

TESTIMONY ON RAISED BILL 1023

COMMERCE COMMITTEE HEARING

FEBRUARY 24, 2011

Senator Le Beau, Representative Burger, and members of the Commerce Committee: I am Linda S. Spencer, retired administrator of the state and federal historic tax credit programs, initially for the Connecticut Historical Commission and, subsequently, for the Connecticut Commission on Culture and Tourism. I was closely involved with the drafting of both Section 10-416a and Section 10-416b of the Connecticut General Statutes and I wrote the implementing regulations for both historic tax credit programs. I am speaking only for myself and only at my own initiative.

Based on my 28 years of experience, I believe that the changes proposed to Section 10-416b—the inclusion of additional types of historic properties and broadening eligible uses—address concerns raised by users and potential users of the program. For example, making tax credits available for the rehabilitation of historic mixed-use properties can bolster Main Street program revitalization efforts.

However, I believe that the changes proposed to Section 10-416a are problematic. At present, Section 10-416a provides tax credits for the conversion of selected historic properties to residential use. Changing eligible uses to include mixed use would be redundant since that use is already provided for in Section 10-416b. Allowing uses other than residential under Section 10-416a potentially could take away needed dollars for residential development.

Nevertheless, I would suggest some changes to Section 10-416a: 1) broadening the definition of certified historic structures to include historic institutional and historic governmental properties and 2) revising the definition of “owner” to include municipalities (as is proposed for Section 10-416b). In addition, I would recommend adding historic governmental properties as eligible for tax credits under Section 10-416b to address the concerns which in part underlie Raised Bill 1023. In so doing, these changes collectively would provide new avenues for real estate development (and also assist communities in maintaining historic publically-owned buildings for continued or adaptive use).

Both state historic tax credit programs have been an invaluable tool in encouraging the redevelopment of underutilized or abandoned historic properties and returning them to the tax rolls. Now is an opportunity to make good programs better.

Thank you for your consideration.

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