

**LEGISLATIVE TESTIMONY ON HOUSE BILL NO. 5256  
'AN ACT CONCERNING STATE FUNDED HOUSING  
RECONSTRUCTION WITHIN A FLOODPLAIN'**

**Presented by the Connecticut Chapter of the  
National Association of Housing and Redevelopment Officers (NAHRO)**

House Bill 5256 amends paragraph "h" of Connecticut General Statute ("CGS") 25-68d to remove a prohibition against engineering a property out of the 100 Year Flood Plain ("YFP") as defined by the Federal Emergency Management Agency ("FEMA") using fill for the reconstruction of existing affordable housing.

There is a universe of about a half dozen communities with existing Housing Authority owned affordable housing, mostly federal public housing but not exclusively, that sits either in full or in part on land below the 100 YFP.

These communities include at least: Meriden, Norwalk, Milford, Stamford, Stratford and New Haven. The properties represent in excess of 500 units of affordable housing as carried on the Department of Economic & Community Development's Inventory of Affordable maintained for compliance with CGS 8-30g.

The current version of paragraph "h" was revised three years ago so that affordable properties above the 100 YFP but below the 500 YFP would be allowed to be "reconstructed" as an exempted activity. This allowed covered properties to apply for state administered funds under the DECD/CHFA Consolidated Application and to avoid the "Catch 22" that had up to that pointed existed of being deemed "not ready to proceed" because of a lack of proper permit – a permit that could only be obtained at the request of a state agency like DECD after it could act to support the project. No permit no support; no support no permit.

However, by not allowing an affordable housing property below the 100 YFP the opportunity to engineer its way above the 100 YFP when a source of funds and the economics of the specific property aligned, the statute has essentially "taken" this universe of properties.

By voting to approve HB 5256, the legislature will at least give each impacted property the ability to make applications for funds when "ability to proceed" is a competitive factor.

Without permissive language to allow an existing affordable housing property to engineer its way to be above the 100 YFP, which in most cases will require local public or private resources or direct federal grants, these properties can never be redeveloped, and at least in terms of value as affordable housing, would appraise at ZERO. The statute in effect takes the property with only one eventual outcome, demolition and an end to its affordable housing purpose.

No doubt other testimony may speak to the public safety risks of housing within a 100 YFP or the risks of engineering one's way to being above the 100YFP. Even with the change called for in HB 5256, municipal oversight would still review site plans and the scale and scope of any site engineering. At the local level, the issue of public safety would still be considered. The existing statute would still limit the number of units to being no more than the maximum of the existing affordable housing.

What the approval of the Bill would do is to open a door to the possibility of redevelopment if the cost of engineering out of the 100 YFP is not too high. Too high and the proposed improvements will not find a funding source.

The economics of affordable housing will limit the scale of engineering. Local review will make certain that design provides for areas of refuge and public safety.

Without at least allowing for the possibility of engineering out of the 100 YFP for existing affordable units, then a loss of affordable housing resources will certainly occur. In several cases, the universe of units below the 100 YFP carried on DECD 8-30g inventory has become obsolete and no longer meets community standards. The others are going to get beyond the tipping point sometime soon. These developments are decades old.

We ask that the Environmental Committee report out HB 5256 with its support in order to:

1. Preserve existing affordable housing
2. Permit owners of the units that are adversely impacted the opportunity to redevelop their properties, if needed.
3. That the same chicken/egg issue that the last revision to paragraph "h" addressed be extended to the finite universe of mostly federal units at risk of being stranded in the 100 YFP.
4. That the impact of the existing statute is tantamount to a taking since the statute provides for no alternative to retain and maintain value of existing affordable properties below the 100 YFP. The U.S. Department of Housing & Urban Development ("HUD") may have some concerns when the "stranding" of units in its program becomes apparent for both from an asset management perspective and from a civil rights perspective.

We believe that you should do so because:

1. Replacing the rough estimate of 500 mostly family affordable units on other land outside is a \$175m commitment (500 x \$350k).
2. The locations of these properties are smack in the middle of densely developed neighborhoods which should be no surprise given colonial patterns of development which focus Connecticut communities along river ways and transportation lines that follow river ways. Other than the loss of affordable units it is unlikely that the land would revert back to open space -- private residential or non-residential uses might eventually acquire the land, but reversion to open space is unlikely.