Date: February 27, 2019

To: Hon. Catherine Osten, Co-Chair
Hon. Toni Walker, Co-Chair
Members of the Appropriations Committee

From: Florence Villano, Executive Director, Connecticut Housing Coalition

Re: Governor Lamont’s 2020-21 Biennial State Budget

Thank you for the opportunity to testify before you today. My name is Florence Villano; 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 1,000 members include nonprofit developers, human service agencies, resident associations, and diverse other housing practitioners and advocates. Founded in 1981, the Coalition’s mission is to increase access to quality affordable statewide.

As everyone who is coming before you today will reiterate, we at Connecticut Housing Coalition are well aware that the state is not standing on stable fiscal ground. We understand that you, your colleagues and Governor Lamont have the unenviable task of divvying up a too small pie into far too many pieces. As a member of the Reaching Home Steering Committee, the Coalition is very supportive of the funding Governor Lamont has allocated to homeless services,
as it is an acknowledgement of several parts necessary to end homelessness. It would be easy for the Governor to deeply cut these services, as on the surface they appear to have little to do with the state's overall economic vitality. When considered thoughtfully, however, Connecticut's ability to house our homeless veterans, teens, families, and others who are at risk of being homeless is intrinsically connected to our fiscal health and stability.

For this reason, we applaud Governor Lamont for taking the bold step of making homelessness a priority in his biennial budget, including:

- Housing/Homeless Services at $79.4 million in FY 20 and $84.8 million in FY 21.
- A Medicaid Supportive Housing Benefit for High Cost, High Need Individuals FY 20 $459,200 and $2,258,300 for FY 21.
- General Fund in the amount of $2,480,415 for FY 20 and $2,480,415 for FY 21 to a new line item called Homeless Supports.
- Preservation of the Homeless Youth Program funding at $2.3 million each year.

The Coalition appreciates the Governor's acknowledgement of the interconnections among health, social services, and homelessness in his call for additional funding to implement the Medicaid supportive housing benefit for high cost, high need individuals and rental assistance vouchers to support the state's long-term care rebalancing strategy.

We fully understand and support Governor Lamont's focus on economic development. However, by not making provisions for bond funding for affordable housing, the Governor negates his commitments to both ending homelessness and improving the economy. After all, a fundamental reason for the homeless situation for many individuals and families is the significant lack of affordable units across the state. We know that Connecticut needs approximately 90,000 affordable rental units for low- and very-low income households.
Attaining the goals of improving the state’s economy, attracting new businesses and new residents, and ending homelessness will all be beyond the Governor’s reach without an adequate supply of affordable housing. Building affordable housing through bonding generates both residences and income for individuals, families and the state. Making an investment in services must be matched with an investment in bricks and mortar. Making one investment and not the other will defeat the Governor’s purposes.

It is important to point out that Connecticut is a stellar example for other states of effectively financing affordable housing development because of our capital commitment to do so through the bonding process, particularly at a time when all states are grappling with the high cost of housing and incomes failing to keep up with the cost of living. The state of Connecticut cannot afford to ignore the important role affordable housing plays in maintaining a stable workforce, healthy communities, and a growing economy.

The Coalition is a strong supporter of the Community Investment Act (CIA). We are very concerned that funding for the Community Investment Act (CIA) is once again stripped from the four sectors that have been supported by this non-budget item. The original request was to insert funding for CANs and 211 into the Department of Housing budget to reflect their importance and need for endurance. (In the recent past, DOH has funded both entities using CIA funding.) Instead, the Governor’s budget moves CIA funding into the General Fund but earmarks them for CANs and 211. This proposal is both confusing and counter-productive. CIA funds support affordable housing, agriculture, open space, and historic preservation—all vital to preserving Connecticut’s quality of life. CIA funding is meant to be elevated above line item competition, yet it is raided during every budgetary shortfall. We hope that the Appropriations and Finance, Revenue and Bonding Committees will work together to preserve programs that are much needed catalysts to assure Connecticut’s strong economic future.
The Coalition looks forward to working with the Appropriations Committee, your legislative colleagues and the Department of Housing to make this a reality. Thanks again for the opportunity to present our views to you today.