



Evonne M. Klein
Commissioner

Department of Housing

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TESTIMONY PRESENTED TO THE APPROPRIATIONS SUBCOMMITTEE

Evonne Klein, Commissioner
Department of Housing

House Bill No. 5030

AN ACT MAKING ADJUSTMENTS TO STATE EXPENDITURES FOR THE FISCAL YEAR ENDING JUNE 30, 2015

Good afternoon Senator Bye, Representative Walker, Senator Duff, Representative Flexer and members of the committee. My name is Evonne Klein and I am the Commissioner of the Department of Housing (DOH). Thank you for this opportunity to appear before you concerning Governor Malloy's recommended adjusted operating budget for DOH.

As you are aware, the department was established last year as the new lead agency on all housing matters, whose main purpose is to ensure that all of Connecticut's residents have access to safe, affordable housing. DOH develops and advances strategies and programs that assist in meeting the housing needs of low- and moderate- income individuals and families and strengthen our state's diverse communities.

With this proposal, Governor Malloy continues to make a significant investment in housing, understanding how this commitment spurs economic growth while ensuring all Connecticut citizens have safe shelter. The Governor's new housing investments include:

- An additional \$50,000 for the Security Deposit Guarantee Program, which provides a guarantee to landlords of up to two month's rent instead of an actual payment, assisting eligible low-income individuals and families secure safe housing. During this session, the Governor is establishing a priority for veterans under this program to support the goal of ending homelessness for veterans in Connecticut by 2015.
- Two new positions in DOH to develop and implement a Housing Authority Capacity Building Program. This program will provide much needed individualized technical assistance to housing authorities based on their needs, enabling the authorities to better carry out their mission of assessing local housing needs and providing safe, affordable housing for low- and moderate- income individuals. It is especially vital and timely

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given the state's financial investment in adding more units to Connecticut's affordable housing stock and preserving the state-sponsored housing portfolio properties. As noted in the recently published Connecticut State-Sponsored Housing Portfolio Capital Plan, a large percentage of housing authorities have never managed a capital project larger than \$750,000, require training on implementing the resident participation requirements, and need assistance with a variety of other day-to-day operating challenges. The new staff members may also provide a range of other assistance to housing authorities, including, for example, creating training materials for housing authorities, available on DOH's website, which would address common issues such as mixed financing, waiting list management and tenant relations.

- Supplementing existing funding with an additional \$1 million for the Rental Assistance Payment (RAP) Program and \$650,000 for Rapid Rehousing through carry forward funding from FY 2014. RAP is the major state-supported program for assisting very-low-income families to afford decent, safe, and sanitary housing in the private market and Rapid Rehousing assists homeless families move as quickly as possible into stable, permanent housing through a combination of housing relocation and stabilization services as well as short-term financial assistance.
- As part of the Governor's mental health initiative, increasing RAP funding by another \$1.1 million for 110 RAP certificates dedicated to scattered site supportive housing for individuals with psychiatric disabilities. The Department of Mental Health and Addiction Services will receive \$1.1 million for related support services.
- An additional \$6.5 million to reopen eligibility for the Renters' Rebate program. This program provides reimbursements to income-eligible elderly and disabled renters based on a graduated income scale and the amount of rent and utility payments the renter made the prior year. Rebates can be up to \$900 for married couples and \$700 for single persons. During this session, the Governor is also proposing to transfer this program back to OPM, which DOH fully supports. Renters' Rebate will be better served remaining with OPM; the agency that has successfully administered this program for over 30 years.

I respectfully request the Committee's support for the Governor's proposals as specified in House Bill No. 5030. I am happy to answer any questions you may have at this time.