

## HOME BUILDERS & REMODELERS ASSOCIATION OF CONNECTICUT, INC.

SP Your Home Is Our Business

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February 22, 2013

To: Senator Steve Cassano, Co-Chairman Representative Jason Rojas, Co-Chairman Members of the Continuing Legislative Committee on State Planning and Development

From: Bill Ethier, CAE, Chief Executive Officer

## Re: Draft 2013-2018 State Plan of Conservation and Development

The HBRA of Connecticut is a professional trade association with about nine hundred (900) member firms statewide employing tens of thousands of CT's citizens. Our members, all small businesses, are residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry and to consumers. While our membership has declined over the course of our seven-year Great Recession from its high of 1,500 members, we build between 70% to 80% of all new homes and apartments in the state each year.

As we did on proposed bill 5968 that is before the Planning and Development Committee, we urge you to correct a significant deficiency in how the state plan of conservation and development (POCD) is used by some state agencies, causing conflicts with municipalities and thwarting proposed economic and housing developments. Also, in addition to the proposed language to delete the locational guide map from the state POCD that we attached to that testimony, we attach here additional language to amend chapter 297a to better define priority funding areas.

We also provided to the Continuing Legislative Committee on State Planning & Development the extensive comments that Tim Hollister filed on our behalf before OPM on its draft 2013-2018 POCD. These comments can be found at: http://www.hbact.org/associations/5098/files/Joint%20Comment%20on%20Draft%2020 13-18%20State%20POCD.pdf

The crux of the issue is two-fold: First, the "locational guide map" (LGM) that is attached to and made part of the POCD is itself replete with inaccuracies due to incomplete and inaccurate data inputs as well as the statewide scale of the map that does not translate well at all to individual parcels the POCD impacts. Second, the reliance on the LGM, versus on the text of the plan, by agencies such as DEEP to make POCD consistency decisions that impact economic and housing development proposals compounds the problems created by the inaccurate map.

The 2013-2018 draft text of the state POCD, up to the LGM chapter, is very good. The six growth management principles are all planning criteria that should be considered when making development and conservation consistency decisions. OPM is to be Testimony, Home Builders & Remodelers Association of Connecticut, Inc. Draft 2013-2018 State Plan of Conservation & Development February 22, 2013, pg. 2

commended for outlining these important planning criteria especially in the context of the many various legislative requirements that the agency has had to incorporate. However, as long as the map exists the text will not be read. It is too easy to default to the map rather than do the hard work of reviewing competing planning principles outlined in the test. Therefore, it is not sufficient to merely acknowledge in the plan's text, as OPM has done in the LGM chapter, that the map "is not intended to be utilized, by itself, as a basis for a state agency to approve or deny funding when rendering applicable funding decisions."

Moreover, the LGM's new classifications and criteria are more complicated than the prior policy-based classifications, which also suffer from the same inaccuracy and scale issues. This is largely due to the evolution of and complicated requirements imposed on the POCD (and on OPM) by the legislature, but given the six growth management principles, this level of complexity is both unnecessary and unproductive to sound planning and funding decisions. The further amendment we attach here ties the definition of priority funding area into the six growth management principles.

In the hands of a good "planner" the text of the POCD by itself should become a good document upon which to make consistency decisions. However, having stated that and while we urge your support for deleting the LGM from the plan, state agency consistency reviews that are based on the POCD text will be also subject to potential abuse. A state agency staff person in charge of a consistency decision could predetermine an issue because they like or don't like a proposed development and find text in the plan to support their decision. This would not be sound planning and we urge the committee to watch for this if a new "mapless" consistency review process and new priority funding area definition are adopted. Nonetheless, we believe deleting the locational guide map from the state POCD will lead state agencies down a better land use planning and funding decision tree.

Thank you for considering our views on this important matter.

Attachment: Draft statutory language to amend chapter 297a, priority funding areas. Draft statutory language attached to our testimony on HB 5968 In October, 2012, HBRA of CT recommended to OPM in comments on the Draft 2013-2018 Plan that the locational guide map be removed from the state Plan of Conservation & Development (POCD). In response, OPM stated, "OPM believes that discontinuing use of the Map would first require the repeal of CGS Chapter 297a." This is the chapter on Priority Funding Areas adopted with PA 05-205.

HBRA of CT does not agree all of chapter 297a needs to be repealed. However, an amendment to that chapter is warranted. Therefore, to accommodate OPM's response, and <u>in addition to</u> the HBRA's proposed deletion of the locational guide map attached to our testimony on HB 5968, AA Clarifying the State Plan of Conservation and Development, the HBRA of CT suggests the following amendment to chapter 297a (see amendment at lines 45-57):

Sec. 16a-35c. Priority funding areas. Definitions. Delineation of boundaries.
 Review and approval. (a) As used in this section and sections 16a-35d to 16a-35g,
 inclusive:

4 (1) "Funding" includes any form of assurance, guarantee, grant payment, credit, 5 tax credit or other assistance, including a loan, loan guarantee, or reduction in the 6 principal obligation of or rate of interest payable on a loan or a portion of a loan;

(2) "Growth-related project" means any project which includes (A) the acquisition 7 of real property when the acquisition costs are in excess of one hundred thousand 8 9 dollars, except the acquisition of open space for the purposes of conservation or preservation; (B) the development or improvement of real property when the 10 development costs are in excess of one hundred thousand dollars; (C) the acquisition of 11 public transportation equipment or facilities when the acquisition costs are in excess of 12 one hundred thousand dollars; or (D) the authorization of each state grant, any 13 application for which is not pending on July 1, 2006, for an amount in excess of one 14 hundred thousand dollars, for the acquisition or development or improvement of real 15 property or for the acquisition of public transportation equipment or facilities, except 16 the following: (i) Projects for maintenance, repair, additions or renovations to existing 17 18 facilities, acquisition of land for telecommunications towers whose primary purpose is 19 public safety, parks, conservation and open space, and acquisition of agricultural, 20 conservation and historic easements; (ii) funding by the Department of Economic and Community Development for any project financed with federal funds used to purchase 21 22 or rehabilitate existing single or multi-family housing or projects financed with the 23 proceeds of revenue bonds if the Commissioner of Economic and Community 24 Development determines that application of this section and sections 16a-35d and 16a-25 35e (I) conflicts with any provision of federal or state law applicable to the issuance or 26 tax-exempt status of the bonds or any provision of any trust agreement between the 27 Department of Economic and Community Development and any trustee, or (II) would 28 otherwise prohibit financing of an existing project or financing provided to cure or prevent any default under existing financing; (iii) projects that the Commissioner of 29 Economic and Community Development determines promote fair housing choice and 30 31 racial and economic integration as described in section 8-37cc; (iv) projects at an existing 32 facility needed to comply with state environmental or health laws or regulations

33 adopted thereunder; (v) school construction projects funded by the Department of

34 Education under chapter 173; (vi) libraries; (vii) municipally owned property or public

- 35 buildings used for government purposes; and (viii) any other project, funding or other
- 36 state assistance not included under subparagraphs (A) to (D), inclusive, of this
- 37 subdivision.
- (3) "Priority funding area" means the area of the state designated under subsection(b) of this section.

(b) The Secretary of the Office of Policy and Management, in consultation with the 40 Commissioners of Economic and Community Development, Energy and Environmental 41 Protection, Administrative Services, Agriculture and Transportation, the regional 42 planning agencies in the state and any other persons or entities the secretary deems 43 necessary, shall develop recommendations for delineation of the boundaries of priority 44 funding areas in the state and for revisions thereafter. In making such 45 recommendations, the secretary shall consider [areas designated as regional centers, 46 growth areas, neighborhood conservation areas and rural community centers on the 47 state plan of conservation and development] (i) the growth management principles 48 outlined in the 2013-2018 state plan of conservation and development, or its successor 49 plan, such that a reasonable conclusion may be made that an area should be a priority 50 funding area, and (ii) areas designated as redevelopment areas, distressed 51 municipalities, as defined in section 32-9p, targeted investment communities, as 52 defined in section 32-222, public investment communities, as defined in section 7-53 545, enterprise zones, designated by the Commissioner of Economic and Community 54 Development under section 32-70 and corridor management areas [identified in the 55 state plan of conservation and development]as defined in section 16a-27(d). The 56 secretary shall submit the recommendations to the Continuing Legislative Committee 57 on State Planning and Development established pursuant to section 4-60d for review 58 when the state plan of conservation and development is submitted to such committee in 59 accordance with section 16a-29. The committee shall report its recommendations to the 60 General Assembly at the time said state plan is submitted to the General Assembly 61 under section 16a-30. The boundaries shall become effective upon approval of the 62

63 General Assembly.

## HB 5968, AA Clarifying the State Plan of Conservation & Development

## Proposal to delete use of a locational guide map or similar map within the state plan of conservation and development.

- 1 Section 1 (NEW) (*Effective from passage*). Notwithstanding any other provision of the
- 2 general statutes, the state plan of conservation and development authorized under
- 3 chapter 297 of the general statutes shall not contain a locational guide map or similar
- 4 map that divides the state into different conservation, development or other areas. Each
- 5 state agency or other authority that is required to determine whether any type of
- 6 funding or other action is consistent with such state plan shall make such determination
- 7 based on the text of such plan.
- 8 Section 2. Section 16a-25 of the general statutes is repealed and the following is
- 9 substituted in lieu thereof (*Effective from passage*):
- 10 Sec. 16a-25. Definitions. As used in this chapter:
- 11 (1) "Process" means the procedure for adopting, amending, revising and implementing
- 12 a state plan of conservation and development;
- (2) "Existing plan" means the plan promulgated by Executive Order No. 28, September
  27, 1974;
- 15 (3) "Secretary" means the Secretary of the Office of Policy and Management;
- 16 (4) "Committee" means the continuing legislative committee on state planning and
- 17 development established pursuant to section 4-60d;
- 18 (5) "Adoption year" means the calendar year which is no later than five years
- 19 subsequent to the year in which the plan was last adopted in accordance with the
- 20 process established in this chapter;
- 21 (6) "Revision year" means the calendar year immediately preceding the adoption year;
- 22 (7) "Prerevision year" means the calendar year immediately preceding the revision year;
- (8) "State agency" means any state department, institution, board, commission or
   official; and
- 25 (9) "Plan", when referring to the state plan for conservation and development, means
- 26 the text of such plan[ and any accompanying location guide map].

Section 3. Subsection (b) of section 16a-32 of the general statutes is repealed and the
following is substituted in lieu thereof (*Effective from passage*):

29 Sec. 16a-32. (b) Without initiating a revision of the plan and after receiving written 30 approval from the committee, the secretary may undertake interim changes in the plan 31 upon the secretary's own initiative or upon application by (1) the chief executive officer 32 of a municipality, with the approval of the legislative body of such municipality, or (2) 33 any owner of real property or any interest therein on which a change is proposed. No 34 application for an interim change from a municipality under subdivision (1) of this 35 subsection may be submitted unless (A) the municipality in which the change is 36 proposed has a plan of conservation and development that has been updated in 37 accordance with section 8-23, and (B) the application includes evidence, in writing, of 38 the opinion of the planning commission of the municipality regarding the interim 39 change. The secretary shall adopt regulations in accordance with chapter 54 to establish 40 procedures for applications for such interim changes by any person, political 41 subdivision of the state or state agency. Such regulations shall include, but need not be 42 limited to, provisions for interviews and consultations with local planning and zoning 43 commissions or, in those municipalities which have adopted the provisions of chapter 44 124 but which do not have a zoning commission, the persons designated to exercise 45 zoning powers pursuant to section 8-1, review of local plans of development and public 46 hearings. The secretary shall notify the chief executive officer and the persons exercising 47 planning or zoning powers in any municipality which is the subject of an application 48 for change in the [locational guide map] plan and shall notify any members of the 49 General Assembly representing any area which is the subject of such an application. A 50 joint public hearing by the secretary and the committee shall be held in any such municipality if requested by any chief executive officer or planning or zoning official 51 52 notified by the secretary pursuant to this subsection. The committee shall also hold a 53 hearing in addition to any hearing required to be held in any municipality concerning 54 the [locational guide map] plan on any other proposed changes. After such public 55 hearing, the committee shall approve or disapprove the application and notify the 56 secretary of its decision not more than ten days thereafter. The secretary shall make 57 interim changes in the plan to reflect the approved changes.

Section 4. Section 32-10 of the general statutes is repealed and the following is
substituted in lieu thereof (*Effective from passage*):

Sec. 32-10. State economic strategic plan. (a) On or before July 1, 2009, and every
 five years thereafter, the Commissioner of Economic and Community Development,
 within available appropriations, shall prepare an economic strategic plan for the state in
 consultation with the Secretary of the Office of Policy and Management, the
 Commissioners of Energy and Environmental Protection and Transportation, the Labor
 Commissioner, the chairperson of the Culture and Tourism Advisory Committee, the
 executive directors of the Connecticut Housing Finance Authority, the Connecticut

- 67 Development Authority, Connecticut Innovations, Incorporated, and the Connecticut
- 68 Health and Educational Facilities Authority, or their respective designees, and any
- 69 other agencies the Commissioner of Economic and Community Development deems
- 70 appropriate.
- 71 (b) In developing the plan, the Commissioner of Economic and Community
- 72 Development shall:
- 73 (1) Ensure that the plan is consistent with (A) the text [and locational guide map] of the
- state plan of conservation and development adopted pursuant to chapter 297, and (B)
- 75 the state's consolidated plan for housing and community development prepared
- 76 pursuant to section 8-37t;
- 77 ... {no changes in the remainder of section 32-10}
- Section 5. Subsection (b) of section 32-80 of the general statutes is repealed and the
   following is substituted in lieu thereof (*Effective from passage*):
- Sec. 32-80. (b) (1) Before July 1, 2005, the legislative bodies of three or more 80 contiguous municipalities, each of which is a public investment community and has a 81 population of not more than sixty thousand, and at least fifty per cent of which 82 municipalities are located along the same interstate highway, limited access state 83 highway or intersecting interstate or limited access state highways, may, with the 84 approval of the commissioner, designate industrial districts in such municipalities as an 85 enterprise corridor zone. (2) On or after July 1, 2005, the legislative bodies of two or 86 more contiguous eligible municipalities, at least one of which is located along an 87 interstate highway, limited access state highway or intersecting interstate or limited 88 access state highways [and is designated as a regional center in the locational guide 89 map included in the state plan of conservation and development adopted pursuant to 90 chapter 297], may, with the approval of the commissioner, designate such 91
- 92 municipalities as an enterprise corridor zone.

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