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February 19, 2009

Housing Committee
Room O11, Capitol Building
Hartford, CT 06106

Re: H.B. No. 5071 an act concerning the Supportive Housing Initiative

Dear Committee Members:

Thank you for allowing me to appear here today to ask for your support of H.B. No 5071. I also want to thank Representative Kenneth Green for introducing the bill.

My name is Chris Peterson. I am the Director of Real Estate Development and Facilities Management for Columbus House, Inc., which provides emergency shelter, transitional living, and permanent supportive housing to those who are homeless or at risk of becoming homeless. I have more than 30 years experience in the affordable housing industry and I am intimately familiar with Connecticut's Supportive Housing Initiative.

I was drawn to supportive housing because it works, not only because it has a proven track record of creating long-term savings by keeping people out of hospitals jails and prisons, but because it provides housing and personal support to decent folks who might otherwise be living in the streets.

Connecticut's Supportive Housing Initiative has been a critical resource for creating permanent housing for very low income populations. The General Assembly supported funding in the FY 08-09 budget for the creation of 150 new units of supportive housing, and last spring the state issued a request for proposals asking developers to submit applications for financing. At least six projects were selected, but the Governor pulled the funding back, and in December the state Office of Policy and Management halted the awards.

I'm sure others will provide facts regarding the amount of time and money that has gone into developing these projects, their cost effectiveness, and the needless waste if they don't move forward. So I instead want to call your attention to how difficult it is to

develop these projects generally, and the devastating effect that halting these funds will have.

Affordable housing projects can typically take three or more years to develop, during which time developers receive virtually no funds. Considerable amounts of time and money can be invested only to find that a project is not feasible. In addition to the real dollars that are expended in pre-development activities, feasibility studies, appraisals, option fees, etc., for which there is very limited funding available, developers, architects, engineers, environmental consultants, property owners, attorneys, accountants, and other professionals, in good faith invest enormous amounts of time and energy in these activities, valued at hundreds of thousands of dollars, with the understanding that they will be paid should the project be approved.

It is difficult enough for those of us on the front lines to cajole people into providing these services at reasonable cost in the hopes of their someday being paid, usually in the very distant future. But for us to have been invited by the state to invest so much time, money, and energy into developing feasible projects to the point where they are essentially 'shovel ready' only to be told the funding has been arbitrarily pulled is devastating. It seriously damages our credibility, undermines our ability to obtain such services from professionals in the future, especially at reasonable cost, stretches our financial stability, and makes it extremely difficult if not impossible to keep affordable housing projects in the 'pipe line' at a time when it appears clear we will soon need more supportive housing not less.

I ask for your support of H.B. No. 5071, not only for the future of affordable supportive housing in general, but more importantly, right now, immediately, for those individuals who I personally face every day in the streets and in our shelters. Their numbers are growing, and they most desperately need your help.

Thank you for your attention.

Respectfully submitted,

Chris T. Peterson,
Director of Real Estate Development and Facilities management