

Hartford Foundation for Public Giving testimony on

House Bill 6893, An Act Appropriating Funds For Programs To Assist Homeless Persons

House Bill 6894, An Act Establishing An Interagency Council On Homelessness

Senate Bill 1159, An Act Increasing Funding For Affordable Housing Development And Rental Assistance Programs And Expanding The Authority Of Fair Rent Commissions

Senate Bill 1266, An Act Requiring The Posting Of Fair Rent Commission Bylaws

Senate Bill 1268, An Act Requiring All Fair Rent Commission Hearings Be Open To The Public

House Bill 6491, An Act Prioritizing Allocation Of Rental Assistance Program Vouchers To Individuals Who Intend To Use Such Vouchers In Municipalities Below The Threshold For The Affordable Housing Appeals Procedure Exemption

House Bill 5002, An Act Concerning Housing And The Needs Of Homeless Persons

Senate Bill 0012, An Act Concerning Connecticut's Housing Needs

Housing Committee

February 13, 2025

Good afternoon, Senator Marx, Representative Felipe, Senator Sampson, Representative Scott and distinguished members of the Housing Committee. The <u>Hartford Foundation for Public Giving</u> is grateful for this opportunity to submit written testimony on Senate Bills 0012, 1159, 1266, 1268 and House Bills 6893, 6894, 6491 and 5002.

Since 1925, the Hartford Foundation has proudly served as the community foundation for the 29-town Greater Hartford region. This year, the foundation celebrates 100 years of service and remains committed to building an even greater Hartford region. Over the past two years, we have distributed more than \$100 million in grants to promote equitable opportunity for all residents in our region. Made possible by the gifts of generous individuals, families and organizations, the foundation has awarded grants of more than \$1 billion since its founding.

As part of our efforts to dismantle structural racism and advance equity in social and economic mobility in Greater Hartford's Black and Latine communities, the Hartford Foundation supports basic human needs in our region, applying an equity lens to the systems and programs that address access to housing, food, physical and mental health, and the digital divide.

Many of the foundation's past and current grants focus on preventing and reducing homelessness in Greater Hartford. Each year, the Foundation awards approximately \$1 million to local nonprofit organizations that provide access to emergency shelter, warming centers, housing subsidies, case management, eviction prevention and other services to residents at risk of or experiencing



homelessness. In 2021, the foundation began more fully supporting the mission of homelessness service providers by offering multiyear core support and program grants. This shift complements our broader investments in homelessness prevention and housing security. The foundation's portfolio also includes smaller annual emergency assistance grants made to proximate organizations providing urgent food, clothing, financial assistance (i.e., rent and utility expenses) and domestic violence aftercare.

As critical is our support of work to address systemic barriers to quality, stable, affordable housing, including the <u>Greater Hartford Coordinated Access Network</u> that focuses on ensuing homelessness and housing nonprofits and groups work together. To further these efforts, the foundation also supports the policy agenda of the <u>CT CAN End Homelessness</u>.

Connecticut's homelessness response system continues to struggle from inadequate funding as the demand for services continues to rise.

- In 2024, there was a 13 percent increase in homelessness and a 79 percent increase in calls to 2-1-1 for housing and shelter.
- There are currently over 5,000 people experiencing homelessness, with more than 900 having no shelter.

In 2024, there were 20,706 scheduled Coordinated Access Network (CAN) appointments, 4,468 people diverted from shelter, and 7,567 people served by emergency shelter, transitional housing, and street outreach. The foundation supports House Bill 6893, An Act Appropriating Funds For Programs To Assist Homeless Persons. With rents and housing costs continuing to rise, we ask that the legislature support this proposal to provide \$33.5 million to prevent homelessness, respond to an individual or family crisis, and to support residents in sustaining stable housing.

The funding proposal integrates essential services including the following:

- \$5.3 million in annualized new dollars for an Eviction Prevention Partnership, which will advance statewide access to high-quality legal and social services for individuals and families facing eviction.
- \$2.5 million in annualized Flexible Funding, which provides short-term financial assistance to individuals on the brink of homelessness, including young people on their own.
- An adjustment of \$9 million in funding for Homeless Response Services, indexed to inflation, which will support the long-term stability and strength of Connecticut's Homeless Response System.
- \$5 million in annualized funding for Cold Weather Emergency Services to ensure no individual or family is left without a life-saving place to stay during the harsh winter months.
- \$5.5 million in annualized funding for CAN Hub & Diversion Services to support Coordinated Access Network (Hubs, which provide direct services to prevent homelessness through diversion programs and coordinated entry systems.



 \$6.2 million in annualized funding for Case Management for Permanent Supportive Housing (PSH) to stabilize individuals in Permanent Supportive Housing through Connecticut's Rental Assistance Program (RAP).

In addition to adequate funding, the challenge of rising homelessness in Connecticut requires a coordinated and systemic response. **House Bill 6894, An Act Establishing An Interagency Council On Homelessness** speaks to the need for state agencies addressing basic human needs to work together. Feedback from our grantees and the most recent data available reflect a need to double-down on homelessness prevention and diversion. Homelessness is an issue that impacts people in a variety of circumstances; if the state is going to be effective, it needs to ensure that there is cross-agency collaboration and communication.

The foundation also invests in efforts designed to increase the stability, availability, and quality of affordable housing in the Greater Hartford region; align and leverage additional investment in Hartford neighborhoods; and increase the social strength and connectedness of Hartford neighborhoods.

This work includes supporting efforts to increase the number of Hartford residents living in higher opportunity neighborhoods by working with nonprofit, government, and other community partners. Higher opportunity neighborhoods are defined by a variety of factors, including low unemployment, better performing schools, lower crime and greater availability of quality, affordable housing stock. Given these interrelated issues, we urge legislators to support immediate interventions as well as to examine systemic challenges that are driving housing instability in Connecticut.

To support these efforts, the Hartford Foundation is a part of the statewide <u>HOMEConnecticut</u> <u>Campaign</u>. Its mission is to ensure everyone in Connecticut has access to safe, stable, accessible, and affordable housing in an equitable community of their choice. The partners of HOMEConnecticut recognize that when people have stable housing, their economic and health outcomes improve.

According to <u>DataHaven's Greater Hartford Community Wellbeing 2023 Index</u>, rising housing costs have exacerbated housing affordability: About a third of households are spending more than 30 percent of their income on housing. Forty-nine percent of renters are burdened by housing costs, with higher shares among Black (55 percent) and Latino (54 percent) renters.

Rising housing costs are also reflected in increased eviction and homelessness rates. In 2021, the DataHaven Community Wellbeing Survey found that three percent of Black and Latino women and two percent of Black and Latino men in Connecticut said that they would have to leave their home in the next two months because they were behind on their rent or mortgages, compared to 0.5 percent of white women and 0.5 percent of white men.

Statewide, rents have increased by 24 percent since 2017. More than 120,000 renter households spend more than half of their income on housing costs, well beyond the affordable target for housing costs of 30 percent of household income. After receiving a Section 8 housing voucher, many families then struggle to find an affordable housing in the location they want.



We know that Connecticut currently has a gap of more than 92,000 affordable homes, with a significant need for households earning below 30 percent of the Area Medium Income (AMI). It is estimated that there are only 34 homes for every 100 households at this lower AMI, leaving more than 70 percent with an affordable place to live.

The Foundation supports the intent of Senate Bill 1159, An Act Increasing Funding For Affordable Housing Development And Rental Assistance Programs And Expanding The Authority Of Fair Rent Commissions, which seeks to increase funding for affordable housing development and rental assistance programs for low-income individuals and families and expanding the powers of fair rent commissions.

The Foundation supports this proposal's call for more financial resources to support the creation of affordable housing and help low-income households access rental assistance. We urge legislators to support HOMEConnecticut's request to make significant investments in the creation and preservation of affordable homes by maintaining investments in bonding, including \$200 million each year in the Housing Trust Fund, and \$250 million in the Affordable Housing Program (FLEX) which includes \$150 million for homes affordable to extremely low-income renters. We also ask legislators to support HOMEConnecticut's proposal to increase funding for the Rental Assistance Program (RAP) by \$20 million each year of the biennial budget. This includes \$11.5 million each year to keep pace with rent increases for existing families being served and \$8.5 million each year to expand rental assistance to reach 650 more low-income families.

The Foundation also appreciates the intent of Senate Bill 1159, along with Senate Bill 1266, An Act Requiring The Posting Of Fair Rent Commission Bylaws and Senate Bill 1268, An Act Requiring All Fair Rent Commission Hearings Be Open To The Public to strengthen and improve transparency of fair rent commissions.

We appreciate the efforts of Senate Bill 1159 to enhance fair rent commission's oversight capabilities, including the authority to monitor rent increases and take enforcement actions against landlords who violate lease agreements or fair housing practices. By giving fair rent commissions, the ability to investigate and cite landlords for improper conduct, they can provide better protections for renters.

The foundation also offers its support of Senate Bills 1268 and 1266 which seek to improve transparency of fair rent commissions. Senate Bill 1268 does this by mandating that all hearings conducted by these commissions be open to the public, ensuring visibility into the process of reviewing and addressing rental charges. The foundation also supports the provisions in Senate Bill 1266 that requires fair rent commissions to make their bylaws accessible online.

The foundation also wanted to acknowledge the proposed strategy included in House Bill 6491, An Act Prioritizing Allocation Of Rental Assistance Program Vouchers To Individuals Who Intend To Use Such Vouchers In Municipalities Below The Threshold For The Affordable Housing Appeals Procedure Exemption. This effort prioritizes the allocation of rental assistance program vouchers to individuals who plan to use vouchers in municipalities that have not yet achieved 10 percent affordable housing. It



represents a creative approach to incentivizing affordable housing development in communities that have historically struggled to meet state affordable housing goals.

The foundation appreciates that this proposal represents an effort to support towns seeking to meet Connecticut's affordable housing goals rather than eliminating or radically amending Section 8-30g. We encourage the committee to fully consider whether the approach will work as intended given and voucher recipients usually do not know where they will find housing. There must also be a recognition that many communities may lack a significant supply of affordable housing or access to adequate public transportation that people need. While Section 8-30g is not a panacea, it is a vital tool to promote the development of more affordable homes and ensure resident choice in housing. As we look to develop additional policies to expand access to affordable housing throughout the state, Section 8-30g helps to ensure that a town cannot avoid affordable housing development by enacting exclusionary local zoning policies or cite a lack of demand for housing. With the Rental Assistance Program in need of a significant need of funding increases, this proposal would only be meaningful if significantly more resources were allocated, and work with the Department of Housing to ensure the approach to implementation meets the intent.

The foundation also offers its support for the stated purposes of House Bill 5002, An Act Concerning Housing And The Needs Of Homeless Persons and Senate Bill 0012, An Act Concerning Connecticut's Housing Needs. We applaud the commitment of members of the House and Senate Leadership to enacting policies to create fair and equitable housing opportunities that address housing affordability, expand housing availability, and provide enhanced support for homeless individuals. We would welcome the opportunity to collaborate on the strategies needed to achieve these goals.

The foundation looks forward to continuing its work with policymakers, nonprofits, philanthropy, and residents to develop effective long-term policies that will ensure all Connecticut residents have access to safe, secure, and affordable housing.

Thank you for the opportunity to provide testimony. If you have any questions, please feel free to contact our staff at policy@hfpg.org or 860-548-1888.