



Department of Economic and
Community Development

Connecticut
still revolutionary

Catherine H. Smith
Commissioner

**HOUSING COMMITTEE PUBLIC HEARING
TUESDAY, FEBRUARY 19, 2013**

TESTIMONY OF COMMISSIONER CATHERINE H. SMITH - DECD

**RE: SB 24, SB 338, SB 442, HB 5062, HB 5064, HB 5066,
SB 336, SB 337, HB 5135, HB 5970**

**SB 24 & SB 338: AAC THE MEMBERSHIP OF THE INTERAGENCY
COUNCIL ON AFFORDABLE HOUSING**

We oppose this legislation. An expansion of the Interagency Council on Affordable Housing to include additional agencies (i.e. the Departments of Education and Development Services) and the Connecticut National Association of Housing and Redevelopment Officials is already included in the Governor's bill. The addition of the parties identified in these proposed bills would result in the council becoming too large to function efficiently. In addition, the organizations represented on the council were selected to represent the broad interests of a particular stakeholder community rather than any specific individual's interests. The proposed parties would inevitably represent a single individual's interests and their inclusion could result in actual or apparent conflicts of interest. In the context of its deliberations to date, the Council has sought the input of many of the private interests reflected in the proposed legislation and would likely continue to do so on an as-needed basis.

SB 442: AAC THE TERM OF AFFORDABLE HOUSING RESTRICTIONS

We oppose this legislation. Although on the surface this proposal *may* appear to be supportive of the preservation of affordable housing, it would in fact inhibit the private development of affordable housing, in this case set-aside developments where only a portion of a development is subject to affordability restrictions. The requirement that affordable housing constructed by a private developer be subject to permanent affordability restrictions is financially impractical and would actually reduce the number of affordable housing units constructed by private for-profit and non-profit developers. The construction of affordable housing units by private developers, including such units in mixed-income properties, is badly needed to address the statewide shortage of affordable housing opportunities. It is worth noting that DECD currently oversees certain programs that result in the creation and preservation of housing that is affordable in perpetuity, such as the state surplus property program and the Land Bank/Land Trust program so there are circumstances where permanent affordability is appropriate.



HB 5062: AAC URBAN HOUSING FOR YOUNG PROFESSIONALS

We do not support this legislation. From a conceptual standpoint, the creation of affordable housing opportunities in urban neighborhoods for young professionals is an important goal. However, DECD, through its existing affordable housing funding initiatives, including initiatives using Affordable Housing Program (Flex) capital funds and Housing Trust Fund capital funds, already provides financial assistance for developments that include such housing opportunities. Therefore, additional legislation is not needed at this time.

HB 5064: AAC FLOW CAPACITY STUDIES OF AFFORDABLE HOUSING AND HIGH DENSITY HOUSING PROJECTS

We oppose this legislation. This bill would shift the cost of local municipal planning relative to sewer capacity to developers of affordable and higher-density housing. This would result in higher costs for developers and increase the cost of affordable housing produced under DECD's programs. As a result, the cost to the State to incentivize the development of affordable housing would increase. In this way, the bill operates to reduce the number of additional units of affordable housing created or preserved statewide, which is contrary to the aims of DECD.

HB 5066: AAC DRUG-RELATED ACTIVITY BY TENANTS IN PUBLIC HOUSING

We oppose this legislation. The regulations for Tenant Rights in Public Housing under Section 8-68f of the general statutes are in the process of being submitted for consideration by the Legislative Regulations Review Committee. Official approval of the proposed regulations by the Attorney General's Office is expected imminently. These regulations will provide detailed guidelines relative to this issue, so additional legislation is not necessary and could result in a conflict between the regulations, which are the result of a multi-year collaboration among interested stakeholders, including tenants' rights advocates, housing authority representatives and legal aid, among others.

SB 336 & 337: AA ESTABLISHING GOALS FOR MIXED POPULATION PUBLIC HOUSING

We oppose this legislation. The establishment of limitations on the number of units available for persons with disabilities is in direct conflict with DECD's priorities relative to the development of supportive housing. In addition, to further lower the age limitation for eligibility in order to further limit access by persons with disabilities is potentially discriminatory and cannot be supported by DECD.



**HB 5135: AA AUTHORIZING MUNICIPALITIES TO IMPOSE IMPACT FEES
ON THE DEVELOPMENT OF AFFORDABLE HOUSING**

We oppose this legislation. It would significantly and needlessly increase the cost to develop affordable housing and ultimately reduce the number of affordable housing units that would be created or preserved statewide. Under section 8-23 of the general statutes, municipalities are obligated to prepare a plan of conservation and development which addresses the long term needs of that municipality relative to public services and plan for addressing those needs. It is unfair and discriminatory to shift the burden of these long-term costs onto those developing housing for our neediest citizens.

HB 5970: AAC THE POWERS OF MUNICIPAL FAIR RENT COMMISSIONS

We oppose this legislation. Title 47a, Chapter 830 of the general statutes clearly defines the rights and responsibilities of landlords and tenants in the State of Connecticut. Specifically, section 47a-9 of said chapter details the methodology under which a landlord may establish such fees and surcharges. Should a tenant be aggrieved by such fee or surcharge, the tenant has existing rights and remedies as provided for in the general statutes. DECD's proposed regulations under section 8-68f of the general statutes will provide clarity and guidance for those tenants who reside in state public housing. To circumvent established legal processes in the twenty-two (22) communities which currently have a Fair Rent Commission places an unfair burden on those twenty-two (22) commissions, provides significant opportunity for disparate and inconsistent application of the law, and creates a disincentive to the creation of additional Fair Rent Commissions in those municipalities that do not currently have one.