



Connecticut Chapter  
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*March 8, 2012, Legislative Committee on Housing*

*Written Testimony submitted by*

*Jeffrey Arn, Vice President of Housing and Legislation*

*On behalf of the membership of Conn-NAHRO*

*Conn-NAHRO is the Connecticut chapter of the National Association of Housing and Redevelopment Officials; its membership is comprised of Public Housing Authorities and other individuals and organizations involved in affordable housing.*

Co-Chairmen Gomes and Butler and members of the Housing Committee:

My name is Jeffrey Arn, I am the current, Vice President of Housing and Legislation for Conn-NAHRO, I am the Executive Director of the Vernon Housing Authority and I also serve as a Commissioner for the Coventry Housing Authority. **I am writing in support of Raised Bill No. 5225, "An Act Concerning Security Deposits of Senior Citizens and Persons with Disabilities in Public Housing".**

My fellow CONN-NAHRO members have submitted in the written testimony, and you will hear in testimony from our Executive Director and my fellow housing practitioners, the current statutory requirements regarding security deposits in State senior and disabled housing are impractical and ineffectual.

As the statute currently exists, a housing authority cannot hold an elderly or disabled tenants security deposit for more than a year. In addition, when we return the security deposit after that year we must pay 5 ¼% interest to the tenant. This not only defeats the purpose of a security deposit to incentivize the personal responsibility of the tenant for the care and usage of the housing. It also creates an administrative and financial burden upon our agencies. Many of our member agencies currently do not collect security deposits because of these burdens. Most residents stay well beyond one year at our properties, yet the agencies are expected to incur the expenses of repairing apartments from tenants who leave without any incentive to leave the housing in good condition.

Public housing authorities are experiencing circumstances where tenants cause damage to an apartment and move out without notice causing extensive maintenance and legal costs to properly prepare and lease an apartment. We are also realizing that many families no longer bear the responsibility of tending to their loved ones obligations upon their passing. We have

families that upon the passing of a tenant will remove only items of value from an apartment and leave the remaining disarray for the Housing Authority to clean-up.

These trends have lead us to this point where we are in need of statutory relief to help provide incentives to tenants to treat public housing authority property in a proper manner and to defer the costs caused by individuals so they are not a burden to other residents.

At the Vernon Housing Authority's State of Connecticut elderly and disabled property the current average stay is 6.3 years. This effectively renders the current system of collecting and returning security deposits inadequate. Due to these costs and burdens, the Vernon Housing Authority cannot afford to collect security deposits at this property. All repairs become part of the operating costs of the property, thereby putting pressure on us to increase base rents for other tenants who are responsibly residing in that property.

At the Coventry Housing Authority, where I volunteer as a commissioner, the collection of security deposits from residents stopped this past January due to the administrative burden and the cost of returning 5 ¼ % interest on the funds being returned.

In addition to the two agencies I am personally associated with, there are an extensive number of housing authorities throughout the state that cannot afford to collect security deposits under the current statutory requirements.

This leads me to the most significant reason why I am in support of changing the Statutes with this proposed bill. The current statute has created a system that causes housing authorities to defray the costs caused by a few individuals onto all their residents. This happens when they have to spend budgeted maintenance and betterment funds on unexpected damage left by tenants when vacating apartments. Unfortunately, these properties do not receive any operating funds from the State and the budgets are extremely tight. Any unplanned expense is magnified at these properties and inevitably harms the quality of service we need to provide to our elderly and disabled residents.

In conclusion I would like to reiterate that the current regulations do not work for housing authorities and our tenants. This bill if enacted will not harm those tenants that properly treat public housing. It will serve as a deterrent and provide accountability to those who choose to damage the public property they have the privilege to live in. Additionally, the bill will provide some financial relief for agencies that have no other means to recoup these costs.

Thank you for taking the time to read this testimony.