

Hartford Foundation for Public Giving testimony to

Appropriations Conservation and Development Subcommittee February 23, 2024

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 funding allocations to the Department of Housing to support the state rental assistance program and homeless prevention services.

The Hartford Foundation for Public Giving is the community foundation for the 29-town Greater Hartford region. Over the past two years, the Foundation has distributed \$104.5 million in grants to promote equitable opportunities 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 \$998 million since its founding in 1925.

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. We also invest in ensuring adequate job training that leads to quality jobs.

Closely related to our work to ensure adequate safety nets and career pathways to good jobs are our 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.

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 the social strength and connectedness of Hartford neighborhoods.

The Foundation and many partners throughout the state recognize that when people have stable housing, their economic and health outcomes improve. **Given the need, the Hartford Foundation and other philanthropic organizations have supported this work for many years.**

The state rental assistance program includes provisions for low-income families living in or seeking to live in privately-owned rental housing, and efforts to promote quality, safe housing by requiring that the housing comply with applicable state and local health, housing, and other safety codes. We also appreciate the flexibility in using housing certificates in other locations to support housing choice. In addition, rental assistance for tenants is linked to participation by property owners in other municipal, state, or federal housing repair, rehabilitation, or financing programs. The commissioner can use the



rental assistance under this provision to encourage the preservation of existing housing and the revitalization of neighborhoods or the creation of additional rental housing.

According to <u>DataHaven's Greater Hartford Community Wellbeing 2023 Index</u>, rising housing costs have exacerbated housing affordability as 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 late 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. If we are to sustain progress and continue tackling these and related challenges, the state must lead the effort to provide adequate resources to prevent and eliminate homelessness in Connecticut.

Public-Private partnerships must also address the interplay between housing and other basic human needs (e.g., food, health services) in providing adequate funding and technical assistance to the nonprofit organizations delivering these services.

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 to increase funding for the Rental Assistance Program (RAP) by \$16 million for the coming fiscal year.

This includes \$8 million to keep pace with rent increases for existing families being served and \$8 million to expand rental assistance to reach 650 more low-income families.

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. In 2021, the Foundation began to shift its support of homeless 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** <u>Coordinated Access Network</u>, which ensures coordination among homelessness and housing nonprofits and groups, since its inception. In 2021, the Foundation provided a grant to the <u>Connecticut Coalition to End Homeless</u> to support the development of a statewide plan to end and prevent homelessness in Connecticut. This plan is a re-envisioning 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 also provided a grant to the <u>Connecticut Bar Association</u> to support the evaluation of the Right to Counsel pilot program that formally launched in January of 2022. The organizations providing direct legal services under the program are Connecticut Legal Services, Connecticut Veterans Legal Services, Greater Hartford Legal Aid, and New Haven Legal Assistance Association.

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 2023 Point in Time Count, 3,015 people were experiencing homelessness, compared to 2,930 in January 2022. That is close to a three percent increase. For eight years, the number of people experiencing homelessness in Connecticut had been on the decline.
- 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 3,015 households in Connecticut that experienced homelessness in 2023, 28 percent were Black/African American (while Black/African Americans only make up 10.5 percent of the state's population).
- According to the <u>Connecticut Fair Housing Center</u> and <u>CT Data Collaborative</u> report, "<u>Exposing Connecticut's Eviction Crisis</u>: <u>Understanding the Intersection of Race and Sex in Connecticut's Eviction Crisis</u>," Between January 1, 2017, and December 31, 2021, Connecticut landlords filed a total of 75,429 eviction cases with Black and Latino renters being evicted at the highest rates.
- Black renters were over three times more likely than white renters to face eviction, and Latino renters were over two times more likely than white renters to face eviction.



- Eviction cases were disproportionately filed against women (56%), and even more disproportionately against Black and Latina women (62% and 59%, respectively).
- Tenants without legal representation were nearly twice as likely to have a removal order issued against them.

The Hartford Foundation also offers it support for the <u>Connecticut CAN End Homelessness</u> proposal that calls on the state to invest **\$20 Million to stabilize and strengthen Connecticut's Homeless** Response System.

This includes:

- **\$5 million annualizing Cold Weather Emergency Response Program Funding** to keep Connecticut residents from freezing outside.
- \$6 million to DOH and \$1.4 million to DMHAS annually to strengthen shelter and outreach capacity to provide homeless and housing service organizations funding for necessary staffing and operational costs.
- \$3.6 million to increase and annualize funding for Diversion and CAN Hubs to continue to increase diversion rates and for CAN hubs to connect people with critical support and resources to resolve their housing crisis.
- \$2 million to increase and annualize funding for the Coordinated Access Network (CAN) Backbone Agencies to prevent system interruptions and maximize performance of the agencies that lead the emergency Homeless Response System and effectively organize the system of care.
- **\$2 million to annualize Flexible Funding Subsidy Pool** to help individuals, families, and youth overcome financial barriers.

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.