H.B. 7297 – Promotion of fair housing SUPPORT

Since the adoption of P.A. 91-362 in 1991 (now codified as C.G.S. 8-37cc), the Connecticut statutes have explicitly required the Department of Housing (DOH) and the Connecticut Housing Finance Authority (CHFA) to “affirmatively promote fair housing choice and racial and economic integration in all programs administered or supervised by such housing agency.” The courts have held, however, that, because mandatory statutes do not include an explicit right to sue, they do not give anyone a right to go to court to challenge the agency’s failure to comply with this mandate. Section 1 of this bill would provide that right.

Section 2 requires CHFA, in cooperation with DOH, to analyze, rental vs. ownership and by demographic characteristics, the gap between the state’s current housing inventory and the state’s projected housing need over the next 15 years. This will lay the groundwork for policy development in the future.

H.B. 7298 – Statewide inclusionary zoning SUPPORT IN CONCEPT

This bill would require all towns in Connecticut to adopt inclusionary zoning affordability set-asides of at least 40 years for new residential construction of buildings with five or more units. The set-asides would be 15% of the units for households below 30% of median income OR 20% of the units for households below 60% of median income OR 30% of the units for households below 80% of median income. It permits developers of 1- to 4-unit buildings to make payments into a housing trust fund and allows DOH to provide financial aid to developers.

We support the concept that a portion of newly constructed housing should be subject to long-term affordability set-aside. Unlike planning requirements, which sometimes result in plans but no housing, inclusionary set-asides take advantage of “hot” markets where new housing is being created so as to assure that some affordability is included in housing growth. We think, however, that the Committee should proceed cautiously with this proposal, so as not to risk reducing rather than enhancing development. We also think that the Committee should review particular aspects of the proposal, including whether small properties should be exempted entirely rather than required to pay into a fund, whether a tiered approach similar to 8-30g would be preferable to the three alternative set-asides in the bill, and whether the various inclusionary approaches should be tied to other development incentives, such as density bonuses.