

## Hartford Foundation for Public Giving testimony on

House Bill 6659, An Act Concerning the State Budget for the Biennium Ending June 30, 2025 and Making Appropriations Therefor (Conservation and Development Agencies)

## Appropriations Conservation and Development Subcommittee February 27, 2022

Good evening, Senator Hartley, Representative Gibson, 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 House Bill 6659, An Act Concerning the State Budget for the Biennium Ending June 30, 2025 and Making Appropriations Therefor (Conservation and Development Agencies).

The Hartford Foundation for Public Giving is the community foundation for the 29-town Greater Hartford region. As a community foundation, the Foundation has distributed a record-breaking \$99 million in grants to promote equitable opportunity for all residents in our region over the past two years. Made possible by the gifts of generous individuals, families and organizations, the Foundation has awarded grants of more than \$940 million since its founding in 1925.

As part of our efforts to dismantle structural racism and improve social and economic mobility for Black and Latinx residents of Greater Hartford, the Hartford Foundation seeks to increase the number of Hartford residents living in higher opportunity neighborhoods. 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.

The Hartford Foundation seeks to increase the number of Hartford residents living in higher opportunity neighborhoods both by increasing the opportunities in Hartford neighborhoods and by increasing the ability of Hartford residents to choose to move to other higher opportunity areas throughout the Greater Hartford region. In order to support these outcomes, the Foundation 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 social strength and connectedness of Hartford neighborhoods.

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

Statewide, rents have increased by 24 percent since 2017. More than 114,000 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 struggle to find an available home in the location they want. The Foundation supports HOMEConnecticut's request



that would add an additional \$72 million in both Fiscal Year 2024 and Fiscal Year 2025 to the Department of Housing (DOH) Housing/Homeless Services line to expand the Rental Assistance Program to support 4,800 more low-income households.

Expanding rental assistance is a critical step toward addressing Connecticut's racial and economic inequities. In Connecticut, 56 percent of Black renters are housing cost-burdened and nearly all renters spending more than half their income on housing costs earn less than \$50,000 annually.

We also ask that legislators consider adding \$5 million to the DOH Housing/Homeless Services line for housing navigation and mobility services to assist voucher recipients with finding homes.

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.

While the Foundation and other philanthropic organizations have and will continue to support this work, the state must lead the effort to prevent and eliminate homelessness in Connecticut. Public commitment must also address the interplay of basic human needs, including housing, and provide adequate support to the nonprofit organizations delivering these services.

Prior to COVID, Connecticut had made tremendous strides in reducing homelessness, due in large part to the hard work and dedication of the nonprofit providers working directly with housing insecure residents. Unfortunately, this progress has been reversed by the pandemic. With increased workloads, historic underfunding, and greater competition to hire and retain staff, the need to increase funding for our homeless prevention system has never been greater.

The Foundation remains committed to preventing and reducing homelessness in Greater Hartford by both providing grants to organizations supporting people experiencing homelessness and by addressing systemic barriers to quality, affordable housing.

Each year, the Foundation awards approximately \$1 million to local nonprofit organizations that provide access to emergency shelter, housing subsidies, case management, eviction prevention and landlord negotiation, employment services, and other services to residents at-risk or experiencing homelessness. Today, our portfolio includes smaller, annual emergency assistance grants made to neighborhood organizations providing urgent food, clothing, financial assistance (i.e., rent and utility expenses) and domestic violence aftercare. And, in 2021, the Foundation began to shift its support of homelessness service providers to offering multi-year core support grants, helping service providers to plan for longer-term initiatives and hire staff with greater confidence.

The Hartford Foundation has supported Greater Hartford Coordinated Access Network, which ensures coordination among homelessness and housing nonprofits and groups, since its inception. In 2021, the Foundation recently provided a grant to the Connecticut Coalition to End Homeless to support the development of a statewide plan to end and prevent homelessness in Connecticut. This plan is a reenvisioning of the Reaching Home Campaign with the goal of preventing and ending homelessness in the state by integrating a racial equity and inclusion approach to Connecticut Coordinated Access Network's response to homelessness.



The Foundation recently provide grant to the Connecticut Bar Association to support the evaluation of the Right to Counsel pilot program that formally launched in January of 2022.

Feedback from our grantees and the most recent data available reflect a need to double-down on homelessness prevention and diversion:

- Based on the January 2022 Point in Time Count, there were 2,930 homeless people in Connecticut at the time, an increase of 13 percent from 2021. This represents the first increase in more than a decade.
- In Greater Hartford, between January and November 2022, 630 heads of houses (561 individuals and 69 families) entered the shelter system. Thirty percent were previously unhoused, 36% were previously at an emergency shelter and 19 percent came from an institutional setting (e.g., jail, psychiatric hospital, or substance abuse treatment center).
- Over the past year, more than 82,382 calls were received by Hartford's 2-1-1 information and referral service from people searching for housing or housing assistance. Of these calls, 45 percent needed assistance with shelter placement and two Hartford ZIP codes ranked in the state's top five for requests related to housing and shelter.
- In the last year, the cost of renting an apartment in Hartford has increased more than 14 percent. Cost increases place the greatest pressure on low-income households, and data confirms that BIPOC Connecticut households are disproportionately housing cost-burdened and at risk of experiencing housing instability and homelessness. Nearly one-third of Black renter households spend more than half of their income on housing.
- With the removal of the COVID-19 eviction moratorium, experts anticipate that 2022-2023 will
  see a record number of individual facing housing instability, with Connecticut eviction filings on
  track to reach its highest number since 2017. Nonprofit partners working in the rehousing space
  report that landlords are now requiring income information on rental applications, even if 100
  percent of an individual's rent will be covered by a housing voucher.
- Research confirms that structural racism disproportionately exposes people of color to poverty, housing and employment discrimination, incarceration, and health disparities, creating unique barriers to stable housing. Of the 2,930 households in Connecticut that experienced homelessness in 2022, 38 percent were Black/African American (while Black/African Americans only make up 10.5 percent of the state's population).

The Hartford Foundation supports the Connecticut CAN End Homelessness proposal found in <u>House</u> <u>Bill 6554, An Act Appropriating Funds for Certain Homelessness Response Programs</u> including:

- \$28,155,326 increase in DOH Housing/Homeless Service Line
- \$5.95 million added annually to the DOH Housing/Homeless Service Line to Support the Coordinated Access Network Infrastructure



- \$5 million added annually to the DOH Housing/Homeless Service Line to Support Cold Weather Emergency Response Program Funding
- \$2 million added annually to the DOH Housing/Homeless Service Line to Support a Flexible Funding Subsidy Pool
- \$967,373 increase in DOH Homeless Youth Line
- \$209,954 increase in DOH Municipal Housing/Homeless Service Line

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.