

February 11, 2010

Members of the Sub-committee, thank you for the opportunity to speak this evening. I am Sharon Gowen, the CT Director for Common Ground, one of the largest providers of supportive housing in the United States. Founded as a non-profit by West Hartford native Rosanne Haggerty, Common Ground will this year have created more than 3,300 units of mixed income housing in Connecticut, New York City and New York State. Common Ground began work in Connecticut five years ago. Our flagship project in downtown Hartford, the historic Hollander Center now provides 56 units of housing serving residents below 60% of area median.

We are here to urge you to sustain the Housing and Homelessness line item in the DSS budget at current levels. As a developer, I would like to speak particularly to the importance of this line item in funding the Rental Assistance Program.

RAP is critical in meeting several important goals:

- (1) The ability to leverage private capital. According to one recent estimate, CT stands to benefit from at least \$57.1 million in additional equity investment through 2011. Rental assistance will be critical to securing this level of investment, particularly for deeply affordable projects.
- (2) Stable, reliable funding to assure quality operations. Funding such as RAP will help to ensure that properties are well-maintained community assets.
- (3) Preservation of existing housing stock and production of new stock. Workers in critical sectors – hospitality, health services and retail will have homes they can afford without undue transportation costs. Moreover, production yields construction and permanent jobs.

Through our housing developments, Common Ground creates communities that integrate diverse households, including low-wage workers, seniors and those who are, or are in peril of becoming homeless. Over 20 years we have shown that with quality housing and services, all can live independent of long-term care facilities and shelters. Seven percent of our residents at the Hollander in Hartford would be in nursing homes were it not specifically for the Rental Assistance Program. Housing costs in a stable, apartment become significantly less than the typical costs of a shelter, a hospital or jail cell, or a chronic care facility. Moreover, residents who have stable housing are in a position to deal with medical, employment, and other issues, further reducing the State's need for support to public systems and facilities.

There are already more than 2,000 people on an almost 3-year waiting list for RAP certificates, and the proposed reduction, while perhaps resolving a current financial challenge for the State, will create a dramatic impact on the ability to house this population.

We are currently working on a project that will provide critically needed affordable housing to households in Windham County. For several years, Common Ground managed a property in Willimantic that was home to a mix of individuals, some dependent on monthly SSI, others working in local retail outlets and earning up to \$24,000.00 annually. Those receiving SSI of \$674.00 monthly and paying 30% of their income would be able to pay \$202.00 monthly as rent – far short of the fair market rent in Windham County of \$707.00. Our retail worker also falls short – by \$100.00 each month – of being able to afford a typical one-bedroom unit.

Our current project will blend units affordable to this retail worker with units where – with rental assistance – disabled, vulnerable and homeless households can also afford a home. Programs such as RAP are key to ensuring that a project such as this – located in a non-urban community and with a modest scale of less than 60 units – can attract and secure private investment through the tax credit market. Cedarwoods will secure a minimum of \$8 million in capital investment through housing tax credits.

There is no question but that for Common Ground, the ability to provide for those most vulnerable in our communities would be sorely impacted by the drastic reductions being considered by this body. On behalf of those we serve, we urge you to look at the return on investment that RAP provides to the residents of Connecticut, and reconsider the current budget proposal.

Thank you.