

the 2-1-1 Barometer



September 2010

ACCESS TO AFFORDABLE HOUSING

The 2-1-1 Barometer utilizes 2-1-1 data and other information to explore issues affecting Connecticut residents. United Way 2-1-1 handled close to half a million requests for services in FY 2010 from people seeking information and access to health and human services. 2-1-1 tracks the type of information callers are looking for and the referrals that are made, creating a database that serves as a barometer of the needs present in the state.

The availability of affordable housing is a critical issue for many communities across Connecticut. When housing costs are beyond the reach of residents, communities lose the ability to attract and maintain a vital workforce. This translates into losses of tax revenues and skilled and educated workers thus impacting the overall economic health and stability of a community.

Connecticut has among the highest housing costs in the nation, ranking 8th in terms of rental costs and 6th in terms of monthly mortgage costs.¹ In the past decade, housing prices in the state increased 62 percent while personal income increased only 39 percent during that same period.² The state has also experienced an outmigration of 25-34 year olds that is often attributed to the lack of affordable housing.

In the past year, United Way 2-1-1 has experienced a 20 percent increase in housing-related requests for information. The information requested is often from those searching for affordable housing. This 2-1-1 Barometer reviews 2-1-1 call data related to housing and other data on housing affordability in Connecticut. The report also describes some affordable housing initiatives in the state, including housing-related programs administered by the United Way of Connecticut and those supported by Connecticut's United Ways.

¹ U.S. Census, 2010 *Statistical Abstract National Data Book*, 2010

² Partnership for Strong Communities, *What is Affordable Housing*, retrieved July 27, 2010 from <http://www.ctpartnershiphousing.com>

³ Connecticut Voices for Children, *State of Working Connecticut 2009*, Sept. 2009.

⁴ National Low Income Housing Coalition, *Out of Reach 2010*, June, 2010.

⁵ Ibid.

⁶ Home Connecticut, *Affordability in Connecticut*, 2008, May 2008.



WHAT IS AFFORDABLE HOUSING?

Traditionally, it is recommended that a household should spend no more than 30 percent of income on housing. The Department of Housing and Urban Development defines households spending more than 30 percent as cost-burdened since those households may have difficulty paying for other necessities such as food, health care and transportation. In Connecticut, close to half of renters and 36 percent of homeowners spend 30 percent or more of their income on housing.³

The fair market rent for a two-bedroom apartment in Connecticut is \$1,196 per month.⁴ Therefore, a household must earn \$23.00 an hour or roughly \$3,987 per month to meet the 30 percent threshold. In Connecticut, the estimated average wage for a renter is \$17.01 an hour, meaning that a renter needs to work 54 hours per week to afford an average priced 2 bedroom apartment. A worker earning the minimum wage of \$8.25 would need to work 112 hours per week to afford that same rent.⁵

While home prices are beginning to decline, research suggests that in over two-thirds of Connecticut's cities and towns, a family earning the median household income in a given town would not be eligible for a mortgage to purchase a median priced home in that town.⁶ The median home mortgage is \$2,056 per month while the median price of a home is \$295,000. The qualifying household income for a median priced home is over \$69,000.

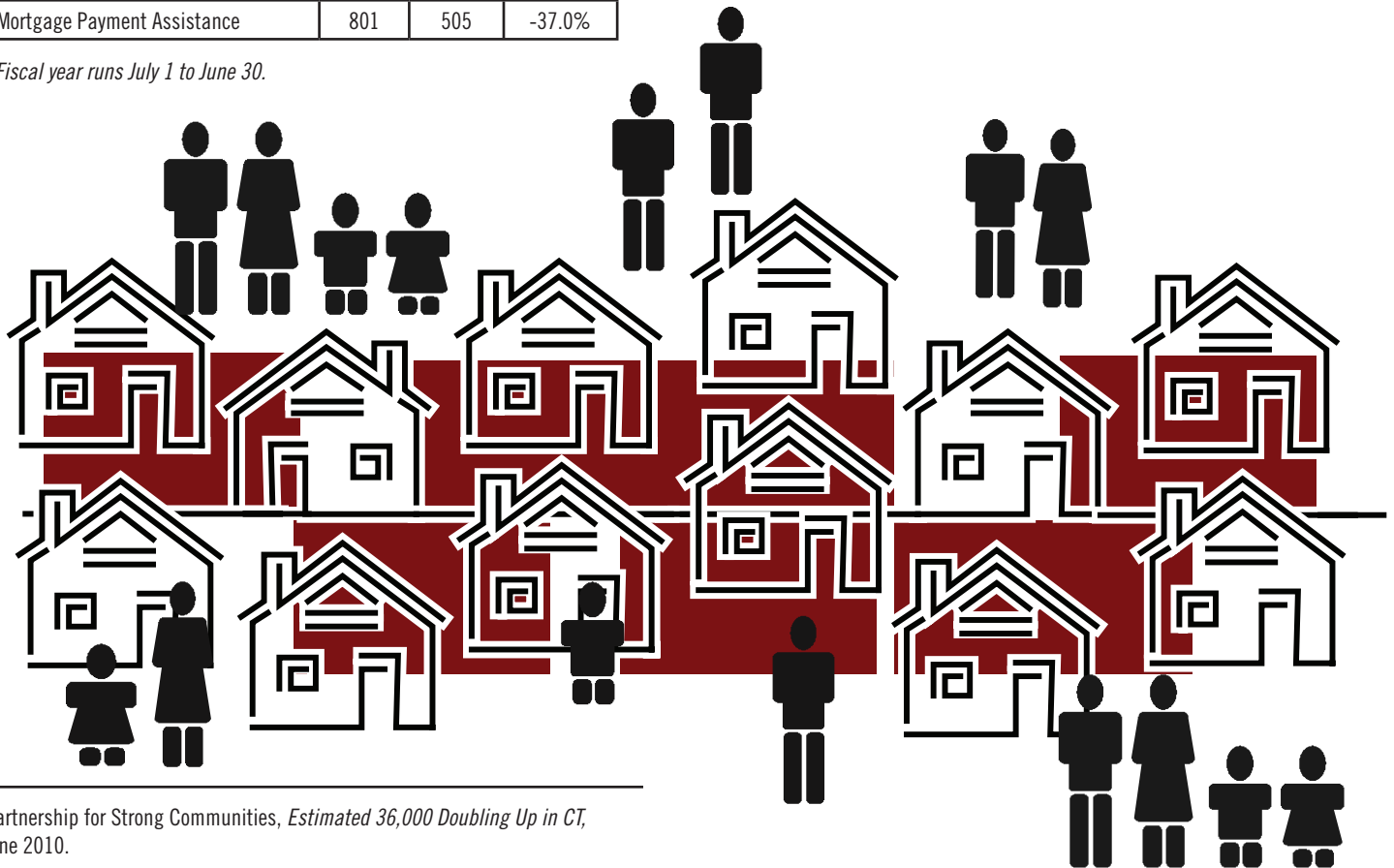
2-1-1 HOUSING-RELATED STATS AT A GLANCE

Almost 68,000 requests or approximately 14 percent of the 2-1-1 requests for services received in fiscal year 2010 were related to housing. The majority of those requests were for homeless shelters, subsidized housing and/or financial assistance for rent payment (Table 1). Requests for homeless shelters, housing searches and financial assistance for rent payment all increased substantially in fiscal year 2010 compared with the previous year, while mortgage-related calls declined.

Table 1 – Housing-Related Requests for Services – FY 2009 and 2010*

	2009	2010	% Change
Total Housing Requests for Services	56,651	67,856	19.8%
Selected Housing-Related Categories			
Homeless Shelter	13,087	15,794	20.7%
Housing Search and Information	9,660	12,732	32.4%
Rent Payment Assistance	6,898	9,850	42.8%
Subsidized Rental Housing	8,208	9,005	9.7%
Rental Deposit Assistance	4,267	6,362	49.1%
Mortgage Foreclosure Assistance	2,938	1,722	-41.4%
Mortgage Payment Assistance	801	505	-37.0%

*Fiscal year runs July 1 to June 30.



CT's HOMELESS POPULATION

The need for affordable housing is further illustrated by a review of the homeless population in the state. The Connecticut Coalition to End Homelessness (CCEH) estimates that at some time during the year, close to 33,000 people experience homelessness in Connecticut. CCEH reports that a third of this population left their place of residence due to rent or eviction problems, 32 percent were working at the time of the count.

United Way 2-1-1 received over 16,000 calls from individuals identifying themselves as homeless in fiscal year 2010, a 27 percent increase from the previous year. Most of the callers are looking for a homeless shelter but requests for financial assistance by these callers increased by 60 percent compared to 2009, an indication of struggles paying for housing.

The National Alliance to End Homelessness estimates that there are 36,000 individuals living in housing with extended family or friends due to economic hardship in Connecticut. Doubling up in housing can often lead to homelessness.⁷

⁷Partnership for Strong Communities, *Estimated 36,000 Doubling Up in CT*, June 2010.

AFFORDABLE HOUSING INITIATIVES

Given the cost of housing in the state, it is estimated that 344,000 households are in need of affordable housing.⁸ Several of the largest efforts addressing this growing need include:

- The Connecticut Housing Finance Authority (CHFA), created in 1969 by the Connecticut Legislature, is focused on expanding affordable housing opportunities for Connecticut's low- and moderate-income families and individuals. Since its inception, CHFA has helped almost 120,000 Connecticut individuals and families become homeowners through its low-interest single family mortgage programs. In addition, CHFA has financed the creation of over 32,000 affordable, quality rental units throughout the state. (www.chfa.org)
- Legislation has been passed creating the HOMEConnecticut program which provides incentives to municipalities that voluntarily create Incentive Housing Zones. The incentives require the development of higher density housing that set aside 20 percent of the units to be affordable to residents earning 80 percent of the area median income or less. Eleven towns have submitted or are preparing applications. In all, HOMEConnecticut reports that 75 towns have expressed interest in the program. HOMEConnecticut is a program of the Partnership for Strong Communities. (www.homeconnecticut.org)
- Reaching Home is a campaign, also staffed by the Partnership for Strong Communities, which is working to end long-term homelessness through the creation of 10,000 new units of supportive housing in Connecticut by 2014. Supportive housing is permanent, affordable housing that provides case management, support services and/or employment services for residents. There are currently close to 4,400 units of supportive housing, in over 80 towns in the state. (www.ctreachinghome.org, www.ctpartnershiphousing.com)
- The Corporation for Supportive Housing has developed a housing directory for Connecticut in response to the need for a central repository on supportive housing options. (<http://www.csh.org/index.cfm?fuseaction=Page.viewPage&pageID=763>)

⁸DataCore Partners LLC, *Updated Perspectives on the Need for Affordable Housing in Connecticut*, June 2008

UNITED WAY 2-1-1 ASSISTS IN HOMELESSNESS PREVENTION

United Way 2-1-1 is partnering with the Department of Social Services and the Connecticut Coalition to End Homelessness on an effort to prevent homelessness. The Homeless Prevention and Rapid Rehousing Project (HPRP) is focused on identifying individuals and families on the verge of homelessness. HPRP can offer temporary rental assistance, up to 6 months of back rent and security and utility deposits for those who qualify.

As part of this initiative, 2-1-1 established a Homeless and Housing unit where trained call specialists screen for eligibility, refer those who are not eligible to other services and connect eligible callers directly to the HPRP program. Since October 2009, close to 4,500 individuals have been assisted by HPRP and approximately 6,500 have taken steps to apply for the program. 2-1-1 has referred over 4,200 individuals to HPRP since November 2009.



Need Help Dealing with Housing Issues?

Dial 2-1-1 to get information and referral with the following:

- Mortgage Foreclosure Assistance
- Eviction and Foreclosure Prevention Programs
- Mortgage Payment Assistance
- Predatory Lending Assistance
- Homebuyer Purchase Counseling
- Housing: Assistance for Homeowners
- Homebuyer/Home Purchase Counseling
- HUD Approved Housing Counseling Agencies
- Property Tax Rebate Information
- Subsidized Home Purchase

CONNECTICUT UNITED WAYS – HOUSING INITIATIVES



MIDDLESEX UNITED WAY

Middlesex United Way's goal is to increase the ability of individuals and families to attain affordable housing. United Way is actively involved in the Middlesex County Coalition on Homelessness which is working to end homelessness by 2018 through prevention and supportive housing efforts. United Way supports transitional housing and other programs that help families acquire decent, safe and affordable housing and the skills necessary to maintain it long-term. (www.middlesexunitedway.org)



UNITED WAY OF GREATER WATERBURY

In collaboration with a coalition of health and social service agencies known as the Waterbury Continuum of Care, United Way of Greater Waterbury has supported annual HUD applications for affordable housing by providing funds for a grant writer. These HUD applications provide an opportunity to receive federal dollars to support community planning to end chronic homelessness and to secure affordable housing vouchers and support services. To date over \$4 million has been awarded. (www.unitedwaygw.org)



UNITED WAY OF GREATER NEW HAVEN

United Way of Greater New Haven supports New Haven's ROOF (Real Options Overcoming Foreclosure) Project, which is focused on helping homeowners understand their options to avoid foreclosure and helping them stay in their homes. The project focuses on raising awareness about foreclosure issues, coordinating assistance for at-risk borrowers, and developing strategies to stabilize neighborhoods with a high concentration of foreclosures. (www.uwgnh.org)

UNITED WAYS PARTICIPATE IN TEN YEAR PLANS TO END HOMELESSNESS

Many communities around the state are currently invested in Ten Year Plans to End Homelessness. These efforts include the development of affordable supportive and transitional housing to provide the support needed for a successful transition to permanent housing and involve participation from many sectors of a community. For more information click on the links below.

- The Greater Bridgeport Area Ten Year Plan to End Homelessness*
- The City of Danbury Mayor's Task Force to End Homelessness
- Hartford's Plan to End Chronic Homelessness by 2015
- Middlesex County Ten Year Plan to End Homelessness*
- New Britain's Work Plan to End Homelessness
- The New Haven Ten Year Plan to End Chronic Homelessness
- Southeastern Connecticut Ten Year Plan to End Homelessness*
- The Greater Windham Region Ten Year Plan to End Homelessness
- Meriden and Wallingford Ten Year Plan to End Homelessness*
- The City of Waterbury Ten Year Plan to End Homelessness*
- Stamford-Greenwich Ten Year Plan to End Homelessness

* Area United Way serves in a leadership role.

The mission of the United Way of Connecticut is to help meet the needs of Connecticut residents by providing information, education and connection to services.

To access other issues of the 2-1-1 Barometer online go to: www.ctunitedway.org/barometer.asp

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