OPPOSITION to Sections 25, 26 & 27 of HOUSE BILL 7410

AN ACT CONCERNING CERTAIN TAX RECOMMENDATIONS OF THE COMMISSION ON FISCAL STABILITY AND ECONOMIC GROWTH AND ESTABLISHING A STEM SCHOLARSHIP PROGRAM

April 10, 2019

TO: The Hon. John W. Fonfara, Co-Chair, the Hon. Jason Rojas, Co-Chair, the Hon. Kevin D. Witkos, Ranking Member, the Hon. Christopher Davis, Ranking Member and the members of the Finance Revenue and Bonding Committee

As Executive Director of New London Landmarks, I’m writing to convey our organization’s opposition to the reduction of available tax credits described in Sections 25-27 of House Bill 7410.

- **Tax credits strengthen Connecticut’s economy by making development projects possible.** Tax credits create high-paying, local construction jobs, remediate blighted properties that discourage additional investment, and preserve historic houses and streetscapes that make Connecticut attractive to residents, tourists and investors.

- **Tax credits create affordable housing.** In New London, the Historic Homes Rehabilitation Tax Credit and the Housing Tax Credit Contribution programs have led to the rehabilitation of dozens of houses, stabilizing at-risk neighborhoods and increasing affordable homeownership.

- **Reducing tax credits now will kill projects already in the pipeline.** Last year New London Landmarks purchased a vacant and condemned historic house, intending to rehabilitate it as an affordable owner-occupied home. We’ve already developed rehabilitation plans and secured the remainder of our funding, but tax credits are a necessary component of this project. We’re not alone: nonprofits and municipalities all across the state are counting on tax credits to complete projects in which they’ve already invested.

- **Tax credits make historic preservation feasible.** Not so many decades ago, Connecticut lost entire neighborhoods to urban renewal. These days, we’re less eager to use the wrecking ball, but more likely to lose historic neighborhoods gradually, house by house, as homeowners are unable to maintain their properties. Tax credits are our best tool for preventing the gradual, irreversible loss of Connecticut’s historic character.

I respectfully urge you to remove Sections 25-27 from this bill.

Sincerely,

Laura Natusch

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