Housing costs in Connecticut are the 9th highest in the nation. Connecticut’s residents are burdened by the lack of modestly-priced rental options – a problem which affects all communities, regardless of income levels.

Nearly 120,000 Connecticut households spend over half of their income on rental housing (including rent and utilities). When households spend half their paycheck on home-related costs, they are forced to spend less on other needs, such as food, healthcare, and childcare. In turn, local businesses are negatively affected by residents’ lack of income for other essentials.

In the next five years, 4,843 publicly supported rental homes in Connecticut are set to have their affordability restrictions expire.

Growth Starts At Home

Housing construction in Connecticut has lagged behind that of its neighbors. In 2018, Connecticut ranked second-to-last of U.S. states in permit issuance rate, with a rate of 1.3 permits per 1,000 residents.

Analysis from the National Association of Homebuilders shows that, for every $1 of state investment in multi-family housing, $4.57 in private investment is leveraged as a result. Household sizes in the U.S. have fallen for decades, leading to an increase in demand for multi-family homes. Despite this trend, multi-family housing starts have plummeted in Connecticut in recent years.
Connecticut’s housing problems are particularly dire when it comes to rental-assisted homes. In 2018, the State of Connecticut Department of Housing funded the construction of 884 rental-assisted homes. Rental-assisted home construction fell for the fourth straight year and has declined 63 percent overall since 2013.

The state can help renters and boost economic growth by investing in rent-assisted housing. The state has averaged $112.8 million in new bond authorizations for rent-assisted housing from FY 2011 through FY 2019. However, there were no new bond authorizations adopted during the 2019 legislative session. Without an expanded investment in rental-assisted homes, the proportion of households spending half or more of their income on housing will inevitably grow.

Connecticut’s housing stock is the 5th oldest of any state in the country. An estimated 2,230 units of public housing in Connecticut are in need of immediate investment – and thousands more privately-owned homes are similarly in disrepair.

According to the Cheshire-based PAHRC research group, building rental-assisted housing results in a yearly average increase of $7,000 in disposable income for families living in these homes.

We can reverse this trend of rising rents and priced-out households, while building a more equitable state. First, Connecticut needs to invest in rental options for all levels of income. At the same time, we need to recognize the value of knowledgable, informed Planning & Zoning Commissions in making critical decisions on housing. The Partnership for Strong Communities is proposing these legislative items for the 2020 session:

- **Continue necessary strategic capital investments in affordable housing** by authorizing $100 million each year in the Affordable Housing FLEX Fund, and $50 million each year for the state Housing Trust Fund.
- **Reorganize CGS Section 8-2 to make it more readable** to land use commissions and the public, develop guidelines for municipal compliance with the state’s existing requirement that each town prepare an affordable housing plan, and require municipal compliance in order to ensure that all families have housing choices in high-opportunity areas.
- **Develop training on housing issues for local Planning & Zoning commissions** to give P&Z commissioners the tools they need to make important land use decisions.

Visit [www.pschousing.org](http://www.pschousing.org) to learn more and add your support.