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*Testimony in Support of*

SB- 436 To authorize municipalities to provide tax abatements for housing developments in which at least twenty percent of dwelling units are designated for low or moderate-income persons or families.

*Submitted by*  
**Erik C, Johnson, Executive Director**  
**Livable City Initiative, City of New Haven**  
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Senator Osten, Rep. Rojas members of the Planning and Development Committee,

Thank you for giving me the opportunity to testify on SB 436.

The City of New Haven strongly supports the proposed amendment to Section 8-815. The City of New Haven believes that the proposed amendment is not only consistent with current national policy efforts surrounding affordable housing, but the changes proposed will facilitate the creation of new mixed income development in New Haven and in other communities throughout the state.

Section 8-215 as written does not support tax abatements for a mixed-income development. It requires that any residential development applying for either the State PILOT funds or local tax abatement is one hundred percent (100%) affordable. In its past experience, the City as it supports the development and preservation of affordable housing has learned that 100% affordable units for low and moderate income persons:

- Requires large amounts of public subsidy to develop with limited private investment;
- Developments are often not viable long term;
- Concentrate or segregate low income persons into certain neighborhoods or communities; and
- Comprises a town or municipalities ability to develop workforce and market rate housing.

The City of New Haven believes amending the State Tax Abatement legislature authorizes municipalities to provide tax abatements for housing developments consisting of at least twenty percent (20%) of the total dwelling units are designated for low or moderate-income persons or families:

- Is consistent with recent funding efforts by DOH/CHFA; and state TOD strategy for building new affordable, workforce and market rate housing along its main and branch train line routes.
- Aligns with national housing policy that has moved away from 100% affordable housing developments;
- Facilitates increased residential development in CT cities and smaller towns that have not-traditionally been interested in the development of workforce or affordable housing units; and
- Reduces that amount of public funding required to create new affordable and workforce housing units.

The City of New Haven's support of SB 436 should not be construed as a change in the City's commitment to provide affordable housing to its residents. The City of New Haven is committed to the development and preservation of affordable housing for low and moderate income individuals and families. The City supports this bill due to the fact that the creation of new workforce and market rate housing developments will be required to take into consideration the low moderate income individual and families as policy and has the potential for providing a good tool to continue the growth of our City.