

First Annual Report
Interagency Council on Affordable Housing

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Timeline for Implementation

The timeline for transfer of programs to the new department must be as soon as possible. It has been almost twenty years since Connecticut has had a state agency that was solely dedicated to providing for the housing needs of state residents. The department has been established legislatively and, with this report, the delineation of programs to be transferred is clear. Delaying the implementation of the department will only harm the state's low and moderate-income individuals and families who will most benefit from a comprehensive and coordinated lead agency for housing in Connecticut. The council strongly urges the Governor and legislature to take action immediately to ensure that the state has a functioning Department of Housing.

Changes to the State's Housing Delivery Systems

In addition to the implementation of the new Department of Housing, the Council recommends improvements to the effectiveness of the state housing structure by ensuring that the new Department of Housing:

- *Utilizes flexible funding mechanisms and eliminating bureaucratic hurdles.* The new department should promote innovation and create simplified opportunities for provision of funding, including uniform applications.
- *Enhances predictability.* The new department should provide for long-range planning and sustainable access to resources.
- *Provides transparency in processes and decision-making.*
- *Leverages opportunities.* The new department should leverage debt financing to allow subsidy resources to stretch as far as possible, enhance cost-effectiveness, maximize impact, and reduce costs.
- *Promotes accountability by creating and measuring objectives – across all housing agencies and systems.* The new department should develop quantifiable objectives and goals.

The council also supports the following recommendations and looks forward to review and discussion of these recommendations with the Commissioner of Housing:

- *Use an experimental model for a state personnel pilot in hiring and evaluation.*
Concerns were raised by some council members that the existing state personnel

system is itself a barrier to securing and maintaining the quality managers and staff necessary to develop housing policy and administer housing programs in order to meet the objectives above.

- *Establish a Supportive Housing Director position.* Supportive housing (permanent, affordable housing matched with support services for individuals and families at-risk of homelessness) has been a highly successful interagency initiative in Connecticut. The creation of a position dedicated to this type of housing will further institutionalize supportive housing in Connecticut.
- *Use a network of intermediaries (CDFI's, nonprofit agencies) to allow a predictable, ongoing flow of resources to meet affordable housing needs.*
- *Allow for staff specialization.*

Prioritization of Housing Resources

In general, the Council recommends that the new Department of Housing place a priority on the development of and access to permanent housing, mixed income housing development, and housing for elderly and special needs populations. The following priorities emerged from the council's discussions:

- ✓ Address the housing needs of the state's elderly population. 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 homelessness by ensuring access to and support for housing for the most vulnerable and poorest populations, including special needs populations such as veterans, ex-convicts, and individuals with behavioral health disorders.
- ✓ Promote transit-oriented development. Address city-dwellers' needs with incentives to live near transit and HDF's Live Where You Work program.
- ✓ Promote mixed-income housing development with appropriate services such as public safety and support services including mental health services. Principles of mixed income housing should include: strong management, 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.
- ✓ Promote long-term sustainability, green, energy efficient communities (e.g. Metro Green Apartments in Stamford and Smart Growth).

- ✓ 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.
- ✓ Involve community residents in the decision-making process and support consumer choices.

More specifically, the Interagency Council on Affordable Housing intends to play a significant ongoing role in prioritizing housing resources. In particular, the council, in conjunction with the Department of Housing and the Connecticut Housing Finance Authority (CHFA), will develop the state's Low-Income Housing Tax Credit Qualified Allocation plan (QAP) which sets forth selection criteria to be used to determine housing priorities of CHFA. This integrated approach to developing the QAP has been successfully implemented in other states. After public comment, the CHFA board will approve the QAP which is then submitted to the Governor for his signature. This interagency approach to development of the QAP will provide the opportunity for enhanced dialogue and input without disrupting the financial underwriting and implementation process for the state's Low Income Housing Tax Credits.

This approach to prioritization of the state's housing resources will bring diverse expertise to bear and will ensure consistency and enhance coordination across housing systems.

Enhanced Coordination Across Housing Systems

In order to eliminate duplication and reduce overlap, the new Department of Housing should be the singular agency charged with oversight and reporting of state housing programs.

The Department of Housing will 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.

The department will provide technical assistance and education to affordable housing industry partners and allow partners to understand the environment in which they

operate. The department will ensure that information and referral to available programs and resources are provided to consumers.

The Council recommends adding representation from the Department of Transportation and the Judicial branch to its membership. The addition of the Department of Transportation will enhance the council's priority work in the area of transit-oriented development.

The council looks forward to its ongoing role in working with the Department of Housing to enhance coordination across housing systems.