

# 2014 Legislative Session and Budget Overview

## BUDGET INITIATIVES

The Governor's following housing investments were included in the FY 15 midterm adjustments:

- **110 New Units of Scattered Site Supportive Housing.** The budget includes an annualized \$2.2 million for 110 rental assistance program (RAP) certificates and related wrap-around supportive services. The RAP program is the major state-funded program for assisting very-low income families to afford decent, safe, and sanitary housing in the private market. These funds are part of the Governor's larger mental health initiative that includes funding for an anti-stigma campaign, specialized crisis intervention training for law enforcement, and residential and transitional services for high risk populations.
- **\$6.5 Million in Tax Relief for Elderly and Disabled Renters.** The budget provides \$6.5 million to reopen intake to the Renter's Rebate program. This program provides a direct, partial reimbursement of rent and utility bills of income-eligible elderly and totally disabled renters. Rebates can be up to \$900 for married couples and \$700 for single individuals. In addition, the statutory administration of the program is returned to the Office of Policy and Management from the Department of Housing.
- **Investing in Housing Authority Capacity Building.** The budget funds two positions in the Department of Housing (DOH) to provide individualized technical assistance to housing authorities statewide so they may develop and enhance their ability to address housing needs in their communities.
- **Prioritizing Security Deposit Assistance to Homeless Veterans.** The state's Security Deposit Guarantee Program aids certain eligible individuals and families in securing housing by guaranteeing a security deposit to landlords of up to two month's rent, eliminating the need for an actual payment to be administered. The budget provides \$50,000 to increase the availability of security deposit assistance for homeless veterans, and establishes a priority for veterans under the program.
- **Enhancing Residential Options and Supportive Services for Veterans.** The budget provides \$500,000 to begin work on additional housing for veterans on the Department of Veterans' Affairs Rocky Hill campus. In addition, almost \$300,000 is dedicated to provide supportive services for 74 units of housing dedicated to veterans in Victory Gardens in Newington.
- **\$1.65 million for Rapid Re-Housing and Rental Assistance Program (RAP) certificates.** The budget provides \$1 million for RAP certificates and \$650,000 for rapid rehousing initiatives in the Department of Housing through carry forward funding from FY 2014. Rapid rehousing provides housing relocation and stabilization services and short-term financial assistance to help homeless families move as quickly as possible in permanent housing.
- **\$7 Million for Transit-Oriented Development (TOD).** The budget adds \$7 million in capital funding to support TOD activities along the new CTfastrak and New Haven commuter rail line.

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- **\$600,000 for Veteran's Opportunity Pilot.** The budget provides \$600,000 in funding to support employment specialists and job developers to seek job opportunities for veterans, as well as to support a statewide coordinator for veterans' services.

These additional housing initiatives were also funded in the final FY 15 budget:

- **Investing in Resident Participation.** The budget provides \$150,000 in FY 15 for the Public Housing Resident Network (PHRN) to provide information, training, and technical assistance to housing authority residents. PHRN is a statewide organization that seeks to educate, empower, and unite public housing residents throughout Connecticut through the development of resident-led organizations within the state's public housing communities.
- **Serving Clients from the Department of Children and Families (DCF).** The budget adds an additional \$200,000 to support 20 RAP certificates dedicated to clients from the Department of Children and Families.
- **Providing Resident Services Coordination at Supportive Housing Facilities.** The budget provides \$138,000 to support the costs associated with Resident Service Coordinator/Case Manager services at the Jefferson complex in New Britain and the Horace Bushnell Apartments in Hartford. The Jefferson complex has 70 units of mixed-use elderly housing, in which all units are affordable housing with 14 units specifically set aside for homeless persons. The Horace Bushnell Apartments have 74 units of elderly housing with 8 units set aside for homeless persons. Funding will be distributed equally between the two housing facilities to fund one Resident Service Coordinator/Case Manager at each.
- **\$2 Million for the Greater New Haven Behavioral Health Collaborative.** This funding replaces the loss of federal Substance Abuse and Mental Health Services Administration (SAMHSA) funding for housing and support services for individuals experiencing homelessness. This loss would have affected services for over 400 clients.
- **Additional \$20 million in Capital Funding for Homeownership.** The capital budget provided for an additional \$20 million for the Department of Housing to use to promote homeownership through new home construction or home conversion in the cities of Hartford, New Haven, Bridgeport, New London, New Britain, Norwalk, and Stamford.
- **\$1 Million to Address Youth Homelessness.** Public Act 10-179 established a program within the Department of Children and Families for youths who are, or are at risk of becoming, homeless. The budget adds \$1 million to implement this initiative. Under the statute, the program can include services such as public outreach, respite housing, and transitional living services.
- **\$1 Million for the Housing Assistance Fund.** The Housing Assistance Fund (HAF) provides rental assistance and security deposit loans to persons with a psychiatric disorder until permanent affordable housing becomes available. Eligible persons must be homeless, disabled, and receiving DMHAS-funded services. The adopted budget provides \$1 million in funding for the HAF program, which was previously funded using surpluses from other accounts.

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## LEGISLATIVE INITIATIVES

### Department of Housing Agency Bills:

**SB 363 (PA 14-45):** *AA Transferring Funds Deposited in the Community Investment Account to the Department of Housing* – Signed by the Governor 5/28/2014

Transfers the portion of Community Investment Act funding directed to the Connecticut Housing Finance Authority to the Department of Housing (DOH). Provides DOH with much needed flexible funding that can supplement existing successful programs or innovative new ones; fill small gaps in project funding in between competitive funding rounds; and finance any new program or project the department may wish to develop to reach its affordable housing goals.

**SB 364 (PA 14-46):** *AAC the Department of Housing's Recommendations for Revisions to the Supportive Housing Initiative Statute* - Signed by the Governor 5/28/2014

Broadens the eligibility for supportive housing assistance to provide the Interagency Committee on Supportive Housing with the flexibility to prioritize new populations for support as they deem necessary. Adds the Departments of Development Services and Veterans' Affairs to the list of collaborating agencies on the supportive housing initiative.

**HB 5131 (PA 14-35):** *AAC Transferring Certain Powers and Functions of the Department of Economic and Community Development to the Department of Housing* –Signed by the Governor 5/28/2014

Transfers the powers authorized under sections 8-37x and 8-13x of the Connecticut General Statutes from the Department of Economic and Community Development to the Department of Housing. These sections were inadvertently omitted from the Governor's Bill last year that implemented the Department of Housing.

8-37x: Authorizes the Commissioner of Housing to conduct studies and surveys regarding state housing conditions and projects, acquire titles to certain housing properties, and to defer payments under troubled loan agreements, among other things.

8-13x: Enables the Department of Housing to award grants to nonprofit housing organizations under the Incentive Housing Zone program.

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## Other Housing Bills:

**SB 29 (PA 14-98) – Sec. 9(f):** *AA Authorizing and Adjusting Bonds of the State for Capital Improvement, Transportation and Other Purposes, and Concerning Miscellaneous Programs, Including the Smart Start Program, the Water Improvement System Program, School Security Grants, the Regenerative Medicine Research Fund, the Connecticut Manufacturing Innovation Fund, and the Board of Regents for Higher Education Infrastructure Act* – Signed by the Governor 5/22/2014

Authorizes bonding of \$25 million to the Department of Housing for the Shoreline Resiliency Fund, a low-interest loan program the Governor created last year that will help residents who are subject to coastal flooding elevate their homes and flood-proof their businesses.

**SB 112 (PA 14-49):** *AAC Public Housing* - Signed by the Governor 5/28/2014

Exempts William V. Begg Apartments in Waterbury from statutory provisions that generally prohibit housing authorities from disposing of a housing project, or any part of it, if doing so would remove it from the low- or moderate-income rental market.

**SB 447 (PA 14-174) Secs. 3 and 4:** *AAC a Program to Provide Property Tax Relief for Businesses, A Homeownership Incentive Program, Adjustments to a Property Tax System and a Municipal Option for Assessment of Property Used for Wholesale and Retail Business* –Signed by Governor 6/11/2014

Establishes a full income and property tax exemption for homeowners and renters living in two census blocks (with 15% or less owner occupied housing) in the City of Hartford until the rate of homeownership within the block meets or exceeds 49%, at which point the property and personal income tax exemptions would be phased out over a 5 year period. Allows the City of Hartford to assess owner-occupied residential units at a lower rate than non-owner-occupied residential units.

**HB 5133 (SA 14-14):** *AAC the Location of Funding Sources for the Health Homes Initiative*– Signed by Governor 6/11/2014

Requires the Department of Public Health, in consultation with the Commissioners of Housing, Insurance, and Energy and Environmental Protection, to report on the availability and location of state funds that may be used by homeowners to remediate conditions in housing that are hazardous to human health and include recommendations for any legislation required to locate such funding within a single agency for the purpose of better implementing the Healthy Homes Initiative.

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**HB 5353 (PA 14-89) Secs. 37, 38, & 46:** *AAC Mortgage Servicers, Connecticut Financial Institutions, Consumer Credit Licenses, the Foreclosure Mediation Program, Minor Revisions to the Banking Statutes, the Modernization of Corporation Law, and Reverse Mortgage Transactions* - Signed by Governor 6/3/2014

Extends the state's foreclosure mediation program by two years, until July 1, 2016; requires that the program operate within available appropriations; and requires the chief court administrator to develop a pre-mediation review protocol.

**HB 5597 (PA 14-217) - Sec. 222:** *AA Implementing Provisions of the State Budget for the Fiscal Year Ending June 20, 2015* - Signed by Governor 6/13/2014

Exempts the Town of Milford from the provisions of CGS 8-30g for a period of one year.