

NINA

Rebuilding Asylum Hill

Commerce Committee Public Hearing – Thursday, February 24, 2010

In Support of the Raised Bill 1023, with an amendment (see attached)

Senator LeBeau, Rep. Berger and members of the Commerce Committee: my name is Ken Johnson, Executive Director of Northside Institutions Neighborhood Alliance (or “NINA”), a community development corporation working to revitalize Hartford’s Asylum Hill neighborhood.

I am here to speak in support of Raised Bill 1023, concerning Historic Rehabilitation Tax Credits. The changes proposed in this bill will make the highly effective State Historic Tax Credit Programs even more effective in creating jobs, leveraging dollars (including federal funds), and promoting the revitalization of Connecticut’s cities. Currently the statutes restrict the availability of state tax credits to buildings which were either commercial or industrial. Raised Bill 1023 will expand the pool of eligible historic buildings to include government, mixed residential and nonresidential, and residential of more than 4 units. By expanding the pool of eligible buildings, this bill will jump start more real estate development projects which will, in turn, create more jobs for Connecticut’s communities.

By way of an example, my organization, NINA, has been working to renovate an historic mixed-use building that stands at the gateway to the Asylum Hill neighborhood from downtown Hartford. The building in question contains retail on the ground floor and residential units on the upper floors. Over the years it has been a poster child for the ills associated with urban living including squalid housing conditions, prostitution, and drug dealing. Its revitalization would be a boon for the neighborhood, an area that includes the world headquarters of The Hartford Financial Services Group. But because this building is neither entirely commercial nor industrial it does not currently qualify for historic state tax credits. By expanding the pool of eligible buildings to include mixed residential and nonresidential, this building would qualify and a \$1.5 million development would become feasible.

This example and many others like it all over the state would become possible with the changes proposed in Raised Bill 1023. I urge its adoption together with the amendment proposed by the Connecticut Preservation Action as discussed in the testimony of Jack Shannahan today before this committee.

Connecticut Preservation Action

Suggested amendments to Raised Bill 1023

1. [Lines 7-9] We understand the change from CCT to DECD because of the proposed merger. However, we are concerned that, if this bill becomes law and the merger does not, this program will move to DECD. This measure needs to be enforced by the office of the State Historic Preservation Officer, in whatever agency that resides.
2. [Lines 10-11] Delete the words "or government" in line 10. Insert "or government" line 11, in a sequence with "historic commercial or industrial or government property."

By making this change it will incorporate the changes sought in a similar Proposed Bill 5361 which states as its purpose: "To utilize and preserve former municipal and federal buildings, such as town halls, post office and schools, *with historic design significance* by making them eligible for tax credits." The intent here is quite clear that not ALL government buildings be eligible for the HRTC, but only those that are certified historic.

CPA supports the addition of the words to Line 11, but would strenuously object to their current placement on Line 10.

Furthermore we propose that the definition for "Certified historic structure" in line 10 be amended to provide for more qualified building types. We suggest that the definition read:

(2)"Certified historic structure" means an (A) historic commercial, industrial, government (federal, state or municipal), mixed residential and nonresidential, residential of more than 4 units, or cultural property that:

More qualified buildings will create more jobs.

3. [Line 19] The list of uses of a newly rehabbed structure should be left as wide open as possible, to encourage as much real estate activity as possible. Therefore, line 19 should read: "historic structure for residential, non-residential, or mixed residential and non-residential use consistent...."
4. All the changes in definition in Suggestions in 2 and 3 should be repeated in 10-416(b). Historically we came to have these two provisions for various reasons which reflected the priorities of the day, housing and mixed use. Today the priority is JOBS, and the more open we can make the definitions, the more projects we will support, the more successful our community revitalizations will be, and the more Connecticut construction workers will be back on the job.