

# Outline of January 2013 Report

## Interagency Council on Affordable Housing

### I. Executive Summary

### II. Introduction

- a. Background on Council
  - i. Statutory Requirements
  - ii. Membership
  - iii. Actions

### III. Affordable Housing in Connecticut

- a. Housing Needs of Low Income Individuals and Families
- b. Effectiveness of State Programs
- c. Barriers to Effective Housing Delivery Systems

### IV. Recommendations for the Implementation of the Department of Housing

- a. Programs to be Transferred and Timeline for Implementation
- b. Changes to the State's Housing Delivery Systems
- c. Prioritization of Housing Resources
- d. Enhanced Coordination Across Housing Systems

## Connecticut Department of Housing

### Purpose for Consolidation of Existing Housing Functions into new Department:

Currently, responsibility for the state's housing programs is divided among state agencies. In order to provide a coordinated and comprehensive approach to Connecticut's housing policies and programs, housing functions will be consolidated into a new Department of Housing. The Department of Housing will provide leadership for the state's housing policy issues and will facilitate a coordinated implementation of the state's housing agenda. Coordinating the state's housing functions has several advantages over the existing, fragmented system.

- First, it is more consumer-friendly and will be considerably easier to navigate for potential and existing clients. The existing system is disjointed and can be confusing or potentially bewildering to state residents in need of housing assistance. By organizing similar housing-related programs into one entity, clients' ability to find their way to needed support will be enhanced through a comprehensive approach to housing services. With the responsibility for shelters, transitional living, and permanent affordable housing options all under one "roof", policies and programs can focus on a continuum of needs and streamlining our ability to provide individuals and families with appropriate housing options.
- Second, the consolidation of housing production, operation and financing will enhance our productivity and will ensure a comprehensive approach to housing initiatives. Combining these programs into one organization will provide a single point of contact for developers, advocates, municipalities, the federal government, and our quasi-public partners. The state's ability to collaborate with these partners will be enhanced and the coordinated approach will provide an opportunity to simplify procedures and facilitate action. Often, housing development is dependent on matching operating subsidies for those lowest-income tenants that cannot afford monthly rent at fair market rates. By combining access to capital and ongoing operating subsidies, Connecticut will be

significantly better positioned to efficiently address the housing needs of our residents.

- Finally, the consolidation will provide the most effective structure for strong leadership and bold vision to bring the state's housing agenda to the forefront. Over the past year, collaboration between DECD and CHFA has been significantly enhanced and a coordinated approach to allocating resources has been adopted. With the establishment of a new Department of Housing, we will be well-positioned to highlight the critical importance of quality, affordable housing as a cornerstone of the state's responsibility to its citizenry. The new department will provide an important link to the state's ongoing significant efforts in the areas of economic and transit-oriented development by focusing on the key role of affordable housing to the success of efforts.

The time is right for Connecticut to undertake this consolidation. Governor Malloy has made clear that safe, affordable housing is essential to our future as a state and that when we invest in housing, we invest in people, communities and our economic future. Stable housing affects the quality of our neighborhoods, education of our children, health of our citizens and opportunity for individuals and families to live in thriving communities. That is why Governor Malloy has made an unprecedented commitment of funding to rehabilitate and develop new housing opportunities and why he proposed reorganizing the state's housing efforts.

Establishing a new, comprehensive Department of Housing with centralized leadership is the right thing to do and the smart thing to do for the future of Connecticut's communities and people.

# Connecticut Department of Housing

## *Vision, Mission, and Roles*

### **Vision:**

To develop and maintain strong, vibrant communities in Connecticut with access to safe, affordable places to live for families and individuals.

### **Mission:**

The Department of Housing will provide centralized leadership and a comprehensive approach to eliminating homelessness and meeting the [housing] needs of low- and moderate-income individuals, families and communities in Connecticut for quality and sustainable housing by enhancing the supply of, and access to, safe and affordable housing and by improving the infrastructure of neighborhoods and communities.

### **Roles:**

- Perform research and planning. Based on input from consumers and various stakeholders, identify housing and community needs, gaps and duplications in service, and develop short- and long-term plans of action.
- Develop statewide priorities and policy - for example, housing types, populations served, and service models -- using consumer and other stakeholders' perspectives.
- Maximize and commit resources to achieve priorities and implement policy.
- Monitor and ensure compliance with state and federal requirements.
- Advocate with federal and state policy-makers to more adequately address the housing and community development needs of Connecticut residents. Pursue federal and state resources and other opportunities.

- Coordinate existing housing resources and programs with internal and partners, e.g. CHFA, federal and municipal governments, and other state agencies such as DMHAS and DEEP.
- Ensure that information and referral to available programs and resources are provided to consumers.

### **Principles:**

- The new organization will enhance the effectiveness of the existing structure.
- The department's priorities will include permanent housing, mixed income housing development, and housing for elderly and special needs populations, including assisted living.
- The department will:
  - Utilize flexible funding mechanisms and eliminate bureaucratic hurdles;
  - Enhance predictability;
  - Provide transparency in processes and decision-making;
  - Leverage opportunities; and
  - Promote accountability by creating and measuring objectives – across all housing agencies and systems;

### **Criteria for Programs to be Transferred:**

- Programs directly related to the provision of, or access to, individual or group housing;
- Programs that prevent homelessness (e.g. eviction and foreclosure prevention)
- Programs that provide shelter;
- Programs that provide transition from homelessness (e.g. transitional living programs);
- Rental subsidies;
- Elderly and special needs housing programs, including assisted living;
- Data analysis capacity;
- Statewide housing authority;
- Development of permanent, affordable housing, particularly through soft (grant) financing, but also including hard (loan) financing;
- Fair housing, tenant rights, and landlord/tenant programs;
- Community development; and

- Programs for home ownership.

Programs that should NOT be transferred:

- Clinical services provided by state agencies with expertise working with sub-populations, such as individuals with mental illness, developmental disabilities, criminal offenders, etc.
- Low Income Housing Tax Credits; and
- Ownership of or asset-management related to the state-assisted housing portfolio.

For consideration and further discussion:

- Development of policy-setting documents such as the ConPlan Ten Year Plan and CHFA's QAP; and
- Shelter and housing programs for victims of domestic violence.

## Other Preliminary Recommendations for Council Consideration

*Based on Panel Presentations*

- Use an experimental model for a state personnel pilot in hiring and evaluation.
- Establish a Supportive Housing Director position.
- ✓ Move capital programs from DECD to DOH, move Section 8 and RAP administration to DOH, institutionalize supportive housing within DOH, and maintain service funding at population-specific agencies.
- ✓ Ensure access to housing for the most vulnerable and poorest populations.
- ✓ Eliminate duplication and reduce overlap.
- ✓ Enhance cost-effectiveness, maximize impact, and reduce costs – “do more with less”.
- Alter CHFA’s QAP.
- ✓ Address seniors and their housing needs. Demographic trends and costs of long term care emphasize the need to provide adequate housing for our elderly population, e.g. aging in place options, intergenerational living (accessory apartments), weatherization, and upgrade of housing stock.
- ✓ Address city-dwellers’ needs with incentives to live near transit and HDF’s Live Where You Work program.
- ✓ Use a network of intermediaries (CDFI’s, nonprofit agencies) to allow a predictable, ongoing flow of resources to meet affordable housing needs.
- ✓ Leverage debt financing to allow subsidy resources to stretch as far as possible.
- Consider investing in people as well as places.
- ✓ Support consumer choices.
- ✓ The singular agency charged with oversight and reporting of state housing programs.
- ✓ Provide technical assistance and education to affordable housing industry partners and allow partners to understand the environment in which they operate.
- ✓ Provide for sustainability.
- ✓ Develop quantifiable objectives and goals.
- Allow for staff specialization.
- ✓ Promote innovation.
- ✓ Involve community residents in the decision-making process.
- Set aside 20% of the state’s housing subsidies for project-based housing.

- ✓ Reassess CDBG allocation. Prioritize and align with goals.
- Respect partners.
- Promote a process for uniform applications.
- ✓ Value communities and neighborhoods. Enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods with easy access to employment centers, educational opportunities, services and other basic needs.
- ✓ Promote long-term sustainability, green, energy efficient communities (e.g. Metro Green Apartments in Stamford and Smart Growth).
- Promote market rate affordable housing.
- ✓ Address homelessness, particularly among the veteran population.
- ✓ Promote housing options such as mixed-income with appropriate services such as public safety and support services including mental health services. Rent, appearance, safety and services will determine success. Principles of mixed income housing should include: strong management, single management agent, units should have same interior and exterior design, majority of units should be market rate, majority of resident board members should be low-income, and low-income units should be mixed rather than clustered.

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