September 15, 2015

Honorable Members of the State Tax Panel,

I am writing to you in reference to the elimination of PILOT funding for State Supported Moderate Rental Housing. The Enfield Housing Authority (EHA) owns and manages two moderate rental developments that provides 174 homes for low income families. The Moderate Rental PILOT program has greatly enhanced our ability to keep rents at an affordable level. Our base rents average only about one third of markets rents or $385 per month.

The budget implementation bill did provide a short term solution by prohibiting municipalities from collecting PILOT from local housing authorities for this fiscal year. However without a long term solution, we may be forced to increase our base rents by as much as $78 per month just to cover the PILOT payment to the town. This equates to a 20% rent increase on many working families who are already living on the edge.

I recognize that most cities and towns saw an overall increase in their total assistance from the State of Connecticut. However the door is open for municipalities to seek additional revenue directly from local housing authorities after July 1, 2013. I recommend that there be a permanent fix by clarifying the intent of the increased aid includes Moderate Rental PILOT or restoring it as a separate payment.

Please feel free to contact me should you have any questions or need any additional information regarding this important issue.

Sincerely,

Scott C. Bertrand
Executive Director

Equal Opportunity Employer/Equal Housing Opportunity