

CONNECTICUT Land Conservation Council

Testimony on House Bill No. 6441
Environment Committee
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Co-Chairs Cohen and Gresko, Vice-Chairs Slap and Palm, Ranking Members Miner and Harding, and members of the Environment Committee:

Thank you for this opportunity to present testimony on behalf of the Connecticut Land Conservation Council (CLCC) in strong support of **House Bill No. 6441, An Act Concerning Climate Change Adaptation (HB 6441)**. HB 6441 implements the Governor's budget recommendations, as well as those of the [Governor's Council on Climate Change \(GC3\) Phase 1 Report: Near-Term Actions January 2021](#) (GC3 Report) including identifying and generating revenue sources to pay for resilience projects and programs.

The Connecticut Land Conservation Council (CLCC) is the state's umbrella organization for the land conservation community. We advocate for land conservation, stewardship and funding, and work to ensure the long-term strength and viability of land conservation in Connecticut. As a coalition organization, CLCC works with Connecticut's robust land trust community (~130 -- the third most in the country), as well as conservation organizations, municipalities, councils of government, regional conservation partnerships, and other entities committed to land conservation and addressing climate change at the local level. Within the context of our work, those efforts are most often focused on natural climate solutions -- forestland, healthy soils, wetlands and grasslands protection, as well as urban forestry, tree planting and other green infrastructure projects. CLCC was also a proud member of the GC3 Forests Sub-Group.

CLCC supports HB 6441 in its entirety which provides for the following proposals to expand the tools municipalities have to fund and finance climate adaptation and resilience projects by: (i) Authorizing the creation of municipal stormwater authorities statewide (Sections 1-2); (ii) Enabling a local-option buyer's conveyance fee (Section 3); (iii) Adding flood prevention and climate resilience to the purview of municipal flood and erosion control boards (Section 4 *et seq.*); and (iv) Expanding the Connecticut Green Bank to include an Environmental Infrastructure Fund (Section 17 *et seq.*)

We especially support Section 3 giving communities the option to establish a limited buyer's conveyance fee program ("Municipal Funding Option") to generate revenue for climate resilience and other local environmental projects -- a recommendation included in three sections¹ of the GC3 Report. **Reasons to support a Municipal Funding Option include:**

Dedicated funding for community investments: The recommendations outlined in the GC3 Report underscore the readiness of the state and municipalities to take action -- moving adaptation, resilience and mitigation projects from the planning stage to implementation. There is no shortage of ideas or projects. There is, however, a shortage of funding. For municipalities that choose to adopt the program, the Municipal Funding Option provides an additional source of funding that would not impact the mill rate or require increased municipal bonding. Since the funds are collected and expended locally, there is no adverse fiscal impact on the state budget.

¹ See Recommendation Nos. 31b, 41b and 56d of the [Governor's Council on Climate Change \(GC3\) Phase 1 Report: Near-Term Actions January 2021](#)



Section 3 is enabling. It provides the opportunity, but not the obligation, for any municipality to adopt the program to benefit local land stewardship, open space, climate adaptation, resilience, and other community environmental projects, such as urban forestry and tree planting. Municipalities will still need approval through their local legislative process to establish the program.

Positive Precedent: The concept of a local buyer's conveyance fee program to help care for local natural areas is one that has been tried and tested in neighboring states including Massachusetts, New York, Rhode Island, Pennsylvania and West Virginia. CLCC has [collected several case statements and news articles](#) which provide further insight into the positive impact that the Municipal Funding Option has had in many communities. New York Assemblyman Fred Thiele had the following to say about the voluntary program in his state:

"The adoption of the Peconic Region Community Preservation Fund has been the signature achievement of my legislative career. The concept is simple. A 2% real estate transfer tax is levied on every real estate transaction over \$250,000. The revenue is placed in a dedicated fund to purchase land for environmental purposes such as open space, farmland preservation, parks and historic preservation. Since 1999, the funds has [sic] generated more than \$1.1 billion in revenues and more than 10,000 acres have been preserved. It benefits both the environment and the economy. By protecting the quality of life on eastern Long Island, it has made our region more attractive, bolstering real estate values and tourism. Last year voters extended and expanded the program for 20 more years with approval by more than 75% of the voters."²

Economic Benefits: Concerns that the fee may deter homebuyers or investors in real estate are misplaced. People and businesses are attracted to communities that have cleaner air and water, recreation options, local food sources, and protected natural beauty. They are also looking for communities that seek to address sea level rise, inland flooding, the proliferation of invasive species, and rising temperatures -- just some of the climate change related issues faced by municipalities.

This trend is playing out throughout Connecticut, with a booming real estate market from people flocking to our state during the COVID-19 pandemic. According to the Connecticut Department of Economic and Community Development, more than 16,000 new residents moved to the state in 2020 and the number of new businesses in the state grew by 9%.³ This upward direction in both sales and prices are expected to continue.⁴ Even pre-pandemic, real estate agents recognized the value of greenspaces to neighboring properties. Based upon CLCC research, since late 2019 over 400 real estate sale listings expressly referenced proximity to land trust property, municipal and state open space, parks and other greenspaces as a selling point in their description of the property.

Leveraging Match Dollars and Community Partners: For municipalities that choose to adopt the program, the fees may be used to match local, state and federal grants, as well as pay for the due diligence expenses associated with local environmental projects (e.g. environmental assessments, studies, and management plans). Providing municipalities with local funding options also helps to foster cooperation with the private sector -- further leveraging the investment of these local funds.

In conclusion, we ask the Committee to support HB 6441 and give municipalities the option to use this creative funding mechanism to help them address climate change and achieve their land conservation, stewardship, and community planning goals. Thank you for this opportunity to provide our comments. I'm happy to answer any questions you may have.

² Email from New York Assemblyman Fred Thiel to David Bingham, Salem Land Trust, dated February 13, 2017.

³ See, ["Connecticut economy on the upswing as more people move into the state"](#) by Eric Bedner, Journal Inquirer, February 23, 2021

⁴ See, ["Realtors: Booming Real Estate Market Drained Connecticut's Inventory in 2020, Increased Prices"](#) by Will Herring, CT News Junkie, January 19, 2021. See also, ["Home sales in greater Hartford were the strongest in years even as the area slogged through COVID-19 pandemic"](#) by Kenneth R. Gosselin, January 15, 2021.