



Housing Committee, LOB – March 1, 2016
Testimony of Kathryn Shafer, Deputy Policy Director, Partnership for Strong Communities
In Re: SB 155, HB 5363

Good afternoon, Rep. Butler, Sen. Winfield, Rep. Kupchick, Sen. Hwang, and members of the Committee.

My name is Katy Shafer, Deputy Policy Director for the Partnership for Strong Communities (Partnership), a statewide nonprofit policy and advocacy organization dedicated to ending homelessness and expanding affordable housing to strengthen Connecticut communities. To meet these goals, the Partnership staffs and manages two statewide campaigns – Reaching Home and HOMEConnecticut.

I am testifying in regards to SB 155 and HB 5363.

First, I would like to comment on SB 155, An Act Concerning the Allocation of Low Income Housing Tax Credits. We find the goals of the bill to be laudable and share the underlying vision – to increase the stock of affordable housing in Connecticut’s high resource communities. Developing more affordable housing choices in a wider array of our towns is essential to Connecticut’s future economic growth, to ending poverty and to closing the achievement gap. We are concerned, however, that SB 155 may undermine the ability of the Connecticut Housing Finance Authority to effectively refine the program and preserve flexibility. Historically, the state’s housing priorities are advanced within the LIHTC program by annual modifications to the LIHTC Qualified Allocation Plan (QAP). The process to update the QAP includes public review and feedback and it may be the more appropriate vehicle to further explore how LIHTC funds are prioritized.

In addition, we believe that developing a comprehensive strategy for using the various financing and incentive tools available in Connecticut, including Low Income Housing Tax Credits (LIHTC), to achieve this goal would be more appropriate and should engage a wide range of stakeholders.

One of the most important strategies in expanding housing opportunities to high resource communities is continuing to engage with municipalities to revise their zoning to invite affordable, multifamily development. We at the Partnership, along with other organizations, work with many towns on doing just that. Through our HOMEConnecticut campaign, we have engaged with towns across the state and over 70 towns have received planning and technical assistance grants through the Department of Housing’s Housing for Economic Growth program/Incentive Housing Zone program. Integrating affordable housing into a town’s course of business, including revisions to zoning codes, is imperative. Without zoning that allows developers to identify parcels and have confidence that their project will move forward in a timely manner, the proposals that SB 155 envisions cannot happen.

This is particularly true for LIHTC projects, as the program’s cost structure doesn’t necessarily make it well-suited for the smaller projects that may be more feasible in high resource, suburban communities. The state has advanced new and innovative funding streams that may be better suited to leverage the historically high demand for multi-family housing.



Further, LIHTC is a tool used to help achieve many of the state's affordable housing goals, including the preservation of public housing, the revitalization of the state's urban areas, the realization of transit-oriented development projects, and the development of supportive housing for those experiencing or at risk of homelessness. These priorities must be balanced alongside the goal of expanding affordable housing in high resource communities, and may overlap in many instances.

For these various reasons, we feel that more engagement with the various stakeholders impacted by the changes proposed in SB 155 would be prudent.

Second, I would like to stress the Partnership's ongoing support for the state's Affordable Housing Land Use Appeals Process, commonly referred to as 8-30g. We oppose any weakening of the statute, which has successfully created thousands of affordable homes throughout the state. While the changes outlined in HB 5363 do not call for a complete repeal, they would weaken some key provisions.

We respectfully submit that 8-30g has been effective and remains vital. Many of the affordable units built using 8-30g have been created without using state or federal housing subsidies, allowing those resources to be targeted instead to the state's most low-income and vulnerable populations. Further, 8-30g incentivizes municipalities to work toward creating affordable housing and has led many to embrace the Housing for Economic Growth/ Incentive Housing Zone program to proactively create the affordable housing they need.

We would like to highlight the moratorium provisions within 8-30g, which provide a way for towns to achieve respite from 8-30g without having to reach the 10% threshold. There are several communities that have qualified for a moratorium under the statute. Berlin, Ridgefield, and Wilton have active moratoria currently; Darien and Trumbull have achieved moratoria in the past. Other towns, such as Farmington, are actively working towards this goal.

We have seen that towns interested in creating a wider array of housing options – including those lacking infrastructure or had previously thought themselves 'built-out' – have many tools that they can use to create the right development for their communities and avoid pressure from 8-30g.

Connecticut is a state with high housing costs, which is in dire need of more homes that are affordable to working households, families, young professionals and Baby Boomers. Our lack of supply is detrimental to the state's economy. 8-30g is a necessary tool that expands housing opportunity and we urge this Committee to leave the statute untouched.

Thank you for your time and attention.