

To: Senator Cassano, Representative Jutila, and members of the Government Administration and Elections Committee

From: Joseph Hochheiser

Joseph Hochheiser, a Southbury resident, is submitting this document in support of HB5619. HB5619 is necessary to fulfill the intent of Special Act 13-23

Typical sources at the federal level used by non-profits to finance affordable housing are obtained from US Department of Housing and Urban Development (HUD), Department of Agriculture and Low Income Tax Credits (LITC). At the time the Special Act 13-23 was passed, the use of one of the first two sources previously used was anticipated. However, the first two sources are not currently available.

LIHTC is a program that Congress authorized in 1986 to provide funding for affordable housing by offering tax credits to for-profits. The legal structure required to secure funding for the project must be in the form of a for-profit entity. The controlling members of the Tax Credit funded project can remain a non-profit entity. The controlling members in this instance will be non-profits and thus satisfies the intent of the town and the initial goal of Special Act 13-23.

- Southbury has the largest population by per cent of seniors in the State. The only affordable housing for seniors is the Grace Meadows complex with 88 apartments. Since the opening of Grace Meadows in 1985 (completed in 2005) there has been a wait list of between 115-300 applicants, which translates to approximately a 4-5 year wait.
- This planned project would align with the development and conservation policies of the town, and Southbury has already passed resolutions to ensuring that the land is accepted from the state and is developed in accordance with the law – such as approving necessary zoning, passing resolutions committing to accepting the land, and supporting the project through the due diligence phase.
- The change requested is a technical adjustment that would ensure that tax credit funding for the project does not conflict with existing laws. The intended use of the land as dictated by the Special Act 13-23 will not change.