



March 9, 2015

Finance, Revenue and Bonding Committee  
Senator John Fonfara, co-chair  
Representative Jeffrey Berger, co-chair

**Testimony on S.B. No. 946 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET specifically Sec. 29, the 18 month elimination of the Community Investment Act (CIA)**

I am Helen Higgins, executive director of the Connecticut Trust for Historic Preservation, chartered by the CT General Assembly in 1975 and a statutory partner of Department of Economic and Community Development, Office of Culture and Tourism.

You have heard: A Dedicated Fund called the Community Investment Act Fund is being zeroed out to make our state budget balance. The gain may be to help balance a budget but the dramatic and traumatic loss to our historic assets affects every town and city in our state.

Gone Now, Gone Forever: The most successful dedicated fund ever in CT is casually being zeroed out, without so much as a policy discussion of the implications. Just take the money and run.

Gone Now, Gone Forever: I will focus on the Historic Preservation component of the CIA fund distribution.

It is the economic development strategy of the State to stimulate investment in those places and initiatives that will attract millennials to live here, attract businesses to relocate here and keep residents from leaving the state. This strategy relies on creating vibrant communities, especially in our cities where so much of the cultural action takes place. They are the Cool places. At core, these are places replete with historic assets waiting to be re-used, restored, and rehabilitated. CIA funds directly address this state goal and are invested in those communities that are becoming desirable to live and work in.

**In the past ten months**, the State Historic Preservation Office, the Connecticut Trust for Historic Preservation and Connecticut Main Street Center have awarded 98 grants for over \$3.960 million. 85% of these required a cash match from the grantee. This means an additional private investment of \$6.7 million. An estimated 250-275 project jobs were created. Masons, plasterers, carpenters, painters, architects, engineers, historic consultants, all benefit from CIA projects.

Over \$1.370 million alone in the last 10 months have been awarded for restoration/capital projects. All of these restoration grants are for smaller community assets that do not attract the big bucks that bonding projects support. And even when bonding for cultural assets is available, all preservation projects require an extensive planning phase before a project is "shovel ready." Preservation planning grants accounted for the remaining \$2.6 million in grant funds.

Let's look at what is specifically lost then when the CIA funds for historic preservation are swept right now, in a deficient spending bill, and then eliminated, as in SB 946, section 29 for 18 months:

According to current plans the once robust granting programs of the State Historic Preservation Office will disappear:

- The Historic Restoration Fund will be zeroed out.
- Basic Operating Support grants for our invaluable local preservation organizations will be zeroed out.
- The Vibrant Communities Initiative, administered by the Connecticut Trust, will be zeroed out.
- Two other State Historic Preservation Granting programs will be cut to the bone and only provided on an as needed basis.

This results in a substantial and potentially irreversible lack of investment in our historic resources, except for historic tax credit projects, which, coincidentally are highly dependent on preservation planning grants. So, in fact, even use of historic tax credits will decline.

When you ZERO out funds for Historic Preservation you Zero out investment in valued community assets and you substantially decrease our ability to attract businesses and residents to enjoy vibrant downtowns.

Our historic assets are now left to deteriorate, with few financial incentives to rehab and/or re-use them.

Gone Now, Gone Forever: Demolition by Neglect is the next step for our historic assets.

  
Helen Higgins  
Executive Director