



# OLR RESEARCH REPORT

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## **SUPPORTIVE HOUSING IN CONNECTICUT**

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You asked for a brief history of Connecticut's supportive housing programs and legislation.

### **SUMMARY**

Connecticut's history with supportive housing began when the state partnered with the nonprofit Corporation for Supportive Housing (CSH) in 1993 to implement a demonstration program. By 1998, the privately funded program had financed 281 supportive housing units for homeless and at-risk populations. Upon its conclusion, an independent evaluation reported that the program was a success.

In 2001, the legislature established a supportive housing initiative through PA 01-8 (CGS § [17a-485c](#)). At that time, the initiative was a collaboration between (1) the departments of Mental Health and Addiction Services (DMHAS), Social Services (DSS), Children and Families (DCF), and Economic and Community Development (DECD); the Connecticut Housing Finance Authority (CHFA); and nonprofit and private housing service providers and investors. Subsequent legislation added the Department of Correction (DOC) and the Judicial Branch's Court Support Services Division as collaborators.

In 2004, Executive Order #34 established the Interagency Council on Supportive Housing and Homelessness (comprised mostly of the agencies mentioned above) to make recommendations to the governor on strategies and solutions for addressing homelessness, including the development of supportive housing. Since 2004, the General Assembly has amended the supportive housing statute several times. Collectively, the changes have expanded the program's capacity and made it permanent.

## **DEMONSTRATION PROGRAM**

Before the General Assembly passed legislation establishing a supportive housing initiative, the state partnered with CSH to implement a demonstration program, which the Melville Charitable Trust funded. Between 1993 and 1998, the Connecticut Supportive Housing Demonstration Program financed 281 supportive housing units for homeless and at-risk populations, many of whom were coping with mental illness, substance abuse, or HIV/AIDS.

A [2002 independent program evaluation](#) found that the demonstration program created positive outcomes for tenants, including decreasing their use of acute and expensive health services. In addition, the units it developed appeared to have no detrimental affect on property values in surrounding neighborhoods. The report concluded that supportive housing was a cost-effective way to build healthy homes and communities for homeless and at-risk people and families.

## **LEGISLATIVE HISTORY**

### ***PA 01-8: Supportive Housing Pilots Initiative***

PA 01-8, June Special Session, established the Supportive Housing Pilots Initiative to provide up to 650 units of affordable housing and support services to people with special needs, such as mental illness, chronic chemical dependency, homelessness, or risk of homelessness. It authorized \$10 million in bonding for DECD to implement the initiative and required CHFA to review and underwrite the projects and set aside \$1 million a year in affordable housing tax credits for them.

As part of the initiative, the law required the DMHAS commissioner to implement and administer a grant program for nonprofit corporations to provide support services for eligible households. The services were designed to enable eligible residents to (1) obtain and keep permanent housing, (2) increase their job skills and income, and (3) achieve greater independence.

The law defines “eligible households” as people who are affected by psychiatric disabilities or chemical dependency, or both, and who are homeless or at risk of homelessness. “Homeless or at risk of homelessness” means:

1. living on the streets or in shelters,
2. coming out of homeless programs or transitional housing and having no permanent housing,
3. living in unsafe or abusive environments,
4. paying more than 50% of income for rent,
5. living in overcrowded conditions, or
6. needing supportive services to maintain permanent housing (CGS § [17a-484a](#)).

***PA 05-280: Next Steps Initiative***

PA 05-280 (§§ 32-34) required the DMHAS commissioner to provide up to 500 additional units of affordable, supportive housing for people with mental illness. These units were considered the second phase of the Supportive Housing Initiative (the Supportive Housing Pilots Initiative was the first) and called the Next Steps Initiative.

Next Steps housing was for:

1. people or families affected by psychiatric disabilities, chemical dependency, or both who were homeless or at risk of homelessness;
2. families eligible for temporary assistance for needy families program (a DSS Program);

3. 18- to 23-year olds who were homeless or at risk of homelessness because they were transitioning out of foster care or other residential programs; and
4. community-supervised offenders with serious mental health needs who were under Judicial Branch or DOC jurisdiction (CGS § [17a-485c](#)).

### ***PA 06-186: Supportive Housing Tax Credits***

By law, CHFA may allocate tax credits to businesses that contribute funds to nonprofit housing organizations developing low- and moderate-income housing. PA 06-186 increased the amount of tax credits that could be used to create supportive housing. Specifically, it increased the (1) total amount of tax credits CHFA could annually award from \$5 million to \$10 million and (2) amount of tax credits that CHFA had to put aside for the Supportive Housing Pilots Initiative or the Next Steps Initiative from \$1 million to \$2 million. (The act added the latter program to those eligible for tax credits.)

### ***PA 08-123: Additional Supportive Housing Units***

PA 08-123 authorized DMHAS to provide an additional 500 “Next Steps” supportive housing units. Funding for the units came from mortgages, tax credits, and grants from CHFA and DECD. The act authorized the state to provide annual debt service payments on an additional \$35 million in CHFA bonds for financing the units.

### ***PA 11-61 and PA 11-64: Permanent Supportive Housing***

PA 11-61 (§§ 133-135) and PA 11-64 made identical changes to the supportive housing initiative. Primarily, they:

1. eliminated references to the Pilots and Next Step initiatives and instead referred to the initiative as “permanent supportive housing,” thus reflecting its ongoing status;
2. added DOC and the Court Support Services Division of the Judicial Branch to those state entities already collaborating with DMHAS on the initiative; and
3. created a new request for proposals process for scattered-site models of supportive housing.

**HYPERLINK**

Corporation for Supportive Housing, 2002 Connecticut Supportive  
Housing Demonstration Program Evaluation Report:  
[http://www.csh.org/wp-content/uploads/2011/12/Report\\_CTDemonstration.pdf](http://www.csh.org/wp-content/uploads/2011/12/Report_CTDemonstration.pdf)

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