

CRUMBLING FOUNDATION AD HOC MEETING
Previous MIRA Trash Museum: 211 Murphy Road, Hartford, CT

Thursday, December 7, 2017
1:30 PM – 2:30 PM

Minutes (Approved)

ATTENDANCE

Name	Organization / Town
Steve Werbner	Town Manager, Tolland
Jeff Currey	State Rep.
John Filchak	NECCOG
Christina Mailhos	Willington
Scott Shanley	Town Manager, Manchester
Pauline Yoder	CRCOG
Tom Delnicki	State Rep.
Joyce Stille	Town Administrator, Bolton
Chris Davis	State Rep.
Lyle Wray	CRCOG
Ayanti Grant	Congressman Courtney's Office
Alex Saylor	House Republican Office
Brenda Draghi	Ellington
Pam Toohey	DOH, Homeowner Advocate
Chandler Rose	Assessor, Windham, Chaplin
Michael D'Amicol	Assessor, Coventry
Jason Lawrence	Assessor, Tolland
Mark Walter	Town Administrator, Columbia
Sam Belsito	State Rep.
Ralph Tulis	Willington
Peter Tavino	
Tim Heim	CCACB President
Emily Boushee	Senator Murphy's Office
Stephen Rosenberger	

Char Mr. Werbner called the meeting to order at 1:30 PM

1. Approval of Previous Meeting Minutes from October 5, 2017

Mr. Shanley made a motion and Mr. Filchak seconded for the approval of the minutes from October 5, 2017. All voted in favor.

2. Budget and Review of Legislation

Mr. Werbner suggested the state legislation update be moved to a later time in the meeting to wait for additional legislators who were coming from a different meeting. All concurred.

Ms. Grant gave an update on the federal budget. The casualty loss deduction which the IRS recently approved has been eliminated completely from the House budget and limited to only Presidential declarations for natural disasters according to the Stafford act in the Senate version.

Ms. Grant stated that the budget is going into conference committee and Congressman Courtney's office is working with those who are in the conference committee to advocate for this elimination to be removed from the final version.

Ms. Grant also explained that elimination would be prospective and not retrospective. In other words, homeowners who have made their repairs could amend their tax returns or include it in the tax returns for this year and the guidelines announced in November would still apply to them. Tax returns can be amended (generally speaking) within 3 years.

Ms. Grant also stated that Congressman Courtney's office is trying to clarify with the IRS to understand the definition of loss. If the loss is defined as having occurred prior to the time the budget is passed, homeowners could still be eligible. Options for definition of loss could have a large impact on whether the guidelines would still apply. For example, definition of loss could be any of the following: when the concrete was poured, when the homeowner tested, when the homeowner actually made the repair, among others. The determination of the definition of loss could enable homeowners to take advantage of the casualty loss deduction in the future, even if the elimination remains in the budget.

Mr. Werbner asked if there is anything the Committee or members of the committee could do. Ms. Grant stated that the information the committee has produced has been invaluable and asked the committee be on standby.

Mr. Shanley stated that it is good to hear that the deduction is available for people who have already made the investment. He also stated that it would be important that the definition also include PUDs and condos. Ms. Grant stated that they are working on this as well.

Mr. Lawrence mentioned that commercial properties should be considered. Tolland has one of the first known commercial properties and the owner of the property was unhappy when he found out that the current tax re-assessment law did not apply to his property and the current programs did not apply either.

3. Testing Program Update

Ms. Yoder gave an update on the testing program. CRCOG has received 160 applications, approved 130 and paid 10. Ms. Yoder further stated that CRCOG expects to make payments again in two weeks for at least the balance of what has been approved. There have been 3 denials to date, 1 for being outside the 20 mile range and 2 for not having the visual inspection by a certified engineer. There were some minor concerns and hiccups, including an error in the phone number on some of the e-mails, which has been corrected. So far, generally, the feedback has been positive.

Mr. Shanley stated that it was impressive that less than two weeks after being up that the first checks have been cut. He said that it was a testament to giving things to the COGs and regions who can be more nimble.

Mr. Lawrence asked if it would be possible for town assessors to receive the information on homeowners have been tested.

Ms. Yoder said that because this is a DOH program, the information is protected. She stated, CRCOG could, however, send broad data about the number of homes tested in each town and could do so on a quarterly or monthly basis.

4. Other Business

Mr. Werbner introduced Pamela Toohey, the Homeowner Advocate who was hired by the Department of Housing. Ms. Toohey stated that she will be a resource for individuals who have crumbling foundations and looks forward to working with the committee and others, as well as the captive insurance company.

Mr. Werbner requested an update from Ms. Toohey regarding the CDBG testing funding. Applications were submitted over one month ago but towns have not heard an update yet, and given that the CDBG funds must be spent by June 30, 2018, time is of essence. Ms. Toohey stated that she did not have an update at this time, but would look into it and get back to Mr. Werbner.

Mr. Currey gave an update on the captive insurance company. The incorporators have been named, except for the governor's appointment, which will be forthcoming this week. The named incorporators are: Senator Cathy Osten, Senator Tony Guglielmo, Richard Boccacio and Representative Chris Davis. The incorporators are putting together an organizing committee that currently consists of the incorporators and (ex officio) Representative Jeff Currey and (ex officio) Representative Tom Delnicki.

The incorporators and organizing committee will be establishing the board of directors and will be reaching out to various people. At a minimum the board includes: Lyle Wray, Executive Director of the Capitol Region Council of Governments (or designee), John Filchak, Executive Director of the NorthEast Region Council of Governments (or designee), two homeowners, a real estate agent or broker and representatives from Insurance and banking industries.

Mr. Currey and Mr. Davis stated that part of the challenge in finding members of the board was finding people with experience who would not have a financial interest (such as in insurance, banking or real estate agents) and if anyone knows someone who would be interested, please let them know.

Mr. Currey also stated that the money has not been bonded yet but has received assurances from the governor's office that once the captive insurance company is close to being ready to go, there will be no issue with the bonding.

Tim Heim has also been appointed to the working group to develop model quality control plans for quarries. Others in this working group have not been named yet.

Mr. Shanley thanked the legislators for their hard work and for moving the ball as far as they did.

Ms. Werbner asked the timeline for the bond funding and when the company would be up and running.

Mr. Currey stated according to the captive insurance person at the insurance department, if all goes well, the company would be established by the spring and able to help people in early summer. That is the goal and he understands the timeline is realistic.

He further stated that regarding bonding, once the board of director and the structure is in place, there will be enough to go to the bonding commission. He said that there wasn't a need for the captive insurance company to have everything in place prior to going to the bonding commission.

Ms. Stille asked about bringing the building officials together to evaluate alternatives. Ms. Yoder stated that the most recent Request for Qualifications specifically asked for alternatives and those responses had been received last week and CRCOG is in the process of reaching out to the building officials evaluating committee.

Ms. Stille asked what our next steps would be. Do we have anything for the next legislative delegation? Mr. Werbner mentioned the need for moving on the CDBG program.

A concern was raised regarding the 20 mile radius for the reimbursement testing program (which is not in place for the CDBG program), and how to enlarge that. Mr. Davis stated that it could definitely be moved but the right radius would have to be determined. The general consensus was that 30 miles would probably cover all the known affected areas. Mr. Currey stated that because this is a bonding commission agenda and authorization, it would have to be worked with the governor's office.

Mr. Davis stated that any legislative concerns or ideas should be brought to legislators attention prior to February because the upcoming session is a short one.

A concern was raised regarding how the public will know once the IRS determination was made. Ms. Grant stated that she will disseminate to CRCOG and others and the towns said that information is made available on the individual towns website. CRCOG's page will also be updated with any information.

A second concern was raised regarding banks that have foreclosed on homes are not disclosing crumbling foundations. The new disclosure laws should address this issue.

A question was asked regarding southern Massachusetts and the issues in the Pioneer Valley. Mr. Currey stated that it appears they are slowly becoming aware. Ms. Grant stated that they were sharing information with the delegation in MA. Ms. Draghi stated that many of the affected homes are high end homes that have finished basement and homeowners are often unaware of the issue.

5. Adjournment

Mr. Shanley motioned and Ms. Stille seconded for adjournment. The meeting was adjourned at 2:30 PM.