



Appropriations Committee
Public Hearing on the DSS Budget
Wednesday, 18, 2009

Testimony submitted by Kate Kelly, Reaching Home Campaign Manager
Partnership for Strong Communities

REQUEST:

- **Do not cut funding for critical services for the homeless in the DSS Housing and Homelessness line item**
- **Assure funding for the rental assistance and services necessary to create 150 new units of supportive housing through the third round of the Next Steps Initiative.**

Senator Harp, Representative Geragosian and members of the Appropriations Committee, thank you for the opportunity to testify here today. My name is Kate Kelly and I work for the Partnership for Strong Communities as the Campaign Manager for the Reaching Home Campaign. It is critical that no cuts are made to the funding in the DSS budget for funding for services for the homeless. We appreciate the support that the Governor showed for the homeless services funding by funding that line item as the same level as last year in her budget. Our shelter system does an effective job of providing temporary housing for individuals and families and now is not the time to cut funding for that system. Please do not make cuts for homelessness services.

I am also here to ask you to assure the funding for the rental assistance through subsidies and services necessary to create 150 new units of supportive housing through the third round of the Next Steps Initiative. A total of 6 projects – with the possibility of 7 total – were initially selected for funding. It is assumed that 7 total development projects would receive funding based on funds available, and these 7 developments would create 233 total units of housing for homeless individuals, including veterans and homeless families with children.

The phase in of the rental subsidy and services funding is projected as follows:

- FY 09 – no anticipated subsidy expense needed
- FY 10 - \$384,000 – assumes the first project in Norwalk, which is ready to go, completed
- FY 11 - \$1,544,000 – phase in portion of the developments
- FY 12 - \$2,551,000 – all project subsidies in place and all developments completed

All of the projects will all require subsidies and services at some point but this funding will be phased in through FY 12 as all 233 units come on line.

In this current economic crisis, it is important that we deal with the immediate emergency needs of those who are homeless and living in shelters or outdoors. Emergency shelters are seeing an increasing demand in the number of families with children and individuals who need their

services. These growing numbers will be stuck living in shelters or on the streets unless more supportive and affordable housing is funded.

The 2008 statewide point-in-time count of the homeless showed a 13% increase in family homelessness from the previous year. This year's count was conducted on January 28 and we expect it will find a significant increase in homelessness due to a shortage of rental housing that will drive up demand and costs, a failure to create more affordable and supportive housing and foreclosures that are causing many to lose their homes.

Approximately one-third of adults in families reported that they were working at the time of the 2007 and 2008 counts. A household must earn \$21.11 an hour – or about \$44,000 a year – to afford a typical 2-bedroom apartment in Connecticut according to the National Low Income Housing Coalition.

The crisis of homelessness only ends when all of our neighbors and their children have homes. We need more affordable and supportive housing so that individuals and families are not living outdoors and staying in transient settings.

Now is not the time to pull back on the creation of supportive housing. Construction/rehab has a multiplier effect in creating and preserving jobs - i.e. contractors, sub contractors, purchase of furnishings, etc. that will be spurred by the development. The housing construction would provide permanent homes for families, children, veterans and people with disabilities who are experiencing homelessness - living on the streets or in shelters. Failure to provide the housing will increase state costs of homelessness by three times. The organizations applying to create housing for people who are homeless have invested many months and about \$5 million in planning, developing community support, fundraising, and submitting detailed applications.

Please protect the critical funding for emergency services for homeless individuals and families and Assure funding for the rental assistance and services necessary to create 150 new units of supportive housing through the third round of the Next Steps Initiative.