STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

Testimony

Before the Committees on Appropriations, Housing, and Human Services

JOINT PUBLIC HEARING ON THE INTERAGENCY COUNCIL ON AFFORDABLE HOUSING REPORT AND RECOMMENDATIONS

January 29, 2013

Anne Foley, Chair

Interagency Council on Affordable Housing

Good afternoon chairs Senators Harp, Slossberg, Bartolomeo, Representatives Walker, Abercrombie, and Butler, ranking members Senators Kane, Markley, McKinney, Representatives Miner, Wood, and Miller and distinguished members of the Appropriations, Housing, and Human Services committees. I am Anne Foley, Under Secretary at the Office of Policy and Management, and I am here today in my capacity as Chair of the Interagency Council on Affordable Housing to testify regarding our recently released report to you.

As you know, the legislature established a new Department of Housing in Public Act 12-1 of the June Special Session as the lead agency for all matters related to housing at the state level. Statutorily, the department is responsible for all aspects of policy, development, redevelopment, preservation, maintenance and improvement of housing and neighborhoods. The new department is responsible for developing strategies to encourage the provision of housing in the state, including housing for very low, low, and moderate income families.

The legislation also established an Interagency Council on Affordable Housing to advise and assist in the planning and implementation of the department. The purpose of the council has been to develop strategies and recommendations for the implementation of the new Department of Housing. The council met a total of eight times between July 2012 and January 2013. We heard from state and national housing experts to assist us in fulfilling our mandates. Based on discussions among council members and with outside experts, the council developed a vision, mission, and roles for the new department and developed criteria for programs to be transferred to the new department. The council worked with state agencies to gather information on existing housing programs and cross-referenced the existing state housing programs with the criteria to produce recommendations for specific programs to transfer. The council conducted a public hearing in December to receive feedback on our preliminary recommendations.

The results are detailed in the report before you, including recommendations concerning:

- Programs to be transferred to the Department of Housing from the Departments of Economic and Community Development, Social Services, Mental Health and Addiction Services and the Office of Policy and Management, and a timeline for implementation;
- Effective changes to the state's housing delivery systems;
- Prioritization of housing resources; and
- Enhanced coordination among and across housing systems.

In general, the council recommends transfer of: (1) all of the DECD housing programs, including capital and other funding for affordable housing, congregate housing, assisted living, fair housing, rent subsidies, and housing assistance and counseling ; (2) housing and homeless services from DSS, including homeless shelters, rental assistance program, housing/mediation services, rent bank, and the security deposit guarantee

program ; (3) the elderly renters rebate and housing incentive zones programs from OPM; and (4) housing subsidies from DMHAS.

The council does not recommend transferring responsibility for residential care programs including clinical and other support services that are provided by state agencies to address the behavioral health or developmental services needs of populations served by state agencies -- such as the Department of Children and Families, the Department of Developmental Services, or the Department of Mental Health and Addiction Services – since those agencies have specific expertise and experience in meeting those needs. The council also does not recommend transferring programs from the Connecticut Housing Finance Authority because, as a self-funded quasi-public entity, CHFA's programs are uniquely tied to its funding via tax-exempt bonds and its AAA bond rating helps it provide low rate financing for affordable housing.

Other recommendations from the report include: (1) changes to the state's housing delivery systems – primarily focused on implementing a unified approach to financing and enhancing flexibility, predictability, and transparency; (2) prioritization of housing resources – including mixed income housing, housing for elderly and special needs populations, promoting economic and transit-oriented development, and addressing homelessness; and (3) enhanced coordination across housing systems – with the Department of Housing providing leadership to coordinate existing housing resources and programs with public, quasi-public and private partners. In addition, the Interagency Council on Affordable Housing will play an ongoing role to advise and assist with the development of state plans and the implementation of state housing resources.

In closing, I would like to thank the thirteen members of the Interagency Council on Affordable Housing, many of whom are here today or have submitted written

testimony for your consideration. I especially would like to acknowledge the contributions of Carol Walter, Executive Director of the Connecticut Coalition to End Homelessness. Carol was a passionate, knowledgeable and dedicated member of our council and she was solidly committed to the establishment of a functional Department of Housing with the recommendations you have before you today. As many of you know, Carol died tragically after a brief illness in December and we council members are dedicated to implementing our shared vision of state housing organization and policy that will facilitate the end of homelessness in Connecticut.

Thank you and I would be happy to take any questions you may have.