

33 Whitney Ave
New Haven, CT 06510

Voice: 203-498-4240
Fax: 203-498-4242
www.ctkidslink.org

Testimony in Support of Raised Bill No. 7149, An Act Concerning Housing for Economic Growth.

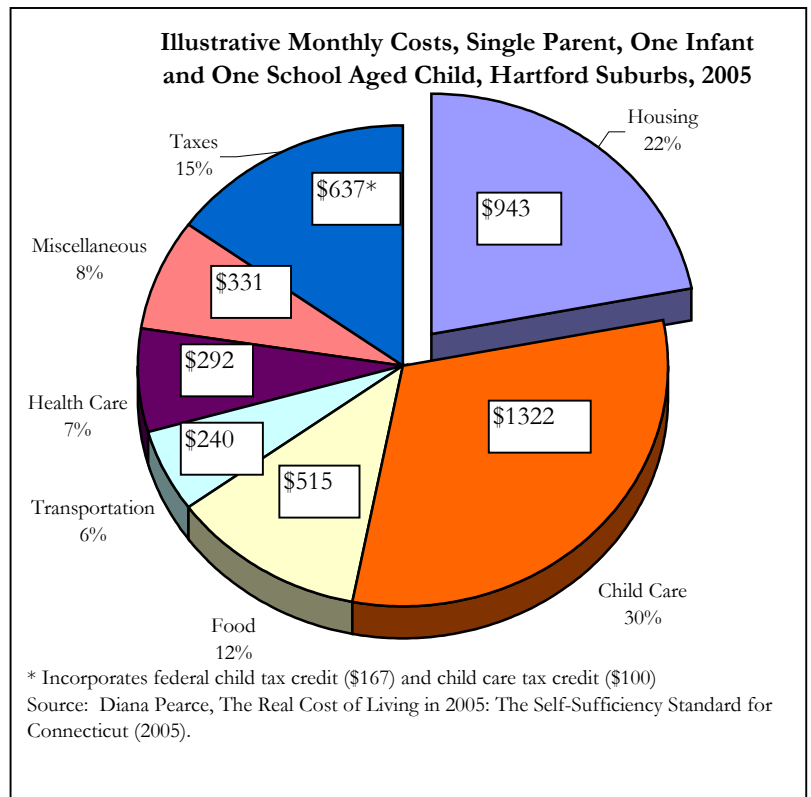
Testimony of Mary Glassman, Douglas Hall, & Shelley Geballe
To the Housing Committee
February 23, 2007

Senator Gomes, Representative Green, and Members of the Housing Committee:

I testify today on behalf of Advocates for Connecticut’s Children and Youth (ACCY), a statewide, independent, research-based organization dedicated to speaking up for children and youth in the policy making process that has such a great impact on their lives. ACCY is the sister lobbying organization of Connecticut Voices for Children, on whose behalf we also testify.

We testify today in support of Raised Bill 7149, *An Act Concerning Housing for Economic Growth*. A consensus has emerged in Connecticut that the lack of housing that is affordable for Connecticut’s families has impeded Connecticut’s economic growth and has contributed to demographic trends that will further compromise Connecticut’s capacity to achieve its economic potential. This legislation reflects not only one of the most creative approaches to housing in the nation, but also the culmination of a process that benefited from the input of the business community, key government agencies, and Connecticut’s housing advocates. The resulting plan preserves local autonomy, while rewarding communities and developers that prioritize affordable housing and responsible land use. If embraced by this General Assembly, the Connecticut Housing Program for Economic Growth will lead to the creation of 63,000 new housing units over the next fifteen years, including at least 20% of which will be affordable to families earning less than 80% of the state’s median income.

Throughout most of Connecticut, the cost of housing is one of the most expensive costs facing families as they strive to support themselves. Connecticut’s Self Sufficiency Standard shows that in Hartford’s suburbs, for example, housing costs comprise 22% of the cost of simply making ends meet for a single parent family of three with one infant and one school aged child (compared with 30% for child care, 15% for taxes, and 12% for food).



The plan outlined in *An Act Concerning Housing for Economic Growth* combines incentives, regulations, and state investment in a bold package that will stimulate a balanced approach to increased housing development that draws on the strengths of both the public and private sectors.

Currently, the lack of affordable housing in Connecticut has contributed to the out-flow of Connecticut's young workforce. The recent Benchmarks study released by CERC, the Connecticut Economic Research Center notes that between 1989 and 2005, state employment has declined by 0.2%, compared to national employment growth of 24%. Even recent employment growth has been tentative at best. As of December 2006, Connecticut had gained back just 65% of the jobs it lost during the last recession.

Connecticut's high housing prices have played a significant role in deterring the state's economic growth. US Census Bureau data from the 2005 American Community Survey show that in Fairfield County, the median value of housing units was \$475,500. Even in Connecticut's least costly regions, housing remains an impediment to growth. Windham County's 2005 median house value was \$204,000, compared to a national median value of owner-occupied homes of just \$167,500. The median monthly owner costs – essentially what it costs to run a household – in Windham County stood at 23% of household income, only slightly trailing Fairfield County's state leading rate of 24.7%.

Connecticut's renters also face prohibitively high rents, with 45% of Connecticut's renters paying 30% or more of their household income in gross rent, according to the 2005 American Community Survey.