

State's Community Investment Funds In Jeopardy

By REGINE LABOSSIÈRE | The Hartford Courant

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Connecticut homeowners helped [Wethersfield](#) buy 81 acres of open space on the historic Wilkus Farm. They are helping [Old Saybrook](#) turn its historic town hall into the [Katharine Hepburn](#) Cultural Arts Center.

These are just two of hundreds of projects across the state that homeowners have helped fund with the \$30 fee they pay to the town clerk's office each time they close on a house or refinance a mortgage. The money — part of a state program called the Community Investment Act — has so far helped save farmland, preserve historic buildings, buy open space and create affordable housing in 130 Connecticut communities. But because the governor and state legislators are looking for savings to help fix a huge budget deficit, advocates warn that the Community Investment Act, and all of the projects it could fund, are in jeopardy.

There are two proposals, from different quarters, that worry proponents of these programs. First, state legislators need \$220 million to fill a deficit in the current budget, and they may suggest taking special funds, such as the Community Investment Act's, for the general fund.

Second, under Gov. M. [Jodi Rell](#)'s budget proposal, in each of the next two years, the state would take \$12 million out of \$16 million that the Community Investment Act is expected to generate.

"We all understand that the state is in an extremely difficult fiscal situation right now. Regardless, the state is going to have to choose where it's going to continue to make investments," said Melissa Spear, who's on the steering committee of the Working Lands Alliance and the executive committee of the Connecticut Land Conservation Council.

The Community Investment Act is "investing in the sustainability and the economic viability of the state. It's going to have long-term payoff," Spear said.

State officials agree, but say that, given the projected size of the state's budget deficit in the next two years, no revenue source can be overlooked.

"[Y]ou have Gov. Rell attempting to use some, but not all, of the historic preservation funds to close a gap of \$6 billion or more in funds [projected for 2009-2010 and 2010-2011]. And even then, [she is] not proposing to use all of the money in that account," Rell spokesman Rich Harris said.

State Rep. John C. Geragosian, co-chairman of the appropriations committee, said the legislature has previously protected the Community Investment Act fund, but now everything is at risk.

"We know it's important and we'll do our best to preserve it, but, in very desperate times like these, priorities become more focused on life and health and the basics in many ways," said Geragosian, a [New Britain Democrat](#).

Senate President Pro Tem [Donald E. Williams Jr.](#) of Brooklyn also noted the difficult position the legislature is in. "We're looking for every dollar we can get right now," he said. "This is a search for every reasonable way we can balance the budget.

"But in that process, we need to come up with priorities. If we balance the budget through cuts that are levied indiscriminately, we risk making tragic mistakes that could hurt our future."

Other Funds Threatened

A small portion of every fee paid to the town clerk's office goes to the town, while most of the \$30 is split evenly among four state agencies: the Department of Agriculture, the Commission on Culture and Tourism, the Department of Environmental Protection and the Connecticut Housing Finance Authority. From there, the agencies often subcontract with smaller groups to distribute competitive grants.

In addition to the Community Investment Act, there are dozens of special funds that could be siphoned off for the state's general fund to help balance the budget. For example, the governor's budget proposal includes taking portions of funds dedicated to public financing for political campaigns, tobacco prevention programs, energy conservation, renewable energy sources and public television programming.

If Rell's proposal is approved, instead of each state agency receiving about \$4 million a year under the Community Investment Act, they each would receive about \$1 million.

That is not enough, said Helen Higgins, executive director of the Connecticut Trust for Historic Preservation. Aside from the occasional earmarked state bond money, the average \$4 million a year from the fund is all that the state's historic preservation efforts have to work with, she said.

"This is pretty much our stimulus money. This is effective and efficient stimulus in Connecticut and we can't forget that," Higgins said. "We are doing the work that needs to get done and we are creating jobs."

The affordable housing aspect of the fund is also in trouble, said Jeffrey Freiser, executive director of the Connecticut Housing Coalition. In addition to the Community Investment Act, other funds that support affordable housing are on the line. "Despite the difficult budget situation, we dare not disinvest in Connecticut's future," Freiser said.