



## **Hartford Foundation for Public Giving testimony on**

### **House Bill 6894**

#### **An Act Concerning the State Budget for the Biennium Ending June Thirteenth 2027**

#### **Appropriations Conservation and Development Subcommittee**

**February 26, 2025**

Good evening, Senator Hartley, Representative DeGraw, Senator Gordon, Representative DeCaprio and distinguished members of the Appropriations Conservation and Development Subcommittee. **The Hartford Foundation for Public Giving is grateful for this opportunity to submit written testimony on funding allocations to the Department of Housing to support homeless prevention services and the state rental assistance program. In addition, the foundation also offers comments on the need to ensure adequate state support for the Department of Labor's Connecticut Youth Employment Program.**

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. Without adequate state funding, our investments only begin to meet the extensive need for emergency shelter and other housing services in Greater Hartford.

In 2021, the foundation began more fully supporting the mission of homelessness service providers by offering multiyear core support. Core support grants can be used flexibly to broadly support work aligned with an organization's mission and the foundation's strategic goals. The Core support and targeted program investments in homelessness prevention and housing security have been critical in responding to growing need to address housing insecurity in Greater Hartford. The foundation's investments also include 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 [Greater Hartford Coordinated Access Network](#) that focuses on ensuring homelessness and housing nonprofits and groups work together. To further these efforts, the foundation also supports the policy agenda of the [CT CAN End Homelessness](#).

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. **With rents and housing costs continuing to rise, we ask that the legislature support Connecticut Coalition to End Homelessness' 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).

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.

**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 seeks to**



**increase the number of thriving Greater Hartford neighborhoods, with a focus on Black and Latine residents' quality of life.** The foundation seeks to increase the number of thriving Greater Hartford neighborhoods, with an emphasis of promoting quality of life within Hartford's neighborhoods. The foundation's Thriving Neighborhoods grantmaking strategy focuses on leveraging the strengths and assets of residents to empower community-driven agency and advocacy for social and economic development. Thriving Neighborhoods grants aim to empower Black, Latine, and other marginalized communities in the region by increasing stable housing opportunities, preserving and developing community assets, fostering small business growth, and strengthening social connections.

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. Fundamentally, we want Hartford and other neighborhoods across the Greater Hartford region to have housing, education, employment opportunities and other services that allow community residents to thrive.

To support these efforts, the Hartford Foundation is a part of the statewide [HOMEConnecticut Campaign](#). 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 [DataHaven's Greater Hartford Community Wellbeing Index](#), 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. 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 appreciates that the Governor's budget includes an estimated \$26.1M in new rental assistance funding over the biennium, including an estimated \$8.7 million each year to keep pace with rising rents, and an additional \$8.7 million in Fiscal Y27 to serve 700 additional households--425 elderly and disabled renters at high risk of homelessness and 275 families with young children through HeadStart on Housing. **We 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 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.

As part of our strategic priorities to dismantle structural racism and advance equitable economic and social mobility for Black and Latine residents of Greater Hartford, the Hartford Foundation continues to work with government, nonprofit and other public-private partners to increase stable employment and career opportunities for youth and adults in our region facing multiple barriers.

Our work recognizes that all residents of our region need access to training and employment options that provide a sustaining wage. The foundation's efforts focus on increasing opportunities for education and training along with hiring and retaining residents in jobs who often have significant barriers to employment, including returning citizens and opportunity youth, defined as youth ages 16-24 facing significant barriers to employment who are not in school and not working. Supporting youth and young adults in securing essential basic and industry training, internships, and other work-based learning opportunities is critical in developing a workforce in Connecticut that is ready to work and meet the needs of employers. November 2024 unemployment was three percent, yet labor participation was 64 percent. The low participation reflects the need to ensure we are engaging residents who have challenges in accessing and persisting in workforce training and job opportunities.

Research confirms that the interplay of race, gender and where people grow up can have compounding effects on whether they disengage from school and work. It is a matter of racial equity. There is a critical need to support residents not only in building basic and professional skills but also in providing wraparound supports needed to be successful. In Connecticut, there are approximately 44,800 young people between the ages of 16 and 24 not in school or working. This represents more than ten percent of the young people in our state, including 12.8 percent of all Connecticut Black youth, 10.3 percent of Latine youth, and nine percent of white youth. In Hartford, young men of color are disproportionately more likely to be disconnected from education and employment.

The foundation has been a long-time partner with [Capital Workforce Partners \(CWP\)](#), the [City of Hartford](#), the [State of Connecticut](#), and other public-private investors to collaborate in increasing access for the future talent pipeline to career opportunities, summer employment and support services for Hartford youth. CWP's [Summer Youth Employment and Learning Program \(SYELP\)](#) is a work-based learning program meant to teach young people the responsibilities, duties, and commitment that come with being a successful employee.

In 2024, the Summer Youth Employment and Learning Program connected many youths to their first substantive work experience further building the Hartford future talent pipeline. Approximately 1,100 people between the ages of 14 and 24 gained career readiness experience across various industries including retail, education, and healthcare.



The Hartford Foundation's support to SYELP couples work-based learning and internship opportunities with mental health resources and referrals to Hartford youth aligned with research-based best practices. The grant complemented the foundation's other youth well-being and development and employment opportunities investments, including grants supporting opportunity youth. **The foundation's grant provided opportunities for 830 youth to participate in the SYELP last year.**

**The state's investment in the Connecticut Youth Employment Program (CYEP) is vital to the effort to ensure that Hartford and other youth served in the program can receive opportunities for education and employment. While more than 4,100 youth participated in the program last year with the state's investment of \$10 million, 6,000 students who applied were unable to participate because of limited funding. We know that the 119K Commission had recommended that the state make a \$25 million investment in the CYEP. With competing demands on limited state funding, we urge legislators at minimum to restore \$5 million back into the Connecticut Youth Employment Program to maintain last year's level of state support.**

We appreciate working in partnership with all of you to ensure that our youth can thrive and contribute to Connecticut's growth.

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