



*1266 East Main Street, Suite #601  
Stamford, Connecticut 06902  
T: (203) 348-2644  
F: (203) 348-2611*

**Appropriations Budget Hearing  
On Governor's proposed Mid-term Budget Adjustments for  
FY2021 Department of Housing**

**Tuesday, February 11<sup>th</sup>, 2020**

Senator Osten, Senator Formica, Representative Walker, Representative Lavielle and distinguished members of the Appropriations Committee, thank you for hearing my testimony today on the important investments through the Department of Housing to support efforts to provide desperately needed affordable housing for our state's housing-cost burdened residents.

As you may be aware Connecticut's rental housing is among the most expensive in the United States. The United States Department of Housing and Urban Development calculates that a standard two-bedroom apartment in Connecticut costs, on average, \$1,295 per month, which means that an average renter would need to earn nearly \$25 per hour to afford the unit. In terms of states with the highest average "housing wage", this puts Connecticut in ninth place as one of the highest housing-wage states in the country. Connecticut's minimum wage is \$11 per hour, so even a household with two adults working full time would not be able to afford the average rent. Remember that these are averages and in areas of the State such as Fairfield County the disparity between working families' incomes and the cost of available rental units is even more dramatic.

This situation is most dire for low and extremely low-income renters. An extremely low-income, four-person household in Connecticut would make no more than \$28,720 per year, or \$2,393 per month. Therefore, living in a standard two-bedroom apartment would cost more than 50% of that family's monthly income – well beyond any reasonable standard of affordability. Presently, according to the National Low-Income Housing Coalition, 30% of all of Connecticut's renters, approximately 140,500 families, are in this category, many of whom are elderly and/or disabled.

Given the high costs of land, permitting and construction, the only solution to this problem is for our government agencies to provide the subsidies necessary create affordable units. It is imperative that the State of Connecticut make the investments necessary to ensure that its low and very-low income residents do not continue to suffer from housing cost burdens. Providing families with affordable housing is, in fact, an economic development tool.

Affordable housing is an important driver of economic development for our State. The construction of housing in Connecticut is important to the growth and sustainability of our construction industry. Low and very-low income renters who are not housing burdened experience an increase in disposable income, which, in turn, flows directly back into local economies. It is imperative that the State recognize the

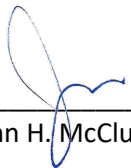


*1266 East Main Street, Suite #601  
Stamford, Connecticut 06902  
T: (203) 348-2644  
F: (203) 348-2611*

desperate situations its low and very-low income families live in every day. Through investments in affordable housing the State will alleviate this dire situation in a manner that provides great social and economic benefits for all our State's residents.

Thank you for hearing my testimony and thank you for your support to efforts to provide quality affordable housing that supports our State's and local business enterprises.

Sincerely,

  
\_\_\_\_\_  
John H. McClutchy Jr.

  
\_\_\_\_\_  
Todd D. McClutchy