

OPEN SPACE ACQUISITION VS. AFFORDABLE HOUSING

(The following letter was written by MAX H. FLECHNER, member of the Southbury Conservation Commission, Connecticut, to State Senator Jamie McLaughlin, and appeared in the local newspaper, the Weekly Star. It is condensed here.)

Dear Jamie:

...I agree with you that we need a new system for open space acquisition, a technique good enough to overcome political obstacles and sufficient to fund open space acquisition, especially for local governments, etc., to be participants in this program.

I also agree with you that it is a welcome announcement by the governor to create a five year financial program for open space acquisition - an available technique so as to make the program a true competitive bidder in the face of development pressure.

And I agree with you that there is a deep concern about Senate Bill 513, which would create an additional real estate conveyance tax at the local level for the creation of land banks. To tax all transactions and to tie this together with affordable housing in general, I agree, is, as you state "disingenuous." This kind of taxation tends to be a disincentive to productivity; as a matter of fact, it causes the price of new development to go up - and the consumer, the house buyer, is affected. It negates affordable housing, despite the claim that by using the real estate conveyance tax, it is to be set aside for affordable housing - a contradiction, is it not?

I disagree with you regarding putting state funds for an infusion of capital for underwriting development costs or subsidized rents. Look about you, locally or universally. It may work, you say. I say it doesn't. It causes inequality, robbing Peter to pay Paul. How would it affect the individual in a free society? Private endeavor, private housing is, and always has been the basis for a good economy because it remains virtually unfettered by government intrusion... The solution remains elsewhere, as I will point out.

To repeat, it is a good idea for the Governor to create a five year financial program for open space acquisition. We need it. Let's implement it. It is to the benefit of the total community, the future well-being of the community. Therefore, keep the idea separate from the problem of affordable housing.

No matter what kind of housing is in prospect, but especially for the working people, the young couples, the middle class, the most effective means is to concentrate on the big cities in Connecticut (Hartford, Bridgeport, Waterbury, etc.), where the problem prevails (especially the central part of the city). How? By taxing slums out of existence - by taxing the land whether vacant or not; improvements not taxed at all, thereby creating an incentive for furthering improvements. Result: instead of causing further urban sprawl (shopping malls outside the city), inner city would be improved. Another result: there would be incentive to improve housing in the inner city - alleviating the affordable housing problem...

May I remind you of a tool you could use legislatively - the one you proposed, Bill No. 552, back in February 1987: "An act enabling municipalities to set different rates of taxes on buildings and land." Incidentally, the increased tax on land would bring the price of land down and make housing more affordable than at present.

Sincerely,
Max H. Flechner