

Hartford Foundation for Public Giving testimony in support of
Senate Bill 49, An Act Increasing Opportunities for Workforce Housing Development in the
State
Housing Committee
March 4, 2021

Good afternoon Senator Lopes, Representative McGee, Senator Cicarella, Representative Polletta and distinguished members of the Housing Committee. The Hartford Foundation for Public Giving is grateful for this opportunity to submit written testimony **in support of Senate Bill 49, An Act Increasing Opportunities for Workforce Housing Development in the State.**

The Hartford Foundation for Public Giving is the community foundation for the 29-town Greater Hartford region. As a community foundation, we manage approximately \$1 billion in assets, in 2020, the Foundation distributed a record-breaking \$52 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 \$837 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 numbers 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. COVID has reinforced the need for all of us to live in safe, stable homes, in safe, stable neighborhoods, in safe, stable communities.

Public commitment must address the interplay of basic human needs, including access to food, mental and physical health care services, housing and other needs, and provide adequate support to the nonprofit organizations providing these services.

While the Foundation prioritizes its investment to support access to quality, affordable housing for Black and Latinx residents with lower incomes, creating a diversity of housing in a neighborhood is an integral component to support economic and community development in our urban communities. The Foundation endorses efforts to create more middle income housing in its urban

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neighborhoods. With the proliferation of deeply affordable housing in Hartford, many professionals including police, firefighters, and teachers often find it challenging to find quality housing in the city. For these reasons, the Hartford Foundation supports Senate Bill 49, An Act Increasing Opportunities for Workforce Housing Development In The State.

According to The Brookings Institution, cities benefit financially from having more middle-class residents. Property taxes make up the largest source of local government revenue for most cities. Cities made up of a few very wealthy residents and many poor residents face difficult choices: imposing high property tax rates may push their most affluent constituents into lower-tax suburbs, but allowing the quality of public services to deteriorate also threatens stability. When more middle-income residents move into a jurisdiction, renting or purchasing homes, cities can collect more property tax revenues from a broader cross-section of households. Middle-class residents also have more disposable income than poor households to spend on groceries, restaurants, movies, and dry cleaners – all items that are consumed locally which encourages private investment in urban neighborhoods.

A 2013 literature review, conducted by the Urban Institute that clarified the hypothesized benefits of mixed-income communities and examined the state of the evidence, found that mixed-income living increased property values, improved housing quality, services, and neighborhood conditions for lower-income residents.

By using tax credits, fee waivers and property tax abatement, Senate Bill 49 is a pragmatic approach to creating create additional opportunities for the development of workforce housing in opportunity zones and other parts of our state.

The Foundation looks forward to continuing its work with policymakers, nonprofits and residents to develop effective long-term policies to ensure that all Connecticut families have access to quality, affordable housing in higher opportunity neighborhoods in both our cities and our suburbs.

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.