

Who kept their PILOT? • Who lost their PILOT?



Governor Rell
- for her mansion in Hartford.



Inmates
- for their cells in state prisons



Students
- for their dorm rooms



Horses
- for their stalls in the UConn barns



Struggling families, elderly and people with disabilities in public housing and nonprofit housing.

Governor Rell seeks to eliminate \$3.9 million for payments-in-lieu-of-taxes for residents of public housing and nonprofit-sponsored housing in the new state budget – while all other PILOTs remain. The result will be unfair and unbearable rent increases on some of the most vulnerable in our state.

RESTORE PUBLIC HOUSING & NONPROFIT HOUSING PILOTs

Prevent Massive Rent Increases for Connecticut's Poorest Families

Restore \$3.9 Million for Payments-in-Lieu-of-Taxes for Public Housing and Tax Abatement Grants for Nonprofit Housing

PILOTs & Tax Abatements Questions & Answers

- Q.** What will be the impact of eliminating housing PILOT payments in the new state budget?
- A.** Some of the state's poorest residents will face devastating rent hikes – increases estimated to be as much as \$174/month or more. For 40 years, the state has provided payments-in-lieu-of-taxes to municipalities that host state-financed public housing and Tax Abatement Grants for nonprofit-sponsored affordable housing. The Governor seeks to eliminate these programs in the new state budget. Therefore, local housing authorities and nonprofits will have to pay property taxes to their cities and towns, and will need to pass this cost onto tenants through higher rents.

- Q.** Given the state's budget difficulties, why should a program that benefits only 31 municipalities be a priority?
- A.** These 31 municipalities have done the right thing and embraced affordable housing – and now they would be punished. This is exactly the wrong public policy signal to send at this time, when the state should be rewarding towns to promote affordable housing. Connecticut has a sorrowful record of promising incentives to towns that provide affordable housing, and then failing to honor those commitments.
- Q.** Can't the housing authorities and nonprofits pay property taxes without raising rents?
- A.** No. Nonprofits operate housing on extremely lean budgets, and our public housing is already in financial crisis. There is no operating subsidy for state public housing (unlike federal public housing and state public housing in Massachusetts and New York, for example). Rents must fully support annual operations and maintenance. But hard-working, low-wage tenants, struggling to make ends meet, have not been able to pay rents high enough to properly maintain these properties. The loss of PILOTs will result in steep rent increases, in some cases leading to evictions, and further deterioration in property maintenance.

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