PARTNERSHIP FOR STRONG COMMUNITIES

Partnership for Strong Communities promotes equitable change in Connecticut housing policy by coordinating advocacy, advancing research, and uniting diverse partners.

TESTIMONY BEFORE THE GOVERNMENT ADMINISRATION AND ELECTIONS COMMITTEE

SEAN GHIO, POLICY DIRECTOR
PARTNERSHIP FOR STRONG COMMUNITIES
TUESDAY, MARCH 7, 2024

S.B. 1522: AN ACT RENAMING THE COMMUNITY INVESTMENT ACCOUNT THE DONALD E. WILLIAMS, JR. COMMUNITY INVESTMENT ACCOUNT AND INCREASING FUNDING FOR SAID ACCOUNT.

Senator Flexer, Representative Blumenthal, Senator Sampson, Representative Mastrofrancesco, and distinguished members of the committee, thank you for the opportunity to submit testimony **in support of S.B. 1522.** I am Sean Ghio, Policy Director at the Partnership for Strong Communities. We are a statewide nonprofit research, policy, and advocacy organization dedicated to ensuring everyone in Connecticut has a safe, stable home that is affordable to them in an equitable community of their choice.

We urge your support of S.B. 1522 which would increase the recording fee received by the Community Investment Act (CIA) and thereby increase funding available for critical affordable housing and homelessness services.

Connecticut has a gap of approximately 92,500 affordable homes available to extremely low-income renter households- those earning 0-30% AMI. There are only thirty-seven affordable and available homes for every 100 households with incomes at or below 30% of the Area Median Income (AMI). The Department of Housing (DOH) uses allocations from CIA to advance housing development initiatives, particularly needed capital for predevelopment loans. These funds often provide the predevelopment support necessary to move projects forward that will leverage other state bonding programs like the Affordable Housing Program (FLEX) and the Housing

Trust Fund (HTF). The flexibility of CIA funds eliminates the need to navigate the bond commission process and allows DOH to get projects going quickly.

CIA dollars have funded the creation of affordable housing directly by providing "gap" financing not otherwise available and by supporting important capital improvements such as repairing the roof on a homeless shelter or replacing a boiler in a group home. CIA funds also provide resources for services to support people in accessing and remaining stable in affordable housing, such as services for veterans. CIA funding is critical to the state's ability to meet the housing needs of its middle- and low-income residents.

Specific programs funded through CIA include:

- Creation and preservation of affordable housing funded at $300,000 last year.
- Health and housing innovations funded at $500,000 last year.
- The Coordinated Access Network (CAN) infrastructure which assists individuals in a coordinated and streamlined way to help them exit homelessness to housing funded at $850,000 over the last two years. DOH also supports 2-1-1 through CIA, providing $100,000 in CIA funds last year.
- A technical assistance program to help Connecticut's suburban and rural towns develop hundreds of units of affordable housing for seniors and those who work in the community.
- Transit-oriented housing to ensure that affordable rents are located along Connecticut's growing transit corridors.
- Hosting affordable housing development trainings for $200,000.
- System redesign and rebid asset mapping RFP funded at $150,000.
- Shelter improvements and efficiency work funded at $100,000.

CIA previously funded programs including:

- Rapid rehousing efforts to prevent and end homelessness by getting families quickly out of shelters and into apartments.
- A statewide cold weather homelessness response plan to ensure shelter for all persons during our coldest winters.

Currently, more than 119,000 renter households in Connecticut face severe housing cost burdens, meaning these families spend more than half of their income on their housing expenses. Regrettably, our state has seen a rise in homelessness since 2021 and is experiencing the highest reported unsheltered crisis in recent history. We are moving in the wrong direction. CIA funds are a vital resource to respond to our ongoing housing crisis.

Thank you for the opportunity to submit this testimony.