

# Legal Assistance Resource Center

## ❖ of Connecticut, Inc. ❖

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### Department of Housing BUDGET

Appropriations Committee public hearing – February 10, 2016  
Testimony of Raphael L. Podolsky

We recognize that this year's budget situation imposes difficult -- nearly impossible -- choices on the Appropriations Committee. Nevertheless, these decisions must be made, and it is important that the Appropriations Committee understand their implications. With that in mind, I urge you to include the following in the Committee's review of the Department of Housing's budget:

(1) Family public housing PILOT: Last year the General Assembly approved the defunding of the Moderate Rental Housing PILOT program but imposed a one-year prohibition on towns imposing PILOT payments on their housing authorities. If PILOT payments had been imposed, DOH estimated that most base rents would have to go up by \$50 to \$100 per month for the very poorest residents of these developments. The Governor's budget (Sec. 7 of H.B. 5049) extends this prohibition two years. We are very pleased by this provision and support it. We believe that funding for the program should be restored. If it is not restored, however, then we urge the Committee to make the prohibition permanent. See below for permanent implementer language. Do not allow this loss of funds to be translated to higher rents for the very poorest tenants in state family public housing.

#### Proposed implementer language:

Add to C.G.S. 8-71: "...and provided further that no such payment shall be due from the housing authority in any year for which the State of Connecticut does not make to the municipality on behalf of the authority the payment required by this section."

Affected residents: Very low-income residents of state family public housing in the following towns may face large base rent increases unless they are protected from the unreimbursed imposition of these PILOT payments:

Bristol	Danbury	Enfield	Greenwich	Hartford
Mansfield	Meriden	Middletown	Norwich	Seymour
Sharon	Stamford	Stratford	Westport	Wethersfield
Windham				

(2) Non-profit housing tax abatement: Last year the General Assembly preserved this program (the Governor had proposed to defund it), but in December the Governor defunded it anyway as part of the \$20 million in budget cuts he was required to make. We urge the Committee to either restore funding for the program or to adopt language, similar to the public housing PILOT language, to prohibit towns from producing rent

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increases by transferring these costs to non-profit housing providers. See below for implementer language to accomplish this. Do not allow this loss of funds to be translated to higher rents for residents of these non-profit housing developments.

Proposed implementer language:

Add to C.G.S. 8-216(a): “No such tax abatement shall be terminated by a municipality if the state fails to pay such grant-in-aid, unless the reason for the failure to pay is that the housing no longer fulfills the purposes stated in section 8-215.”

Affected residents: Residents of non-profit housing in the following towns may face rent increases unless they are protected from the withdrawal of these tax abatements:

Ansonia	Bethel	Bloomfield	Bridgeport	Danbury
Granby	Hartford	Kent	Middletown	New Britain
New Haven	Norwalk	Stamford	Waterbury	