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House Bill 5470

An Act Supporting Economic Development in an Urban Central Business District

Commerce Committee

March 13, 2012

The Department of Administrative Services (DAS) offers the following concerns regarding **House Bill 5470, An Act Supporting Economic Development in an Urban Central Business District**. This bill would authorize large municipalities (upon a vote of its legislative body) to require the state to locate its agencies' facilities in the central business districts (CBDs) of the municipalities.

DAS is responsible for siting and maintaining numerous leased and owned facilities for a majority of state agencies in almost 200 locations throughout Connecticut. DAS shares the presumed purpose of this bill - to use the economic strength of the State as an employer and property holder to support economic development in large cities and towns. We also appreciate that many municipalities might prefer for agency facilities to be located in their CBDs. Mandating this outcome, however, raises serious concerns.

As a threshold matter, this legislation undermines the well-established law that the state is immune from local zoning regulations. As recognized by the Connecticut Supreme Court, local law must yield to the State in an area of statewide concern. State facilities are exempt from zoning because they are under State control and custody and used for a legislatively-created purpose.

Moreover, while the State tries to be sensitive to local interests, our responsibility is to find a location that best suits the needs of agencies and their clients. Location, availability of property, costs, access to certain amenities, security needs, and parking must all be taken into consideration. HB 5470 would impair the State's ability to assess these factors and choose the best and perhaps most cost effective location available for State agencies.

Finally, DAS is concerned that passage of HB 5470 would have the unintended consequence of unfairly advantaging landlords and property owners within the CBDs and harming landlords and property owners who are outside the CBD, as well as reducing the State's ability to negotiate competitive rates or purchase process.

Thank you for your consideration of DAS's views regarding HB 5470. We would be happy to meet with the Committee at any time to discuss it further.