



**OFFICE OF
STATE TREASURER
DENISE L. NAPPIER**

NEWS

FOR IMMEDIATE RELEASE

Friday, December 9, 2005

Bond Commission Approves First \$10 Million to Fund State's *Housing Trust Fund for Growth and Opportunity*

Trust Fund will help working families, spur economic growth in state

(Hartford, CT) – The Connecticut Housing Trust Fund for Economic Growth and Opportunity, initially proposed by State Treasurer Denise L. Nappier and established by the 2005 legislature, received its first allocation of \$10 million today from the State Bond Commission. The Trust Fund is to be funded with a total of \$100 million from general obligation bonds of the state over a five-year period.

In proposing the Housing Trust Fund earlier this year, the Treasurer stressed the economic benefits it could have for Connecticut. The experiences of other states with similar trust funds suggest that for every \$1 of state funding from the Housing Trust Fund, the program could leverage between \$10 and \$12 in additional housing development, as well as additional economic activity that would include hundreds of jobs and millions paid in wages.

"Housing is not just about housing anymore," said Nappier. "It is about creating jobs, growing our economy and providing capital that will lead to more affordable housing for working families" said Nappier. "There is simply no more prudent investment we could make."

Money in the Trust Fund will be invested by the Treasurer's Office, with investment earnings and contributions to the Trust Fund used to provide financial assistance to for-profit and non-profit developers under the Housing Trust Fund Program. The program is administered by the Department of Economic and Community Development (DECED) with input from the Housing Trust Fund Advisory Committee that was established as part of the Trust Fund legislation. It is expected that the first applications under the Trust Fund will be sought sometime next spring.

Nappier said the Housing Trust Fund – the first of its kind in Connecticut – will provide a critical source of gap financing that will help to address the lack of affordable housing across Connecticut. In addition, the legislation calls for an allocation of \$300,000 to help families opening up Individual Development Accounts (IDAs) to save for the purchase of a home. IDAs were established through another initiative of Treasurer Nappier in 2000 to support individuals and families trying to build assets to purchase a home, start a business or save for education.

The Treasurer also reiterated her appreciation for the bi-partisan support by members of the General Assembly and Governor Rell in creating the Housing Trust Fund.

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