

# Journal Inquirer

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The JI tells it like it is. Somebody has to.

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## Foundation fixes provide boost

### Despite home value turnaround, more money needed to continue work

By Eric Bedner

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Area towns with significant grand list declines thanks to crumbling foundations are beginning to see restored home values, according to an annual report from the Connecticut Foundation Solutions Indemnity Co. released Monday.

As of Sept. 1, the captive insurance company helping to fix foundations had identified 1,112 claims that eventually will cost about \$121.5 million to fix.

So far, more than \$13 million has been used to fix foundations, with the majority of projects in Manchester, South Windsor,

Stafford, Tolland, Vernon, and Willington.

Vernon, one of the hardest hit communities due to the number of condominium complexes affected, has 332 total claimants while Tolland and Manchester round out the top three with 134 and 102, respectively.

Tolland, however, has seen the largest influx of money with nearly \$3.5 million being paid so far. More than \$1 million has gone to affected homeowners in each of the towns of Coventry, Ellington, South Windsor, and Willington.

Homes that have been reassessed at lower values due to deteriorating foundations are being fixed and property values are beginning to return to normal levels, according to

captive officials.

The towns of Ashford, Coventry, Ellington, Manchester, Somers, South Windsor, Stafford, Tolland, Vernon, and Willington represent 92 percent of the total tax reassessments that resulted from crumbling foundations, according to the report.

Those towns also make up 90 percent of the captive's total liabilities, meaning the hardest hit towns are seeing or are scheduled to see some relief.

"CFSIC's operations are having a direct and positive effect on the existing property tax abatement crisis in Connecticut's northeast corner," according to the report. "These

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Firm has plans for vacant King Street building **PAGE 4**

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Two educators honored for dedication **PAGE 4**

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#### SPORTS



## Untreated wastewater released into river

### Springfield pump station has malfunction

By Peter Goonan

Springfield Republican

An equipment malfunction resulted in the release Monday of an estimated 90,000 gallons of untreated wastewater into the Connecticut River, according to an announcement by the Springfield Water and Sewer Commission.

The commission is notifying

## PASSING MUSTER





# 10 most affected towns have had a total of \$71M cut from property tax rolls

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homeowners are in line for eventual assistance, thus enabling CFSIC to make a difference not only in people's lives, but also to the towns in which they live."

The 10 most affected towns have seen a total of about \$71.7 million cut from their property tax rolls, with Vernon alone seeing a decrease of about \$24.8 million, according to the captive's numbers.

By this time next year, captive officials believe as much as 45 percent of lost tax dollars will be restored in the most affected towns.

"CFSIC has been, for the past seven months, improving the economies of the 10 hardest hit communities, literally one home at a time, by identifying affected homes and beginning the process of restoring those homes, through foundation remediation, to original assessed value," the report states.

CFSIC has committed to making \$34.9 million in construction and reimbursement payments, \$21.8 million of which has not yet been paid, but is set aside in order to honor commitments.

Although the company is statutorily allowed to spend as much as 10 percent of total expenses on administrative costs, it has come in well shy of that in the first two years of operation, fluctuating from about 2 percent to about 4 percent from last year to this year,

according to the report.

With all expected funding, minus administrative costs, the captive is expected to spend a total of \$121.675 million on foundation fixes.

To date, CFSIC has received about \$40.3 million from the State Bond Commission and is anticipating an additional \$85.5 million before it is slated to cease operations on June 30, 2022. Captive officials believe the next \$20 million allocation from the State Bond Commission will be approved by the end of the month.

At this point, however, the company is underwater, carrying more liabilities on its books than it has assets, which has led to the suspension of new applications.

This is the second time since January the company has gone into suspension in order to ration its cash.

CFSIC officials continue to stress the importance of bonding dollars being allocated quickly to ensure the company remains viable, noting that initial delays last year hindered the company's planned launch and delayed foundation repairs.

Assuming the next round of \$20 million is approved this month, CFSIC officials said the company will set aside \$12 million for new participation agreements, leaving only \$8 million available for more agreements between the middle of October and June 2020, when officials anticipate receiving about \$8.5 million from its portion of a \$12 annual homeowner insurance

policy surcharge.

"As a result, CFSIC will be further rationing its cash by greatly restricting participation agreement signing through the remainder of this fiscal year," the report states. "This will continue to cause construction delays and will further result in setbacks to the progress being made in the revitalization of the economy of the northeastern

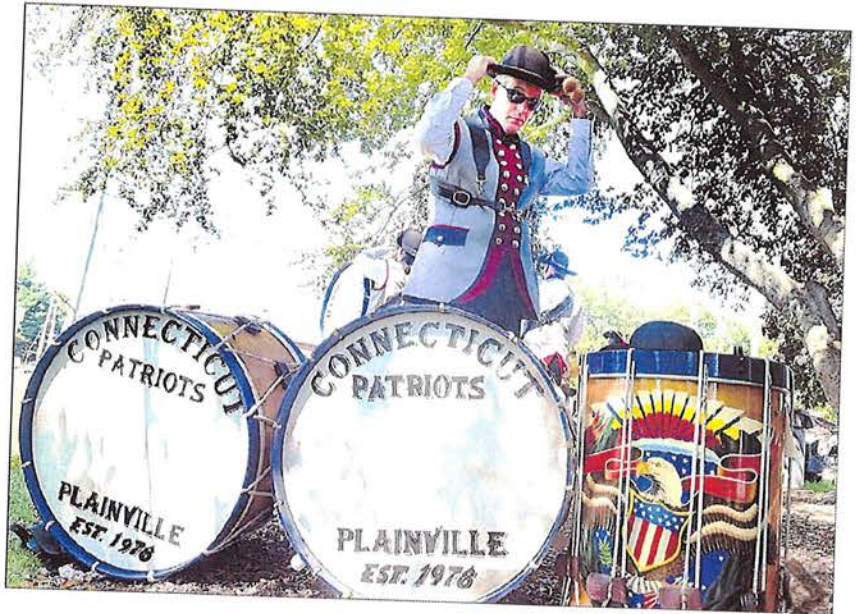
corner of Connecticut."

CFSIC officials continue to stress that they believe the overall crumbling concrete crisis is not as widespread as previously thought.

"None of the data suggests that the crumbling foundations crisis currently affects as many as 35,000 homes in the 40 communities where CFSIC has applicants," the report states.

"Similarly, no data in CFSIC's possession provides evidence of a crisis of the magnitude of \$1 billion to \$2 billion, as has been widely reported."

Instead, CFSIC officials believe roughly 5,000 homes in total could be affected, including those in a second wave that is expected to come in future years, according to the report.



Jim Michaud / Journal Inquirer

## Patriot players

Scott Bousquet of Windsor gets ready to perform Saturday with his Connecticut Patriots of Plainville at the 34th annual Windsor Fife and Drum Corps Muster on the Windsor Town Green.



## SEPTEMBER 12, 13, 14 & 15 56 Egypt Rd., Somers, CT

Thurs. - \$6 • Fri., Sat., Sun. - \$10 • Senior Citizens - All Day Thurs. & Fri. - \$5  
Children - 12 Years & Under - FREE • Weekend Pass - All 4 Days - \$25