

February 19, 2013

**Housing Committee - Public Hearing on Proposed S.B. No. 337**

**AN ACT ESTABLISHING GOALS FOR MIXED POPULATION PUBLIC HOUSING.**

**Written Testimony of Scott C. Bertrand**

Ladies and Gentlemen of the Housing Committee –

I have been a public housing practitioner for over 17 years. My experience includes being a Past President of the Connecticut Chapter of the National Association of Housing & Redevelopment Officials more commonly known as CONN-NAHRO. I am currently the Executive Director of the Enfield Housing Authority.

I fully support S.B. No. 337 and also the similar legislation, S.B. 336. Under the current conditions, the number of apartments available to seniors in the state financed elderly housing portfolio is decreasing at an alarming rate.

In Enfield, there are 200 elderly apartments owned and managed by the Enfield Housing Authority. However, 90 or 47% units are not rented by seniors but rather individuals under age 62 with disabilities. In 2002 the percentage was 14.4% and within five years the percentage jumped to 26%. The number has tripled in just a ten year period. Projections indicate that in just five years about two thirds of the units will be occupied by individuals younger than age 62 and within 15 years there will be no units occupied by seniors. This will come at a time when there will be a steep increase in seniors driven by the aging baby boomer population.

The current trend also brings negative financial impacts. The housing developments in question receive no ongoing operational or capital subsidy. They are operated primarily on the rents collected. Residents pay the higher of an established base rent or income rent which should cover the cost of operations and long term capital improvement needs. However, the average income of a non-elderly household is about 20% lower than that of a senior. Lower rental income forces increases to the base rents for all residents including seniors.

The State of Connecticut has made limited funding available through the Elderly Rental Assistance Payment (ERAP) program to assist those who cannot afford the base rents. Extremely low income non-elderly households have an increasing need for the limited ERAP funds as base rents are raised to meet increasing costs. There have been cases where households, including seniors, could not be added to the program due to a lack of funding. It will be difficult for the State of Connecticut to meet the increased need for ERAP in the current economic environment of budget deficits.

Housing authorities have also been faced with a need to increase rents to support the increase in resources needed to manage highly mixed population developments.

This includes both administrative and maintenance costs which must be passed along to all residents including seniors. For example, of the tenants who move-out and owe money to the housing authority, the average owed by the nonelderly is about 75% higher than the average amount owed by the elderly. It should be noted that security deposits are not held in these developments.

The drastically increased number of nonelderly individuals with disabilities has had other impacts on what was once traditional senior housing. There is a lack of supportive services available to meet the needs of the younger population and community based mental health providers do not have resources to offer on-site services. Housing authorities are primarily providers of housing and not financially equipped to be social service providers. Adding social services comes at a cost which at this time can only be covered by rent increases to all residents. Seniors and younger individuals have very different lifestyle which has led to conflicts.

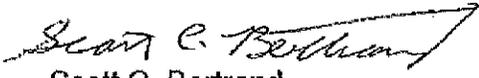
There are other housing programs that may be accessed by the non-elderly. They include federal housing programs such as, low income public housing, Section 8 vouchers and project based developments. In addition, the State of Connecticut has invested heavily into developing units of supportive housing over the past several years.

The Federal government and the State of Massachusetts have long recognized the need to preserve units for seniors. Under Federally funded low income housing program guidelines, housing authorities may designate specific developments or parts of developments as senior only. Since 1995 the State of Massachusetts financed developments give a preference to seniors when the population of seniors drops below 86.5% as is what is included with this proposed legislation.

It is important to note that this is a proposed preference for seniors and then the near seniors and does not seek to exclude younger individuals with disabilities. It comes with flexibility built in where the apartments will be made available to the nonelderly with disabilities should there be no elderly or near elderly on the waiting lists.

The need to preserve housing for the State's aging population is very real as the trend is being felt throughout the State of Connecticut. I encourage you to support SB 337 and the similar bill, SB 336.

Respectfully submitted,

  
Scott C. Bertrand