TESTIMONY PRESENTED TO THE COMMITTEE on COMMERCE
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Testimony Regarding

House Bill 1023
AN ACT CONCERNING THE USE OF HISTORIC STRUCTURES AND VACANT GOVERNMENT BUILDINGS FOR ECONOMIC DEVELOPMENT

Senator LeBeau, Representative Berger and distinguished members of the Commerce Committee: my name is Karen J. Senich and I am the Executive Director for the Connecticut Commission on Culture and Tourism, whose mission is to preserve and promote of all of Connecticut's cultural and tourism assets in order to enhance the quality of life an economic vitality of the state. I appreciate the opportunity to testify regarding House Bill 1023 – An Act Concerning the Use of Historic Structures and Vacant Government Building for Economic Development.

The Commission currently administers the Federal Historic Restoration Tax Credit program and two state historic preservation tax credit programs – the Historic Structures Rehabilitation Tax Credit program (C.G.S. section 10-416a) and the Historic Preservation Tax Credit program (C.G.S. 10-416b) which are both currently available only to buildings that were formerly commercial and industrial to be converted into residential and mixed use residential and commercial use. The buildings must be "certified historic properties" (listed on the State or National Registers of National Places or a contributing structure to a district listed on the State or National Register).

The Commission recommends that the current restrictions on the type of eligible buildings and the eligible end use be eliminated; however, the Commission also recommends that the restriction that the eligible buildings be "certified historic" as currently defined in both statutes remain. The Commission requires that developers choose between the two state tax credit programs, assuming eligibility; a project may not reserve credits in both programs. It is recommended that that restriction remain.

The federal and state tax credit programs are highly successful in stimulating private investment, creating jobs and housing and revitalizing communities, particularly in urban centers. In 2010, the combined state programs reserved over $11.5 million in credits, which created over $28 million in private investment and generated almost $60 million in construction costs. Expanding the pool of