Housing Committee
Room 011, Capitol Building
Hartford, CT 06106
Phone: 860-240-0340

Senator Edwin Gomes
Representative Kenneth Green
And Distinct Members of the Housing Committee

I'm the Executive Director of the Seymour Housing Authority. I am testifying to request that you consider legislation to put the Payment In Lieu of Taxes funding back in the 2009 State Budget.

The Seymour Housing Authority celebrated its 50th anniversary in 1998. We have been Seymour's choice of affordable housing for more than 50 years, as many other housing authorities have been.
The Town of Seymour, as did 22 other communities, made a commitment to provide services and has kept that commitment for more than 50 years.

Those services include road maintenance, trash removal, police services, education, parks and recs, and other services afforded to other homeowners.

The State of Connecticut made a commitment as well to assist with the real estate taxes, in effort to keep the dwelling unit affordable. We can no longer count on that commitment.

Our residents are subject to minimum wage employment, they're bus drivers, bank tellers, hairdressers, mechanics, manufacturing laborers, waiters & waitresses, office clerks, lawn care and tree services labors, and store clerks, as well as many other jobs.

A lot of them work seasonally, and other are subject to frequent layoffs. Our residents are also the elderly that have raised their children and are now left by themselves on meager fixed incomes. They are disabled and ill supporting themselves with minimal limited benefits from the State and Federal assistance programs. They are the single parent households struggling to make ends meet.

These folks, as all of us, have seen increases in heating and electrical costs, gasoline prices, healthcare costs, grocery costs. Discretionary income is not a luxury that they experience.
Many of them make daily decisions on healthcare, groceries, versus fueling their vehicle to get to their jobs or to doctor's appointments, heating their homes or buying prescriptions.

Electric rates have doubled in the past four years. Heating oil is now over $2 a gallon. Because of these record increases to basic cost of living, there is no chance for prosperity for many of these people.
State Moderate Rental Housing was supposed to be a stepping-stone for those who have found themselves on hard times. It was supposed to give them a footing while they improved their living standards.
The previously described increased cost of living is all but making that impossible, and many residents are finding themselves trapped.
And now the State has reneged on it's commitment to affordable housing. The State has pulled the rug out from under the most vulnerable populations that the Governor states she cares about.
These individuals have been in the past corresponding to legislative leadership, and to some of you, and to the Governor as well. What they've been told is that PILOT has been paid most recently out of surplus, and that it's not intended to be funded at all.

This is an inadequate response for them. They do not understand this response. They had no part in the decision to place the burden of public housing on the local community.

The residents and the housing authorities and towns were not represented well in this decision to shift the burden. None of us were informed about this prior so that we can negotiate locally on how this decision would be funded.

Nobody explained the shift in burden to the authorities. The extra funds that OPM contended that the towns received recently were specifically earmarked for infrastructure and education, not public housing.

This new found extra funding was considered to augment already struggling budgetary line items, and a way to accomplish projects and capital replacements that have been needed for many years.
Towns have been struggling with the increased education budgets due to the State's stiffened requirements. They have been dealing with the same increased costs of living that all of us have in terms of heating and transportation costs.

They try to keep property taxes low. They were never told that they were now expected to take on the burden of public housing.
Our Authority's financial year began in January, 2009. We will be one of the authorities that were forced to increase our base rents, increase them by $45 for which is to cover the loss of PILOT payment.

In January 2009 we implemented a $20 base rent increase. This with an additional $45 for PILOT would represent a 20% increase for our residents in one year. In contrast, homeowners have enjoyed the benefit of the lowest interest rates in 30 years, while public housing residents must bear the brunt of this decision not to fund PILOT.

In closing, please support and action to place the PILOT back in the State Budget. Please also immediately provide assistance with the PILOT payments for the sake of our residents, and restore the PILOT program immediately into the State's budget as a line item. Thank you.

Thank you for your consideration,

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