



Evonne M. Klein
Commissioner

Department of Housing

Connecticut
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Evonne Klein, Commissioner
Department of Housing

House Bill No. 5272
An Act Consolidating Certified Historic Structure Rehabilitation Tax Credits

Senator LeBeau, Representative Perone, and members of the committee. Thank you for the opportunity to submit written testimony regarding House Bill 5272 – **An Act Consolidating Certified Historic Structure Rehabilitation Tax Credits**.

The Department of Economic and Community Development (DECD), through its State Historic Preservation Office (SHPO), is the state's lead agency responsible for administering the Historic Structure Rehabilitation Tax Credit program. As such, DECD takes a comprehensive approach to economic development that incorporates housing and community development, as well as culture and tourism into our statewide economic development strategies. Prior to the establishment of the new Department of Housing (DOH), DECD served as the lead agency for affordable housing policy and programs. However, acknowledging the importance of affordable housing and the central role it plays in the growth of Connecticut's economy, Governor Malloy created DOH, an agency completely focused on housing and community development. I strongly believe that the creation and preservation of affordable housing opportunities are inextricably linked with the state's economic and community development, including the reuse and preservation of our historic structures, which is why DOH supports HB 5272.

In addition to a number of technical revisions, this bill expands the applicability of the Historic Structure Rehabilitation Tax Credit program to residential activity occurring without a mixed-use component. Currently, the tax credit is only available for use in buildings which are proposed to have a mixed residential/nonresidential use or those with solely a nonresidential use. The revision proposed for subsection (a) (3) of Section 10-416b of the General Statutes would allow buildings that are being rehabilitated solely for a residential use consisting of 5 or more units to be eligible to apply for and receive these credits.

The proposed revision will provide an additional source of leveraged funds for the preservation of these properties and the concurrent production of affordable housing. At a time when we are committed to "doing more with less," it is imperative that the State take advantage of all potential opportunities. This bill enables both DECD and DOH to do just that. Thank you for your time and consideration.