



## **NEIGHBORHOOD REBUILDER'S FUND**

### **Slum and Blight Clearance Program for the City of Middletown, CT**

#### **POLICIES & PROCEDURES**

##### **A. INTRODUCTION**

Policies and procedures contained herein are applicable for financing the acquisition, demolition and disposal of certain public and privately owned properties in the City of Middletown, Connecticut. The program is funded through Community Development Block Grant (CDBG) funds under the provision of Title I of the Housing and Community Development Act of 1974.

##### **B. PURPOSE**

The program is designed to provide funds to aid in the elimination of specific conditions of severe blight or physical decay. The overall program goal is to maintain neighborhood and property values, offer opportunities for development of new, affordable housing for low/mod income homeowners and protect the public health, safety and welfare of the residents of the City of Middletown through the demolition/clearance and removal of blighted dilapidated or condemned structures as defined in the Middletown Code of Ordinances, section 5-18.

##### **C. APPLICANTS**

Applicants eligible to apply for funding under this program are non-profit 501(c)(3) corporations and public agencies desirous of removing blighted buildings for the purpose of provision of new affordable housing for low or moderate income homeowners, neighborhood revitalization in designated program areas, or public health and safety.

##### **D. PROGRAM**

The City of Middletown, through its Community Development Block Grant Program, will provide up to 100% of property demolition/disposal costs in the form of a grant

administered by the Community Development Program Administrator. Funding is allowed for the aforementioned purposes only, and will not be allowed to fund administrative costs. In cases of foreclosure of blighted buildings by the City, certain acquisition costs will also be funded by this program. Applications will be reviewed by the Application Review Committee (ARC) of the Citizen's Advisory Committee (CAC) and recommended to the Common Council of the City of Middletown for final approval or denial. Progress on an approved plan must start within two months. A lien will be placed on the property for the amount of the grant, said lien to be released when the project complete if the applicant has shown how the affordability to low/mod income beneficiaries will be retained. If the applicant cannot show low/mod income affordability, the lien remains until paid off by a higher income buyer in the future.

**E. ELIGIBILITY CRITERIA**

- ❖ An applicant to the program must either own the property on which the blighted structure is sited, or have an option to acquire it within 60 days of approval of the funding.
- ❖ The structure is not a historic building by Federal, State or Local designation or; if it is, the project has the prior approval for its demolition from the Middletown Design Review & Preservation Board. If Federally designated, approval will also be needed from the State Historic Preservation Office.
- ❖ The structure is considered blighted by the City Building Department.
- ❖ All taxes on the property have been paid and are considered current by the Tax Collector, or will be made current before the distribution of funds.
- ❖ The structure is located in the eligible program area.

**F. APPLICATION REQUIREMENTS**

Applicants must provide the Community Development Administrator and the ARC the following documentation:

- ❖ A project narrative to show a demonstrated need for the demolition of the structure, future plans for the site, neighborhood benefit, low/mod income benefit, a project budget/ proforma, and a statement of experience of the applicant.
- ❖ A site plan for the property after demolition of the blighted structure.

- ❖ Three quotes on the costs of demolition and disposal (including environmental testing and remediation).

#### **G. DESIGNATION OF THE PROGRAM AREA**

The areas in which the Slum and Blight Clearance Program will take place will be targeted to specific areas within the City. These are Census tracts 5416, 5411, or 5417. More favorable consideration will be given to locations in the Neighborhood Revitalization Zone. The ARC will be able to waive the target area restriction on specific projects within the City on a case by case basis where it can be shown that the project is eligible, the program goals and objectives will be met and the project meets the statutory restrictions of the HUD Entitlement Program.

#### **H. NONDISCRIMINATION**

Section 109 of the Housing and Community Development Act of 1974 requires that no one shall, on the grounds of race, color, religion, national origin, sex, and or handicapped status, be excluded from participation , be denied the benefits of, or be subjected to discrimination under any program or activity funded with Community Development funds.

#### **I. RELOCATION**

It is not the intent of the city to engage in any clearance activity that will require vacating property or relocation; however if relocation is necessary, the applicant must present a relocation plan which conforms to the Uniform Relocation Assistance and real Property Acquisition Policies Act of 1970, as amended (URA) and document sources of funding for relocation other than the Rebuilder's Fund.

#### **J. AMENDMENTS**

The City reserves the right to amend these regulations as experience may dictate. Any amendments must be approved by the ARC, CAC and the Common Council.

#### **K. APPLICATION & AWARD PROCESS**

Applications and all necessary information must be submitted to the Community Development staff. Referrals may be accepted from members of the Community or City staff in the case of blighted buildings. An analysis of the cost vs. benefit and legal issues surrounding the acceptance of a referral for a blighted building will be done by the appropriate city staff.

Applications will be reviewed for completeness and eligibility by the Community

Development staff. Complete and eligible applications will then be processed in the following way:

- ❖ Application will be forwarded to the ARC for review, discussion and recommendation to the Council for approval.
- ❖ Notification of successful or unsuccessful applications will be sent to applicants by the Community Development Administrator.
- ❖ A contract between the Applicant and the City will be executed.
- ❖ Bids on demolition/disposal for approved projects will be solicited by the applicant, according to CDBG standards and Federal Procurement guidelines.

Rejection will be based on lack of funds, and/or ineligibility based on program regulations, and/or negative recommendation by staff as a result of cost/benefit and/or legal analysis.

#### **L. ADMINISTRATION**

The Community Development staff is responsible for the administration of the program.

**Resolution Number:**

**Date:**

## **RESOLUTION**

**RE: The implementation of the Neighborhood Rebuilder's Fund  
Slum and Blight Clearance Program for the City of Middletown**

**WHEREAS**, the number of blighted buildings within the City limits is increasing;  
and

**WHEREAS**, these buildings pose a health and safety hazard and serve as a blighting  
influence on the City; and

**WHEREAS**, it is in the City's best interest to mitigate the negative impact of these  
vacant, condemned and/or abandoned buildings on the community; and

**WHEREAS**, the properties upon which these blighted buildings are sited offer  
opportunities for neighborhood revitalization for non-profit corporations and public  
agencies; and

**WHEREAS**, The City wishes to promote homeownership in these areas targeted for  
revitalization.

**NOW, THEREFORE BE IT RESOLVED, BY THE COMMON COUNCIL OF THE  
CITY OF MIDDLETOWN :**

That the attached Policies and Procedures for the Neighborhood Rebuilder's Fund,  
Slum & Blight Clearance Program is hereby adopted as per "Attachment A"  
attached hereto.

**Submitted by: Municipal Development Office**

**Approved by: Citizen's Advisory Committee, May 6, 1998**

**Status:**

**by the Common Council of the City Of Middletown**

**at its meeting held on:**

Middletown Code of Ordinances:

Chapter 5

Sec. 5-18. Definitions.

For the purpose of Sections 5-19. through 5-24. of Chapter 5 of the Middletown Code of Ordinances, the following words and terms shall have the meanings respectively ascribed as follows:

(a) Blighted Premises: Any building or structure in which there is an extended vacancy and in which at least one of the following conditions exists:

- (1) It is not being maintained;
- (2) It is becoming dilapidated;
- (3) It is attracting illegal activity;
- (4) It is a fire hazard;
- (5) it is a factor that is seriously depreciating property values in the neighborhood;
- (6) It is a factor creating a substantial and unreasonable interference with the reasonable and lawful use and enjoyment of other space within the building or premises within the neighborhood.

(b) Dilapidated:

- (1) For unoccupied buildings or structures - Any dwelling unit or non-residential space or property in physically deteriorating condition caused by unsafe, unsanitary conditions and a nuisance to the general public as determined by all applicable State and Local Codes, Laws, Ordinances and Regulations.
- (2) For partially unoccupied buildings or structures - Any dwelling unit that does not meet minimum Housing Code Standards and in the case of non-residential space, space that does not conform to the standard as determined by Chapter 5 of the Middletown Code of Ordinances.

# NEIGHBORHOOD REBUILDER'S FUND

## SLUM AND BLIGHT PROGRAM APPLICATION

DATE: \_\_\_\_\_

APPLICANT:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_ FAX \_\_\_\_\_

ADDRESS OF PROPERTY: \_\_\_\_\_

\_\_\_\_\_

# of stories: \_\_\_\_\_ Square Feet \_\_\_\_\_

Lot Size \_\_\_\_\_

Previous use(s) of Building: (please describe)

\_\_\_\_\_

\_\_\_\_\_

Vacant Property Y \_\_\_\_\_ N \_\_\_\_\_

Condemned Property Y \_\_\_\_\_ N \_\_\_\_\_

Blighted Property Y \_\_\_\_\_ N \_\_\_\_\_

Date building last occupied: \_\_\_\_\_

Proposed Purchase Date: \_\_\_\_\_

Purchase Price \_\_\_\_\_

Most recent assessed value: \_\_\_\_\_

**Amount of dollars requested:** \_\_\_\_\_

**Please attach as part of this application the following documentation:**

- ❖ On your organizations letterhead, a narrative description of your proposal for redevelopment/rebuilding at the site for which demolition funds are requested.

- ❖ A Site plan for the redeveloped property
- ❖ Project proforma and budget
- ❖ Certification of benefit to low/moderate income first-time homeowners or alleviation of spot blight
- ❖ A marketing plan for the property
- ❖ Quotes for demolition including environmental testing and remediation as necessary
- ❖ Current appraisal (in the case of request for funding for acquisition)
- ❖ Description of your organization, confirmation of tax exempt status and history of achievements in neighborhood revitalization, affordable housing and/or the elimination of slums and blight.

It is understood by all parties that eligibility for the program requires conformance to all requirements outlined in the Neighborhood Rebuilder’s Fund Slum & Blight Policies and Procedures.

It is further understood by the applicant that the demolition must be completed or underway within two months following final approval by the Common Council.

If no work on the property has occurred within that time period, the applicant understands that the grant funds can be de-obligated by the ARC, and the City has the right to use the de-obligated funds for demolition of the subject blighted structure.

If the funds are de-obligated, the applicant is fully responsible for all costs of the project incurred to that date.

**Please submit the completed application to the Department of Planning, Conservation, & Development, 245 deKoven Drive/P.O. Box 1300 Middletown, CT 06457.**

\_\_\_\_\_   
 Date

\_\_\_\_\_   
 Applicant’s Signature

**Office use:** date received \_\_\_\_\_

census tract \_\_\_\_\_ zoning designation \_\_\_\_\_

assessed value \_\_\_\_\_

historic structure Y/N sign off from Middletown Design Review & Preservation Board  
Y/N

liens Y/N (if yes, please list \_\_\_\_\_)

delinquent taxes Y/N Amount: \_\_\_\_\_  
conditional approval: Y/N

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