



**Testimony of David Fink, Policy Director,
Partnership for Strong Communities
Appropriations Committee – Feb. 8, 2010**

Rep. Geragosian, Sen. Harp, esteemed members of the Appropriations Committee and subcommittee,

I am David Fink, policy director of The Partnership for Strong Communities. As you know, we are a statewide housing policy organization that advocates for supportive housing and other proven solutions to end homelessness, the creation of more affordable and mixed-income housing options for our workers and families, and community development solutions for our cities and towns.

I am here tonight to ask for your continued support for the HOMEConnecticut funds in the OPM budget as an important link in a vital chain of state housing programs and, MORE IMPORTANT AT THIS MOMENT, HOMEConnecticut's ability to help us attract federal housing funds that could sustain the work of HOMEConnecticut in our cities and towns.

As you know, HOMEConnecticut – the Housing Program for Economic Growth – has not only been a huge success since you created it in 2007. It has also lived up to its name. Using less than half the \$4 million originally appropriated out of surplus, the voluntary program now has 50 towns involved in finding locations for mixed-income housing. Two towns -- Old Saybrook and Wallingford -- have made application to OPM to create higher-density Incentive Housing Zones and another 8-10 are likely to finish planning and make zone applications this year. Meanwhile, I continue to hear from more towns interested in the program, even though OPM has temporarily stopped awarding planning grants after it reached the 50-town level. I am certain more than half the towns in the state would be involved by now if the state didn't face budget problems.

The prospect of towns creating thousands more units of mixed-income housing is GOOD NEWS for the Connecticut economy: studies show a range of 1.3 to 3.1 jobs are created when a unit of housing is built and the state realizes one-time sales and income tax revenue of \$7,500 for each multifamily home and \$12,500 for each single-family home that's built, and \$4,000 annually in taxes from the occupants of each unit.

More to the point, HOMEConnecticut will create those units near transit, in town centers, and in other smart-growth locations. HOMEConnecticut will, therefore, not only lessen pressure to develop open space and farmland that should be preserved, but also serve other policy goals of this General Assembly, cutting traffic congestion and air pollution by getting cars off the road, lowering energy-consumption by creating smaller, denser housing options, keeping housing affordable so families can afford other necessities and don't have to move in mid-school year, and providing homes in strong communities that are free of lead paints, dust mites and other hazards.

The reasons why HOMEConnecticut is so popular is no mystery.

1. Towns need more housing options for town workers, commercial workers, police, firefighters, teachers, elderly residents needing to downsize, and adult children coming home after college and graduate school.
2. The program is voluntary -- so towns don't have to take part -- and those that do are given complete control under the statute over the location, amount, type and design of the housing.

We are aware of the huge budget gap you must close and so we would never be so unrealistic as to ask for more money. But WE DO ASK that you not sweep the remaining funds in the line item for ONE VERY IMPORTANT REASON: sweeping the funds and effectively killing the program would make it virtually impossible to attract federal funds for it from the new Sustainable Communities Initiative run by HUD in conjunction with federal DOT and EPA.

As you may know, the Sustainable Communities Initiative is the first step in a program supported by Sen. Dodd. The next step, Sen. Dodd's Livable Communities Act, will be marked up this winter. Both are competitive grant programs administered by HUD with DOT and EPA cooperation, and both are modeled, in part, after the HOMEConnecticut program. I testified a year ago to the Senate Banking Committee about HOMEConnecticut and, as a result, both federal initiatives contain the same elements as HOMEConnecticut: (1) planning money to determine how to marry new affordable housing creation with transit in smart-growth locations to reduce energy consumption and lessen auto emissions, and (2) grants to turn the plans into housing.

We have been in contact with HUD and Sen. Dodd. It is quite clear from those contacts that killing HOMEConnecticut would jeopardize our efforts to provide federal aid to help continue the program over the next several years.

HOMEConnecticut cannot continue without support from you. It can be assisted if we get assistance from HUD but, again, that will only happen with your support. We have, in support of this effort, worked with the analog state agencies to HUD, DOT and EPA -- our DECD, DEP, state DOT and OPM, along with CHFA -- and all have signed a letter to HUD assuring their continued cooperation in smart-growth housing and transit initiatives and asking to be considered for aid under the Sustainable Communities Initiative.

So we are not asking for more state money for HOMEConnecticut. What we ARE ASKING is that you preserve the remaining \$2 million in the HOMEConnecticut account. It will allow us to compete for the federal aid available to help keep the program running. The state has a huge need for homes for our workers, our families, our young professionals and many others. We FINALLY have a state housing program that is popular and that our cities and towns consider a useful tool. Given our need to grow our economy and our emerging industries by bringing back or keeping the skilled labor we need for them, HOMEConnecticut provides a workable path to increase our population in a smart-growth way. Killing it now will kill hope for the future.

Thank you very much for this opportunity to testify before the committee. I am happy to answer any questions, and can be reached at 860/244-0066 and david@ctpartnershiphousing.com.

