



Build More Affordable Homes

Affordable housing funding is an investment in Connecticut's economy – creating jobs, increasing household incomes, and generating new tax revenue.

Every \$1 of state funding leverages \$4.57 of private investment. Investing these public dollars results in a more than four-fold private investment in our state's economy. These millions of dollars in private investment create thousands of jobs and support the stability of many more jobs.

A greater supply of affordable homes prevents homelessness and reliance by our most vulnerable residents on other expensive systems of care and safety net programs, saving the state money that can be invested elsewhere.

The Need

Connecticut has a shortage of at least 86,000 rental homes affordable and available for extremely low income renters.

Our affordable housing stock is rapidly aging and in need of repair. 7% of publicly supported rental homes face an expiring affordability restriction in the next five years and 2,569 public housing units need immediate investment.

Building materials prices have risen 33% since the start of the pandemic.

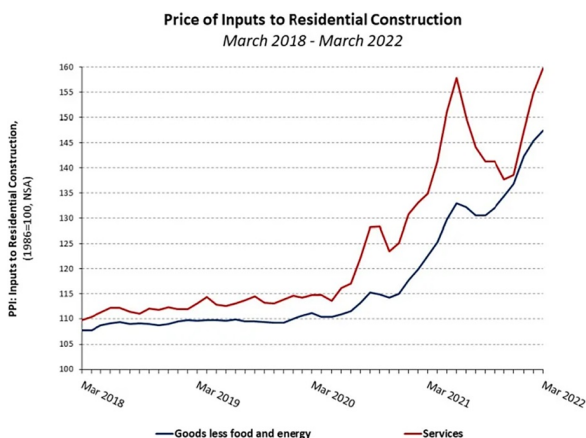


Chart taken from *Eye on Housing* at nabh.org

Solution

Authorize FY 2024/2025 bonding of \$150 million for the Affordable Housing FLEX Fund (including preservation of State Sponsored Housing Portfolio units), and \$75 million for the state Housing Trust Fund.

These authorizations represent a 50% increase over authorizations adopted in the 2022/2023 budget to account for increased development costs due to inflation and to increase the total number of affordable homes that can be funded each year.

Impact

The proposed increased bond authorizations could fund an additional 625 – 1,250 affordable homes annually and continue to support the critical revitalization of existing affordable homes in the State Sponsored Housing Portfolio.

A state investment in 100 units of affordable multifamily homes generates \$14.5 million in income while supporting 165 jobs during construction. In each year thereafter, the 100-unit development generates \$3.8 million in income and supports 42 jobs.

Research shows that state investments in housing:

- Create jobs and increase household income
- Reduce housing instability, and homelessness
- Reduce poverty and allows households to afford other necessities
- Reduce racial disparities
- Improve health, development, and educational outcomes for children