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Testimony to Housing Committee

Re **H.B. No. 5071**

Representative Green, Senator Gomes and members of the Housing Committee, thank you for the opportunity to submit testimony regarding H. B. No. 5071 AN ACT CONCERNING THE SUPPORTIVE HOUSING INITIATIVE. I want to offer a special thanks to Representative Green for introducing this bill and thanks as well to Senator McKinney for his many years of support of solutions to end homelessness.

I am Meghan Lowney, Principal of Ripple Effect Consulting based in Fairfield. My clients include nonprofits and philanthropists who seek to enhance the impact of their social change efforts. My current work, together with my previous experience as Executive Director of Operation Hope of Fairfield, a nonprofit developer of supportive housing, brings me to testify in support of H.B. 5071. This bill ensures the creation of 150 new units of supportive housing through the Next Steps Initiative.

Why is funding these 150 supportive units so important given our State's economic realities?

Three primary reasons I'd like to describe today: (1) because there is a growing number of people in need, (2) because it will cost the State less to fund them than to not fund them and (3) because, while these developments will leverage federal and private money once underway, there is no federal stimulus money to jump start them. They won't be built without your support.

1) A growing number of our neighbors do not have a place to call “home” tonight.

Demand for housing and services is on the rise as individuals and families fall into homelessness every day in every area of our state. The most important reason to fund these units—these homes—is to provide a critical lifeline for individuals and families who cannot exit homelessness without them. In Hartford, where I am working on a project to end and prevent homelessness, families are living in their cars, bouncing from friend to friend or stuck in shelters, unable to find housing they can afford. In a pilot project meant to “rapidly re-house” homeless families, it has taken months longer than expected to serve 25 families because they don’t meet the eligibility criteria for the program: they have insufficient incomes to afford housing without a subsidy. At my former organization in Fairfield, demand for services increased 65% last year and shows no sign of slowing down. Across the state, even as we work to create innovative prevention strategies which direct one-time financial assistance to needy families for rent or mortgage arrears, or to move into new apartments more quickly, this is insufficient in most cases. To stabilize their lives, poor families don’t need anything as much as they need permanently affordable housing.

Supportive housing is a proven model of affordable housing and services that helps individuals and families exit homelessness. Many of the families I have served over the years require this combination of affordability and services.

A former client of mine, whom I will call Maria, sought emergency shelter for herself and her children ten years ago. Homelessness caused Maria the deepest despair after several years of loss—a lost marriage, lost sobriety, lost jobs. While in our shelter, she did everything in her power to stabilize her life—using counseling, getting 2 jobs, eventually rebuilding her life with her children. Yet she was still unable to afford to rent an apartment in the Greater Bridgeport area. It was terrific that the children were doing well, going to school and starting to feel hopeful again, but they were sleeping in a shelter. The family eventually got the break they needed: they

were accepted into the supportive housing program where she paid just 30% of her income towards rent. She used the supportive services well, which included counseling, budgeting, job coaching, and help to learn new parenting skills. After a few years during which she lost and found jobs, paid off debts, saved money and took classes at a community college, Maria increased her income and was able to buy a home with the help of a first-time homebuyer affordable housing program. I stood on her porch a few months back after a visit. Her daughter, now 18, glowed as she said how happy she was to be in the home for such a long time—the longest time ever in one place: 3 years. They made it, but not alone. It takes a whole continuum of opportunities to help families like Maria's exit homelessness permanently.

2) It will cost less to fund these units now.

Given my previous experience as a supportive housing developer and in my current role as a member of the Board of Directors of the Connecticut Housing Finance Authority, I am keenly aware of the financing, siting and development challenges presented by supportive housing. In fact, for that very reason it makes the most sense to fund these units now. Significant public and private resources have already been invested in these very units. Multiple state departments and community partners have already spent time and money successfully putting the deals together. Private developers have already invested about \$5 million and in so doing have obtained community support for the projects. The State has already included funding for the new units in the FY 08-09 budget but this money has not yet been spent. This funding in the budget is both to cover the capital investments as well as the services and rental assistance program certificates.

Not only has significant investment already been made, these units are ready to proceed. Due to the nature of the Next Steps Initiative process, these projects were competitively ranked and deemed the most viable and ranked highest for readiness to proceed. Especially in this economy, many of the deals will fall apart if this funding is not committed soon. All the projects will cost more the longer a decision is delayed.

Your support of funding for these homes now will also save money in the long run with regard to services costs. People who are homeless tend to routinely use more expensive public services like emergency rooms and jails and contribute less to the economy. People in supportive housing, because their lives are increasingly stable, use less expensive and fewer public resources and often hold jobs. Especially during these times of difficult choices, it makes good sense to support cost-efficient programs like supportive housing.

3) While these developments will leverage federal and private money once underway, there is no federal stimulus money to jumpstart them. They won't be built without your support.

It appears that none of the new federal stimulus money is targeted for the creation of permanent supportive housing. Without sources of capital financing for the creation of affordable and supportive housing, there will be no new housing created. And yet, Connecticut's investment in these units now will leverage other private and public funds.

Further, your investment now maintains our capacity to create supportive housing in the future. This group of developments represents the third round in an extraordinary, award-winning interagency system organized to create a pipeline for 10,000 units of supportive housing. Connecticut has made tremendous progress in creating more than 3,000 units so far. Public funding for supportive housing has created a funding pipeline and a momentum, albeit painfully slow, toward reaching our goal. We have developed a substantial pool of public and private leaders who are expert in and dedicated to supportive housing creation.

We mustn't back away now.

Especially now, Connecticut must invest its precious resources in the effective housing programs that promote economic stability to communities and to families. Homelessness in Connecticut, experienced by 13,000 children each year, is extreme poverty--economic crisis that is nearly impossible to overcome without a helping hand. Safe, affordable housing is the foundation for healthy families and good public policy. Housing is at the intersection of many of today's social problems. How can we expect adults without homes to increase their earning capacity or to be the employees Connecticut companies need? How can we reduce the traffic congestion and related climate impact if people cannot live closer to where they work or near public transit? How can we expect children without homes to achieve in school and become productive members of a competitive workforce of tomorrow? How can the Connecticut decrease its shameful education achievement gap if children don't have a stable place to start and end their day?

Housing is "home base" in so many ways. I urge you to support H.B. 5071, to invest in supportive, affordable housing development and to ensure progress toward a day when all our neighbors have a home to call their own.

Thank you for the opportunity to testify today.