



Charting Your Course to a Vibrant Downtown

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Date: February 24, 2011
Testimony of: John Simone, President & CEO
To: Commerce Committee
Re: Support of Raised Bill 1023 with certain amendments

Senator LeBeau, Representative Berger and members of the Commerce Committee. I am here to testify in support of Raised Bill 1023 with certain amendments.

The Connecticut Main Street Center is a statewide nonprofit that inspires great Connecticut downtowns, Main Street by Main Street.

The current statutes for Historic Rehabilitation Tax Credits restrict eligible buildings to only commercial and industrial and limit the post-rehabilitation uses to only residential or mixed-use that must include some residential. My 68 community network strongly recommends that the type of buildings and uses that qualify be expanded to include not only commercial and industrial but also, institutional, cultural, government, mixed residential and nonresidential and residential of more than 4 units.

We should let the market determine which buildings and uses make the most sense. The vast majority of our historic buildings are in our downtowns, but many of them are not suited only for residential or for mixed-use that must include some residential as the current statutes dictate.

If anyone is concerned that not enough residential units will be developed, there is no need to worry. We are in the midst of an unprecedented demand for people wanting to live downtown. Baby Boomers and their children comprise half of the country's population, the majority of which want homes that are affordable and located in walkable, mixed-use neighborhoods. AARP surveyed their members and 71% said they wanted to live within walking distance of shops, restaurants and services. There are 600,000 AARP members in CT, that is certainly a lot of market potential for downtown living.

Leaders of St. Louis's downtown revitalization efforts directly attribute the state historic tax credit to the success of having rehabilitated 96 historic buildings creating 4,000 housing units. In Rhode historic tax credits have helped revive economically disadvantaged neighborhoods throughout the state, 83% of the tax credit projects occurred in neighborhoods with a median household income below the statewide average. And, 25% percent of all the housing units produced are low income housing units. All of this occurred without any restrictions on use or building types.

Let me close with the subject that seems to be the number one priority for all of us - JOBS. Studies have shown that there are more jobs created by investing in the rehabilitation of historic buildings than in investing in manufacturing or new construction. Rehabilitating and redeveloping our vacant and underutilized historic buildings will also add to our already strong track record of job creation.

From June 2007 to June 2010 while the nation and the state reeled from the loss of jobs and a deep recession, our designated Main Street programs saw an 18% increase in jobs and a 62% increase in private investment in their downtowns. And we created jobs where jobs are most needed - 86% of our designated Main Street programs are in low to moderate income neighborhoods.

These proposed changes to Raised Bill 1023 make complete sense. And, rather than costing the state any money, these changes will only insure that more projects are completed which will mean more jobs and more return on the state's investment.

Thank you for providing me the opportunity to share these thoughts with you