

Interagency Council on Affordable Housing

*Monday, February 25, 2013*

*1:00 p.m. – 3:00 p.m.*

*Lyceum*

*227 Lawrence Street*

*Hartford, Connecticut*

**Members Present:** Anne Foley (Chair), Astread Ferron-Poole (DSS) for Commissioner Roderick Bremby, Steve DiLella (DMHAS) for Barbara Geller, Nick Lundgren for Commissioner Catherine Smith (DECD), Howard Rifkin (Partnership for Strong Communities), Rebecca Fleming (DOC), Eric Chatman (Connecticut Housing Finance Authority), Commissioner Evonne Klein (DOH), Joseph Martel (Council Appointee), Daisy Franklin (Council Appointee) and Sarah Ratchford (Council Appointee).

**I. Welcome and Introductions**

The Chair introduced Evonne Klein as Governor Malloy's nominee to serve as Commissioner of the new Department of Housing. She shared her experience with members, noting that she served as first selectman of Darien for six years. In that capacity she dedicated her efforts towards stimulating economic development in the town, including revitalization of the town's downtown district to attract new businesses and make it a destination for consumers. She also led efforts to expand affordable housing in the town, including the development of a Town of Darien Affordable Housing Plan and zoning regulations to increase the stock of affordable housing.

**II. Presentation on the Low Income Housing Tax Credit Program/Qualified Allocation Plan**

Eric Chatman and staff from the Connecticut Housing Finance Authority (CHFA) presented on the Low Income Housing Tax Credit Program (LIHTC) including the Qualified Allocation Plan (QAP). Highlights of the presentation included:

- The Federal Government makes credits available to each state for allocation through housing credit agencies such as CHFA based on state populations
- Tax Credits are the single most important source of capital in the development of affordable housing nationally
- Tax Credits provide an incentive for private investment and cover a gap in financing of affordable housing
- Two types of credits are available: allows 4% credits for rehabilitation, new construction and acquisition in conjunction with tax-exempt bonds for cost of development and acquisition and allows 9% credits for new construction and rehabilitation activities for cost of development
- Projects are reviewed by CHFA

- To be eligible for the credits the project developer must set- aside a specific percentage of units for occupancy by low income residents
- Developments units and funds from 2008-2012 totaled 2,335 units with \$17.4 million at the 4% credit level and 2,418 units with \$39.6 million at the 9% credit level
- The QAP is the document that outlines the criteria and the process for allocating credits and is driven by the IRC Section 42 and state policy documents such as the Consolidated Plan for Housing and Community Development and the Conservation and Development Policies Plan
- The QAP is updated annually and feedback is received from DECD, the Governor's Office and the Interagency on Affordable Housing Committee
- CHFA's Board of Directors reviews the draft prior to publishing for public comments
- CHFA's Board of Directors approves the QAP after public comments and the final plan is then signed by the Governor
- Under the current plan points used for the selection of 9% credits include rental affordability – 41 points; financial sustainability – 24 points; municipal commitment and impacts – 22 points and qualifications and experience -13 points

After a detail question and answer period CHFA agreed to provide the members with a summary on the proposed annual QAP as well as data on the number of units and funding since the beginning of the tax credit program.

### **III. Next Steps**

Council members agreed to hold a meeting in March to update the new Commissioner of the Department of Housing on the Council's work to date. The meeting will be held on March 28<sup>th</sup>.

### **IV. Other**

The Chair announced that the Public Hearing on H.B. 6366 (Department of Housing) will be held on February 28<sup>th</sup> at 6:00 p.m. at the Library in Meriden. The Chair will submit written testimony and Secretary Barnes will present oral testimony on the bill.

### **V. Adjournment**

The meeting was adjourned at 3:05 p.m.