



Commerce Committee

February 26, 2009 Hearing

Testimony by David Fink, Policy Director, Partnership for Strong Communities

**Re: HB 6097, An Act Concerning Brownfields Development Projects**

Respected Chairmen and Members of the Committee,

My name is David Fink and I am the policy director of The Partnership for Strong Communities, a statewide housing policy organization dedicated to raising awareness and advancing solutions to create affordable housing and build healthy and economically vital communities, and end chronic homelessness. I am testifying on this bill because of the importance of brownfield redevelopment to our state's housing efforts.

It remains critical that Connecticut boost its supply of housing that low- and moderate-income families and workers can afford. Despite softening housing prices, Connecticut is not seeing the dramatic drops in housing prices that most other states have. This is because we have a chronic undersupply of housing, which is propping up prices. Connecticut is 47<sup>th</sup> among the states in its per capita rate of housing production since 2000. Our slow rate of housing creation – and the resulting high housing costs - puts us at a competitive disadvantage in attracting and retaining the workers and businesses our economy and quality of life rely upon. In fact, Connecticut has lost its 25-34 year old population faster than any other state, largely due to our high housing costs. Meanwhile, many of the service workers who remain are facing huge housing obstacles. Despite a 9.2% decline in median housing prices in 2008, the state's median sales price is still \$268,000. One fourth of all households earns less than 80% of median income and spends more than 30% of that income on housing, while one fourth of all renters earn less than 50% of median income and spend more than half of it on housing.

To remedy our housing undersupply and high housing costs, and enhance our economic competitiveness, Connecticut must aggressively pursue a variety of development opportunities, including brownfields. The Blue Ribbon Commission on Housing and Economic Development studied brownfield issues and found it to be an important element in addressing the state's housing needs. There are several examples in Connecticut of mills and factories that have become excellent housing, but many more could be possible with reasonable policy changes. Further, housing represents a unique opportunity to get brownfields redeveloped. In a sluggish economy where industrial, retail and office developments are unlikely to sell or rent right away, housing might be a use of these building that find traction, because we know there is still demand for housing. Realtors and homebuilders report that moderately-sized, moderately-priced housing units are still selling and renting. Housing can help relieve communities of these eyesores, while putting them on the tax rolls and helping them contribute to the economy again.

In the bill before you, HB 6097, An Act Concerning Brownfields Development Projects, we are most interested in the effort to allow redevelopments within the 500-year floodplain. Because many mills were built near rivers, many of them fall within the floodplain. A restrictive floodplain policy then puts these redevelopment possibilities off-limits.

As written at the moment, the bill requires a brownfield redevelopment within the 500-year floodplain to get a waiver from the state if the project would go at all beyond the footprint of the existing structure, or if housing units were to be within the 500-year floodplain elevation. These two provisions on footprint and housing within the 500-year elevation affect many of the potential mill redevelopment possibilities. But adding additional review burdens on state agency staff in an era of budget cutbacks could end up slowing down developments.

A promising approach neighboring states have taken to this issue is to not rely heavily on agency review, but to have state policy align with federal policy that already lays out guidelines for redevelopment between the 100-year and 500-year plain. Massachusetts, Maine and New Hampshire simply defer to the Federal Emergency Management Agency (FEMA) National Floodplain Insurance Program. This approach is being taken by a similar bill being considered by the Environment Committee – SB 271, An Act Concerning Flood Plain Management and Mill Properties. It strikes us as an easy and efficient way to adjust Connecticut policy on this front, while still ensuring public safety and sound land use.

In general, we urge the Committee to move assertively to enable easier redevelopment of brownfield properties, and to ensure that our state's housing situation receives full consideration in policy decisions in this area.