

Hartford Foundation for Public Giving testimony on
House Bill No. 6443, An Act Concerning Revenue Items to Implement the Governor's Budget

Senate Bill 887, An Act Authorizing and Adjusting Bonds of The State for Capital Improvements, Transportation and Other Purposes

Finance, Revenue and Bonding Committee

March 24, 2021

Good afternoon Senator Fonfara, Representative Scanlon, Senator Martin, Representative Cheeseman and distinguished members of the Finance, Revenue and Bonding Committee. The Hartford Foundation for Public Giving is grateful for this opportunity to submit written testimony on **House Bill No. 6443, An Act Concerning Revenue Items to Implement the Governor's Budget and Senate Bill 887, An Act Authorizing and Adjusting Bonds of The State for Capital Improvements, Transportation and Other Purposes.**

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.

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On an annual basis, the Foundation provides approximately \$1 million to local nonprofit organizations to provide access to emergency shelter, housing subsidies, case management, eviction prevention/landlord negotiation, employment services, and housing services to residents' at-risk of or experiencing homelessness.

The Foundation endorses the provisions in **House Bill No. 6443, An Act Concerning Revenue Items to Implement the Governor's Budget that provides support for the Connecticut's Housing Tax Credit Contribution (HTCC) Program**. The HTCC program helps nonprofit developers build affordable housing in Connecticut and gives local businesses an opportunity to invest in these projects. Administered by the Connecticut Housing Finance Authority (CHFA), this program allocates state tax credits to nonprofits developing very low, low and moderate income housing in Connecticut. Private business can buy the tax credits and apply them to their public utilities tax. Nonprofit developers use the money for affordable housing development.

For more than 20 years, the Hartford Foundation has spearheaded investment in operating support and capacity building in nonprofit developers in Hartford through the Hartford Neighborhood Development Support Collaborative, a funders collaborative facilitated by LISC CT.

While it will take a strong ecosystem of both nonprofit and for-profit developers to build the affordable housing Connecticut needs, additional support of strong nonprofit developers is critical as they:

- More often are based locally and more closely represent resident interests. In many cases they include residents in their board leadership.
- Often take on the most challenging, but high community impact, projects that for-profit developers will not.
- Are more likely to have built local partnerships and contract locally for architecture, engineering and construction labor, keeping dollars in community.
- More naturally represent the holistic needs of residents in their housing developments as it furthers their mission.

The Foundation supports **Senate Bill 887, An Act Authorizing and Adjusting Bonds of The State for Capital Improvements, Transportation and Other Purposes** which includes support for new bond authorizations of \$55 million in Fiscal Year 2022 and \$50 million in Fiscal Year 2023 to the Housing Trust Fund. We also support the proposed new bond authorizations for the Affordable Housing Flex Fund funded at \$100 million for each year of the biennium, which includes \$30 million each year for the State Sponsored Housing Portfolio. It has long been recognized that investments in affordable housing represent investments to the state economy that create jobs, increase household income and generate new tax revenue. Recent research conducted by the Urban Institute, in partnership with the Connecticut Department of Housing confirms this need. In addition, this investment will allow the state to revitalize existing affordable homes that are part of the State Sponsored Housing Portfolio.

Research confirms that stable housing and neighborhoods are a key pathway to economic mobility and that inclusive economic mobility yields greater economic growth. The Foundation is eager to partner with legislators, advocates and municipalities to secure healthy, safe and affordable housing so vital to ensuring all residents have the opportunity to thrive.



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.