy

Please be aware that in accordance with 24 CFR § 990.114, the demolition of these units will affect HACB's operating subsidy eligibility significantly. Please contact your financial analyst at the HUD Hartford Program Center for additional guidance about this.

Housing Choice Vouchers

Application for housing choice vouchers in connection with the units approved for demolition, should be submitted to the HUD Hartford Program Center Office of Public Housing for review and approval in accordance with the procedures in HUD Notice 2014-5, or HUD's current Notice outlining the application procedures.

Capital Fund Financing Program

As of March 4, 2014, the (HACB) did not have HUD approval of a Capital Fund Financing Program (CFFP) proposal.

PIC and Monitoring


In accordance with 24 CFR § 970.35 of the regulation, your agency is required to inform the HUD Hartford Program Center of the status of the project. When the demolition has taken place, please submit a report to the HUD Hartford Program Center confirming the action and certifying compliance with all applicable requirements. Files must be maintained which are sufficient for audit purposes and must be made available upon request.

The HACB must enter the “actual” dates of demolition directly into the Inventory Removals sub-module in PIC, for the HUD Hartford Program Center approval, so that the status of the units in PIC is changed to “removed from inventory.”

It is the Hartford Program Center’s responsibility to monitor this activity based on its latest risk assessment. The Hartford Program Center must verify that the actual data is being entered by the HACB as the actions occur to ensure the Department is not over paying in operating subsidy, and the Capital Fund formula data is correct. The staff of the HUD Hartford Program Center is available to provide any technical assistance necessary for your agency to proceed with the demolition.

As the HACB start the process of implementation, I urge you to continue to maintain an open dialogue with your residents and local officials. If you have to modify your plans, the HUD Hartford Program Center stands ready to assist you.

Sincerely,


for Tamara S. Gray
Director

Cc: Hartford Program Center
Enclosure