

Housing Committee JOINT FAVORABLE REPORT

Bill No.: SB-1263
AN ACT CONCERNING TAX CREDITS FOR THE CONVERSION OF
Title: COMMERCIAL PROPERTIES.
Vote Date: 3/6/2025
Joint Favorable Substitute Change of Reference to Finance, Revenue and
Vote Action: Bonding
PH Date: 3/4/2025
File No.:

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SPONSORS OF BILL:

Housing Committee

REASONS FOR BILL:

The initial proposal for this bill was brought to the committee by the Connecticut Business & Industry Association, looking to help decrease the cost of housing projects while utilizing the existing commercial infrastructure in Connecticut. Given the recent rise in commercial vacancies, encouraging commercial conversion could offer an innovative alternative to providing housing within existing spaces, many of which are centrally located.

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

[Grace Brangwynne, Connecticut Business & Industry Association, Public Policy Associate:](#)

Grace Brangwynne supported this bill that would incentivize commercial property owners to convert their buildings to residential. Brangwynne additionally supported expanding the applicable properties to industrial buildings as well, which the committee did adopt for the JFS language.

[Eric George, Insurance Association of Connecticut, President:](#) Eric George offered support of this bill; however, he asked that it be amended to allow insurance companies to be investors. Currently, the bill does not allow these companies to act as investors, and George suggested allowing the bill's tax credits to be applied against the tax imposed by Chapter 207 to resolve

this issue. This testimony was also submitted by [Jill Rickard, American Council of Life Insurers, Regional Vice President](#).

The following testimonies expressed general support for the bill:

[Jim Perras, Home Builders & Remodelers Association of Connecticut, CEO](#)

[Lauren Tagliatela, The Connecticut Apartment Association, GRC Co-Chair](#)

[Gina Calabro, Connecticut Chapter of the American Institute of Architects, CEO](#)

[John Souza, Connecticut Coalition of Property Owners, President](#)

[Samuel Gold, RiverCOG, Executive Director](#)

[Francis Pickering, WestCOG, Executive Director](#)

[John Hair](#)

[Maria Weingarten, Connecticut 169 Strong, Co-Founder](#): Maria Weingarten offered general support of this bill; however, she cited some concerns were this credit to spur a larger movement of commercial conversions. Weingarten pointed to the higher costs associated with bringing such properties from commercial to residential code, including potential environmental impacts from possible needed remediation and loss of local tax revenue, and raised concern that today's trend of limited office occupancy may not always be the case. Furthermore, she would like to see these buildings retain a mixed use, rather than solely residential, to increase walkability and access for potential tenants without requiring considerable transit investments from the municipalities. Weingarten concluded with specific suggestions for language changes.

Similar testimony was offered by:

[Nora Maloney, Resident](#)

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Arianna Tsikitas, Clerk

Date: 3/17/2025