



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

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*Your Home
Is Our
Business*

Help Us Lead Connecticut Back to Economic Strength

Do no further damage to Connecticut's economy by increasing the cost to build a home.

National headlines report that builder confidence and housing production is up. Not so here.

Housing permits in Connecticut continue a recent downward trend and we're exceeding eleven years of a housing depression. Permits issued in CT from January thru December in 2017 total 5,112.¹ This was down 7.1% from the same period in 2016 (5,504 permits). Jan. thru Dec. of 2016 was down 9.4% from the same period in 2015 (6,077 permits). **The housing construction industry cannot absorb any more legislative or regulatory hits to its gut.** Consider also the following:

- An op-ed article by an accountant, Robert Lally, in the Hartford Courant, titled, "Connecticut: Not So Bad for Business, Companies Doing Well." Jan. 14, 2018. A telling line in his article is, "The solid results go right across industries. ... **Only home builders on our client list are languishing.**"

And, academic and policy research that evaluates why people move to different regions, and what makes different regions prosper more than others, confirms the adverse impact of our very high regulatory costs on housing. See for example,

- Ed Glaeser, Economics Professor, Harvard University, in *Economix*, "Housing regulations, more than those that bind standard businesses, explain the Sun Belt's population growth. If [northeast states] want to stop losing Congressional seats, then they **must revisit the rules that make it so difficult to build.**"
- Peter Francese, a New Hampshire based demographer, in *The Atlantic*, "Housing is brutally expensive in Connecticut. Millennials just say, '**This is a joke – there's no reason for me to stay.**' I can never get paid enough to pay for a house.'"
- Chang-Tai Hsieh and Enrico Moretti, Economics Professors at, respectively, University of Chicago School of Business and University of California, Berkeley, in the *NY Times*, "Because of the prohibitive cost of housing caused by [zoning] regulations, innovative companies ... do not grow as much as they could, and new businesses do not get created. **This means slower economic growth, fewer jobs and lower wages**"
- The Partnership for Strong Communities, Hartford, CT, a housing advocacy organization, states there is too little affordable housing in Connecticut. David Fink, the organization's then policy director, explained, "**The problem is that in Connecticut, housing is too expensive, and too scarce.** Too many people have to spend too much for housing. That's bad for them, and it's bad for the state's economy."

First, do no more harm. And, HELP remove the regulatory and tax burdens that prevent builders from building more homes. It will be housing that leads CT's economy back.

¹ 2017 housing permits for the whole state are estimated, based on the annual total for the 104 monthly reporting municipalities. In April or May, DOH releases total statewide annual permit #s, adding the remaining (all small) municipalities which do not report permits monthly.

Home Building's Economic Impact in Connecticut!

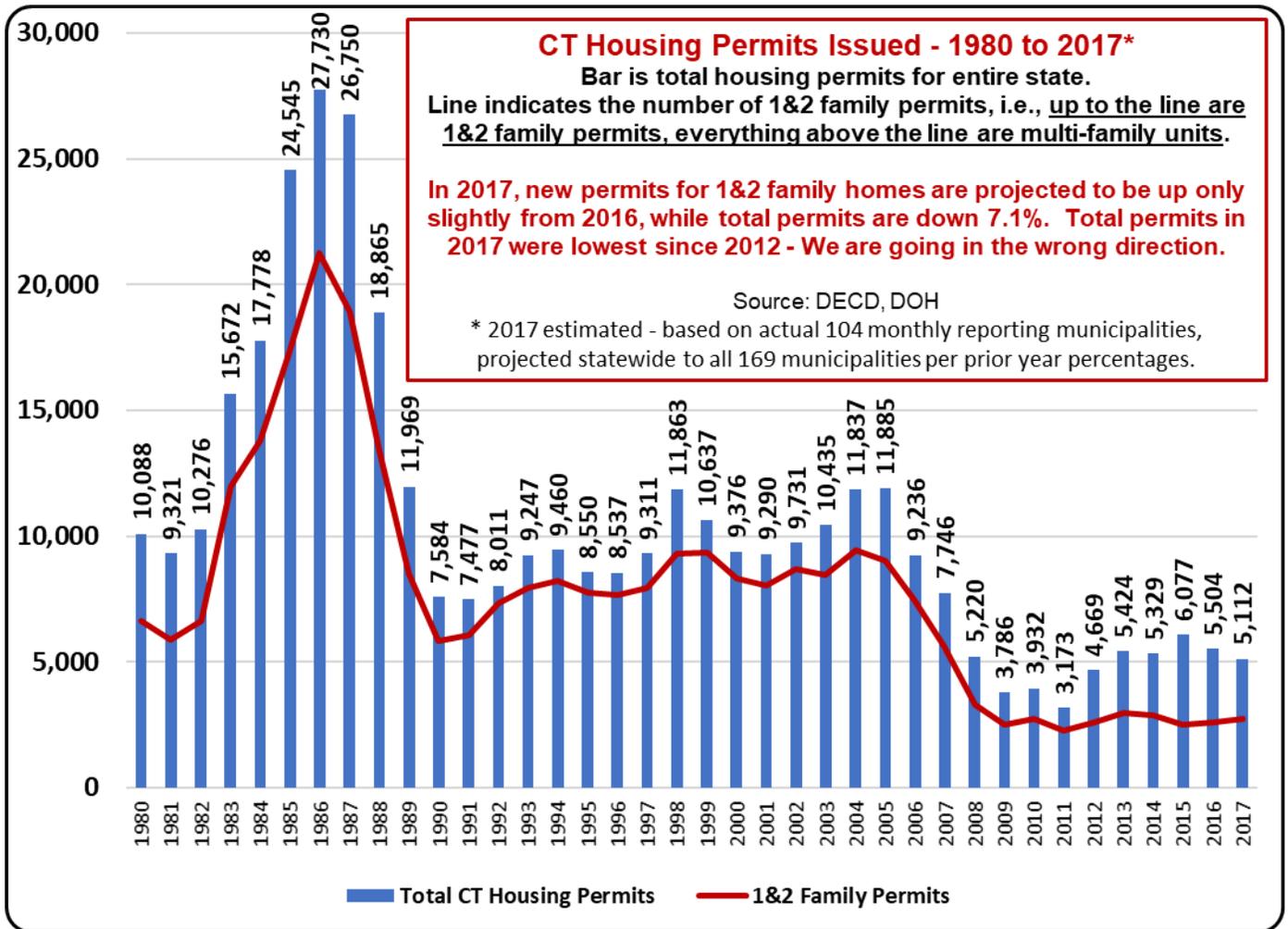
Every 100 New Single Family Homes Create:

- 334 new jobs, \$29.5 million in wages, and
- \$4.7 million in Taxes, Fees & Charges

paid to State & Local Government in the 1st Year Alone!*

Construction of 9,500 homes in a year – normal levels - would produce:

- 31,730 new jobs annually, \$2.8 billion in wages annually, and
- \$447 million in taxes, fees & charges annually.



* 100 multi-family units create 165 jobs, \$14.5 million in wages and \$2.4 million in taxes & fees in the 1st year alone. In the 2nd year and subsequent years, on average each 100 housing units (both SF and MF) create another 52 jobs, producing annually \$4.3 million in wages and \$1.4 million in taxes & fees for state & local government, due to occupant's economic activity.

For more on how homes more than pay for themselves, go to www.hbact.org/HomesDoPay.

Economic impact data reported in "The Economic Impact of Home Building in Connecticut: Income, Jobs, and Taxes Generated" (NAHB Housing Policy Department, March 2012). Study cited extensively by CT DECD (see The Connecticut Economic Digest, Vol. 17 No. 7 July 2012). Housing permit data in chart reported by DECD, then DOH.