



Housing Committee Public Hearing
March 1, 2016

OPPOSE

S.B. 155 AN ACT CONCERNING THE ALLOCATION OF LOW INCOME HOUSING
TAX CREDITS

SUPPORT

H.B. 5399 AN ACT CONCERNING STATE REIMBURSEMENT FOR TAX
ABATEMENTS AND PAYMENTS IN LIEU OF TAXES

Testimony of Florence Villano, Executive Director
Connecticut Housing Coalition

Thank you for the opportunity to testify before you today. My name is Florence Villano, and I am the Executive Director of the Connecticut Housing Coalition. The Connecticut Housing Coalition represents a wide-ranging, vibrant network of community-based affordable housing activity across the state. Our more than 250 member organizations include nonprofit developers, human service agencies, resident associations, and diverse other housing practitioners and advocates. Founded in 1981, the Coalition's mission is to expand housing opportunity and to increase the quantity and quality of affordable housing in Connecticut.

I would like to speak to you today in opposition to SB 155, An Act Concerning the Allocation of Low Income Housing Tax Credits (LIHTC). The Housing Coalition strongly supports the goal of increasing access to affordable housing in high or very high opportunity areas by low and moderate-income residents but we believe that the impact of the proposed change on residents and communities has not been fully thought through.

While the LIHTC program is a valuable instrument in creating and preserving quality affordable housing it is not our only pathway to expanding economic opportunity. For instance, the Coalition supports and participates in the Housing Connections program operated by the Local Initiatives Support Corporation (LISC). Housing Connections, a very successful program, provides technical assistance to those in rural and suburban communities who desire and act to expand affordable housing in their communities. The Department of Housing's FLEX, CHAMP and HOME programs also provide funding that creates affordable housing throughout the state, not only in urban municipalities.

It should also be noted that Connecticut, as a recipient of funding from the U.S. Department of Housing and Urban Development, is poised to begin the process of reducing housing inequality through the Affirmatively Furthering Fair Housing Assessment of Housing Impediments process. The result of that process will very likely impact the LIHTC program and, therefore, makes enacting this legislation premature. We encourage the Committee to conduct a review of the existing infrastructures of towns classified as both high and very-high opportunity areas to determine what is needed to enable low-income residents to fully engage in work and community life in those communities.

The Housing Coalition welcomes the opportunity to participate in a dialogue to address how we move forward to achieve our mutual goal of expanding affordable housing throughout the state with the financial resources available to us.

I am also here today to speak in favor of HB 5399, which calls for a moratorium on implementing rent increases for both PILOT and Tax Abatement programs. PILOT assists state funded moderate rental housing and Tax Abatement assists private non-

profit rental housing, funding for both has been eliminated from the budget. HB 5399 offers a remedy to the over 10,000 low income families affected by PILOT and Tax Abatement. The result if HB 5399 is not enacted could be dramatically increased rents for residents already paying well beyond 30 percent of their incomes. You have already received testimony from one of the Public Housing Resident Network's resident leaders about the impact on these families, that impact cannot be overstated.