

A damaging cut

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The Legislature will weigh short-term and long-term gains when it decides whether to cut the budget of the Housing and Conservation Trust Fund this year by about a third.

The trust was a favorite project of former Gov. Howard Dean, who consistently boosted its budget in support of the twin goals of affordable housing and land conservation. But facing tough budget constraints this year, Gov. James Douglas has proposed cutting about \$4 million from the trust's appropriation.

Douglas's lukewarm support of the trust over the years may grow out of a desire to diverge from the path trod by his predecessor. Douglas's housing proposals have placed greater emphasis on boosting the private sector in the development of new projects.

Yet the trust has a proven record in providing incentives for the private sector to develop new housing and refurbish old housing. And this goal is twinned with a complementary goal: to maintain open spaces while helping to keep working farms in operation.

These dual goals have always been the key to the program's success. Otherwise, new housing could eat into the state's open spaces, and similarly, land conservation could narrow the choices for housing development. Promoting both goals together helps to defuse that potential conflict of aims.

Supporters of the trust fund point out that reducing the state's allocation in so dramatic a fashion would have a deleterious effect in undermining projects already in the formative stages. When properties become available, either for development or for conservation, organizations need to take action. To have the plug pulled on projects hurts the credibility of the program.

Of course, that would be true of most programs that suffer fluctuations in funding, and sometimes fluctuations become unavoidable. Douglas has suggested that the cuts could be absorbed by the conservation side of the board's program, in which case the conservation-worthy land is likely to be there still next year.

Yet at a time when a shortage of affordable housing is high on the list of priorities of people of both parties, it is contradictory for Douglas to have proposed a major cut in one of the state's successful housing programs. Officials say the conservation and housing budgets are one, and that it is not so easy to sequester the cuts to the conservation side of their program.

Douglas is in a bind. He has the responsibility to restrain growth in the state budget and to put forward tough choices. It's easy for critics to point out the damage caused by specific cuts because the critics do not have responsibility for the budget as a whole. It's not so easy to find \$4 million in other cuts or revenue to counter Douglas' proposed cut in the trust fund.

Supporters of the Housing and Conservation Trust Fund make a good point that much long-term gain in affordable housing and land conservation is achieved through a full appropriation for the fund.

Cutting the fund is a short-term gain that will help balance the budget. But it's a gain with a high cost.