



March 26, 2021 Public Hearing Testimony before the Connecticut General Assembly's Appropriations Committee In support of Senate Bill 340: An Act Concerning Funding for Housing Services

Dear Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Committee on Appropriations: Thank you for the opportunity to testify in support of submit testimony Senate Bill 340, An Act Concerning Funding for Housing Services.

My name is Rafael Pagan Jr, executive director of Pacific House, Inc. Our mission is to end homelessness in Fairfield County, currently serving Stamford, Norwalk, Danbury and the surrounding communities.

I am here today to respectfully request that state enact a law requiring state agencies to ensure that funding levels for homelessness and housing assistance services reflect the true cost of these professional services, to include, paying competitive wages and benefits to front-line workers who staff shelters, Coordinated Access Network appointments, homeless outreach, and housing navigation and case management services.

Regardless of their essential role homeless and housing services organizations continue to be funded by state agencies at levels far below the actual cost of delivering homeless and housing assistance services. For over 10 years, state agencies like the Department of Housing and the Department of Mental Health and Addiction Services have required homeless and housing services organizations to maintain the same level of services at level/flat funding levels, essentially reducing the "actual per client or per unit" funding levels. There have been no adjustments to funding levels to reasonably cover inflationary costs and therefore limiting a provider's ability to maintain its ability to administer their programs, these rising costs include such items as employee salaries, training/supervision costs, rent, heat, fuel, and health insurance costs. Please:

1. Require the state to establish an independent, evidence-based process to set rates which reflect the optimal and sustainable costs of operating an emergency crisis response system to serve everyone who experiences a housing crisis.
2. Require the state to establish an independent, evidence-based process to set new unit rates which reflect the optimal and sustainable costs of the services provided to end homelessness.



3. This review must consider living wages, overtime and hazard pay, fringe and benefits, and other than personnel costs such as supervision, supplies, staff training and professional development, technology administrative support, and more.
4. These standards and revised payment structure should then be revised each biennium based on a review of changes to cost-of-living and other cost changes.
5. Require the Commissioners of DOH, DMHAS, and other housing related funding department to use the revised payment structure and standards as the basis of any new services contracts.

Nonprofit agencies have been pushed to their limits as grants have stagnated throughout the years with no increase to cover cost of living. In addition, Fairfield County nonprofits are faced with higher employment cost due to its proximity to New York and the high cost of living in the County. This has resulted in cutting back on other essential services to cover cost of the programs that are underfunded.

Non-profit homeless and housing services organizations, and the people who work for them, play a critical role in protecting and assisting Connecticut's most vulnerable populations. During the COVID-19 pandemic emergency, homeless and housing services have played an important part of the state's critical infrastructure and emergency response system.

In response to the pandemic Pacific House has moved all of the shelter guests to three separate hotels while staffing all locations. From the beginning of the pandemic, all of our essential staff continued to come into work. In addition, our clients are provided with meals with the support from other partner agencies, health checks and PPE's in our efforts to keep everyone safe. We received referrals from local hospitals and other agencies to house people that needed to be in quarantined or isolation. Out of over 250 individuals and families served in two separate communities, our efforts led to only eight guest who resided with us who tested positive with COVID 19. Throughout this time, we have also continued to house our guest to permanent housing. This is a testament of the commitment, and dedication, that nonprofit staff have towards our mission, and serving the greater community as essential employees.

We must prioritize adequate funding to homeless service organizations so that every employer is able to provide their staff with a safe working environment and a living wage. Creating a funding schematic that ensures livable wages and benefits would go a long way



towards eliminating the racial and economic inequities that have become so glaring during this pandemic.

Our employees, many who represent communities of color, are earning wages that are not commensurate with livable wages in Fairfield County. This has led to many agencies not being able to be competitive with salaries, thus, having high staff turnover, and difficulty in recruitment of essential and competent staff. Many of our front line staff have to maintain two jobs just to sustain a livable wage in our county. We believe that all employees should receive livable wages.

Our gratitude to the committee for the opportunity to present this testimony and for your hard work in making important and life-saving decisions during this public health crisis – it is with your support that we can help make sure Connecticut's residents are healthy and stably housed.

Respectfully,

Rafael Pagan Jr. LCSW, ACSW
Executive Director