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## President's Message



Hi Everyone

I hope all of you are well and enjoying the wonderful "spring" weather.

We've been discussing on the board and committee level the issues most of our members have been facing during the economic downturn and how the association can help members address these issues and prepare their businesses to prosper in the economic climate ahead.

We have realized that many members are just not aware of all the information and services our association has to offer on the local, state and national level.

We all joined the association for one reason or another, be it government representation, education, information, or networking opportunities. Here is a question for you; have we all taken the time to really explore the many resources and opportunities the association makes available to us? A few hours of your time looking over the orientation package that was given to you when you joined or exploring the association's three websites: BAEC.net, HBACT.org and NAHB.org, can be a real eye opener.

The upcoming issue of Connecticut Builder Magazine is absolutely full of association news and industry information. It contains a look at the Connecticut economy, sales and marketing and management advice from industry leaders, a CT Market Update by Barry Rosa, tips from builders and remodelers who are experiencing success in a down market, an update on what the HBACT accomplished for you in the latest legislative session as well as features on new products.

NAHB just released a recent report from Harvard University's Joint Center for Housing studies which describes the current housing downturn in sobering terms, with slightly less optimism about the immediate future as compared to NAHB's economic forecasts.

It also shines a light on the generation born between 1981 and 2000 – the echo-boomers. According to the report, "The number of echo boomers aged 25 to 44 will eclipse the number of baby boomers when they were those same ages by more than 5.9 million." Harvard says

that "With the number of households in this age group projected to increase between 2.0 million and 3.4 million, the demand for rentals and starter homes will surge."

At the same time, the baby boomers, with their longer life spans and sheer numbers, will add dramatically to the number of households over 65. This will lift demand for retirement communities as well as services and home improvements that help seniors age in place."

Were you properly prepared for this recession?

Some have been stuck in a housing downturn for three years. Are you one of those just "hanging in" and hoping and praying for the recovery or are you being proactive and doing something positive to increase traffic and sales?

What are you doing to maintain your current business and prepare for upcoming resurgence of the housing market. Will you be ready when it happens?

The association has been very proactive in a movement to make workforce housing possible in Connecticut and has its fingers on the pulse of this emerging market. The information available can help you prepare to meet the needs of the echo boomers.

Consider earning your CAPS (Certified Aging in Place Specialization certification) to help you provide services to the changing demands of our older boomers.

Did the economy eat up your marketing budget? Take advantage of the many opportunities the association affords to keep you in the limelight, from participation in our newly renovated website, to involvement in the showcase home and community activities, to the monthly networking meetings.

As always, we want to hear from you about what you feel the association can add to its programs and services to help you. We rely on you to help us tailor the association to your specific needs.

To Our Great Prosperity  
Denise

Denise Nott  
Nutmeg Building &  
Remodeling LLC  
BAEC President



## New Members

**Rebecca Waldo of Waldo Renewable Energy**

PO Box 84

Old Saybrook, CT 06475

Ph / Fax: 860.570.0077

rebecca@waldorenewable.com / www.waldorenewable.com

Sponsored by **Jim Pepitone of Ark Contractors**

**Ron Gaudet of White Oak Development LLC**

520 Lebanon Ave

Colchester, CT 06415

Ph: 860.531.3200

Fax: 860.239.1009

Cell: 860.729.2780

ron@ctgreenhomes.com / www.ctgreenhomes.com

Sponsored by **David Gesiak of David J. Gesiak LLC**

**Jason Jacaruso of D/E/F Wiring Services Ltd.**

31 Clinton Ave

Norwich, CT 06360

Ph: 860.204.9455

Fax: 860.204.9486

jjacaruso@defwiring.com / www.defwiring.com

Sponsored by **Kevin Lathrop of K&N Electric**



## BAEC 2009 Green Showcase Home Update Greenbrier, Oakdale, CT

**Builder: Jim Pepitone, Ark Contractors**

### Schedule of Events

BAEC Membership Green Expo and Past President Night

5:30 -8:30

Wed July 22

Free BBQ for Members, Product Demonstrations

Consumer Class **"Green Building 101"**

10:00-11:30 a.m.

Sat, Aug 15

Consumer Class **"Green Building 101"**

10:00-11:30 a.m.

Sat, Sept 12

### Showcase Home Open House Weekend Tours

ECAR night

5:30 – 7:30

Fri, Sept 25

Open to Public

10:00 am – 4:00 pm

Sat, Sept 26

10:00 am – 4:00 pm

Sun, Sept 27

Chamber Business After Hours

5:30 – 7:30 pm

Wed, Sept 30

**Get Involved in this project to make the web page, these events and associated publicity work for you and your business!**

## 100 Members in 1000 Days Membership Drive

**Are You in the Running to Win The Kitty? Now at \$885!! Meow!**



Our Membership Defenders challenge you to win the kitty by bringing in the most new members in 2009. Competition is pretty tight right now! Make it interesting by joining these members in their recruitment efforts!

- Ed Colburn of All-Phase Building
- David Gesiak of David J. Gesiak LLC
- Bruno Hayn of Home Designs By Bruno (2)
- Scott Gladstone of Wireless Zone (2)
- Attila Keller of Ricon Homes
- Kevin Lathrop of K&N Electric (2)
- John Lombardi Jr. of Lombardi Inside Out
- Matt Ostrowski of Creative Enclosures
- Jim Pepitone of Ark Contractors
- Mike Scarpa of Coastal Construction Management

**AND.....Sponsor our Drive by Donating an Auction Item to Raise the Kitty  
You Too Can Be a Hero!**

The BAEC Membership Team

*Frank Winkler Paul Stone Kevin Lathrop  
Hope Sheldon Renee Main Kelly Whipple*

## Extreme 615 Rides Again!

Bruno Hayn and his team of volunteers who played a leading role in rebuilding the Girard family's home on ABC's "Extreme Makeover: Home Edition" want to rebuild the home for the Landa family in Griswold. "We're basically going to do an extreme build, but without the show," says Bruno.

The Landa Family recently lost their home to a fire. Kyle Landa, son of Dawne and David Landa pulled his quadriplegic father from his bed, through the smoke and flames to the back porch then collapsed from burns and smoke inhalation. Dawne dragged David and Kyle to safety in their yard. The family has lost everything in this fire and is in dire need of monetary donations to help pay their bills.

After the Girard's home was built, Bruno started a nonprofit called the Project 615 Foundation to help families after life-altering events such as the loss of a home. Project 615 was the code name used by contractors for the Girard family house; it stood for season 6, show 15.

Visit [Landa615.com](http://Landa615.com) to see how you can join in the efforts to help this family.

## Joe Williams Elected President of Bushnell Park Foundation

Shipman & Goodwin Partner Joe Williams was recently elected President of the Bushnell Park Foundation. The mission of the Bushnell Park Foundation is to preserve and protect Hartford's Bushnell Park for the enjoyment of current and future generations. Attorney Williams is Chair of the firm's Litigation Department and a member of its Environment, Energy and Land Use Group. He is resident in the firm's Hartford office where he can be reached at 860 251-5127 or [jwilliams@goodwin.com](mailto:jwilliams@goodwin.com).

## Education Corner



### Green Classes

The Connecticut Energy Efficiency Fund invites you to a series of workshops presented by building science experts from *Steven Winter Associates*.

<b>Aug 11</b>	8:30am—12:00pm HVAC and Water Heating	Cost: \$50
<b>Sept 9</b>	8:30am—12:00pm Solar Energy Systems for Homes	Cost: \$50

The workshops will be at the Lyceum Center, 227 Lawrence Street, Hartford. Free parking is available at the site. Light breakfast will also be included.

RSVP to Justin Lindenmayer at CL&P at 860.832.4915 or [lindej@nu.com](mailto:lindej@nu.com). Please RSVP at least one week in advance of workshop.

## Risk Management & Insurance for Building Professionals

HBA of Hartford County     Rocky Hill     Aug.28th

Today builders face a liability insurance crisis. Coverage has become scarce, expensive and restrictive. In this environment, builders must use comprehensive risk management strategies to reduce construction risks and other exposures. From overarching principles to practical solutions on obtaining the most competitive insurance quotes, this course gives you the tools you need to manage your risk. As a graduate of this course, you will be able to:

- Grasp and apply insurance terminology
- Use non-insurance risk management strategies
- Recognize the basics of the types of insurance coverage that you need
- Structure company insurance and risk management programs with help from your brokers and counsel

**Designations:** [CGR](#), [GMB](#), [GMR](#)

To register or to get more information on locations call: 203-239-2002 or 860-563-4212.

## A new member resource on the real estate appraisal system

has been developed by NAHB's Housing Finance staff. Considering the critical role that appraisals have in current housing market conditions – particularly with regard to the increasing use of distressed properties as comps – NAHB staff thought it would be helpful to compile an overview of the structure of the real estate appraisal system for the reference of committee members and staff. The document, a primer entitled "Real Estate Appraisal Industry Overview," is available free of charge to NAHB members at: [www.nahb.org/appraisalprimer](http://www.nahb.org/appraisalprimer).

## FREE upcoming webinars

are scheduled for the month of July, and NAHB members will find it well worth their time to participate in these events. You may want to put them on your calendar right now:

### NAHB Webinar on Home Technology July 22, from 2:00-3:00 p.m.-

Sponsored by NAHB in conjunction with the Consumer Electronics Association (CEA) and the Custom Electronics Design & Installation Association (CEDIA), this free event will focus on the findings of the CEA's "7th Annual State of the Builder Technology Market Study" and what they mean for builders, remodelers and their home technology partners and contractors. A panel of experts representing different segments of the industry and home technology will offer their views on emerging trends.

### NAHB Webinar on Storm Water Compliance July 29, beginning at 1:00 p.m.–

Presented by NAHB's Land Development Committee with support from the Environmental Issues Committee, this event will give participants an overview of the regulatory framework surrounding storm water permitting and provide practical tips on how to submit storm water permit applications, develop storm water pollution prevention plans and survive inspections.

## New Book From NAHB Gives Sales Professionals The Tools To Sell Homes Even In A Slow Market

In today's challenging housing market, a sales manager's state of mind can make all the difference on whether or not a sale is made. BuilderBooks, the publishing arm for the National Association of Home Builders (NAHB), has responded to this challenge in its newest release, *Think Sold! Creating Home Sales in Any Market*.

Author Tammy Lynch shares her more than 20 years of sales experience and provides practical strategies not only for engaging customers, but for overcoming internal roadblocks to success. *Think Sold! Creating Home Sales in Any Market* is a practical, how-to guide for developing the self-awareness, knowledge and skills needed to succeed in the competitive field of new home sales. This book teaches readers how to:

- Approach sales and life, from a position of optimism that will create successful outcomes
- Better understand the buying and selling processes  
Improve upon potential customer prospecting and follow-up skills
- Communicate effectively with various types of buyers and learn how to adjust communication strategies to increase rapport and alignment with buyers' motives

Order through your link to BuilerBooks on the baec website and your association gets a share of the revenue!

# 2009 State Legislature Adopts New Consumer Notice Requirement

**Bill Ethier, EVP, Home Builders Association of CT**

See **Public Act 09-18, Disclosures by New Home Construction Contractors and Home Improvement Contractors. Effective July 1, 2009.**

The HBA supported this bill, which provides more effective notice to consumers and levels the playing field for all builders and remodelers. The bill was proposed by a legislator early in the session and immediately caught the eye of a large bi-partisan group of supporters. The HBA jumped in to make sure this train stayed on a reasonable path.

It addresses an issue where some builders set up new LLCs for each new home, properly register that LLC, and effectively deny any opportunity to consumers to investigate prior claims against the contractor. Alternatively, some NHCC and HIC keep setting up new shops after running into consumer complaint issues. Notifying consumers of only the brand new LLC or other entity effectively denies consumers adequate notice.

Therefore, **the new law requires new home construction contractors (NHCC) and home improvement contractors (HIC) to identify other registered NHCCs or HICs in which the principal(s) is or has been a principal in the previous five years.**

Since the NHCC and HIC registration acts are structured differently (having been originally adopted decades apart), the new notice requirement is done in different ways. In summary, a NHCC can amend its existing statutory registration notice, which is required to be provided to all prospective home buyers, or provide an additional written notice complying with the new law, while a HIC should amend its contract to include the new notice provision.

## New Home Construction Contractor:

To summarize the new requirement for new home construction contractors, under the amended NHCC registration statute (chapter 399a, section 20-417d), "A new home construction contractor shall (1) prior to entering into a contract with a consumer for new home construction, provide to the consumer a copy of the new home construction contractor's certificate of registration and a written notice that ... (D) discloses each corporation, limited liability company, partnership, sole proprietorship or other legal entity, which is or has been a new home construction contractor under the provisions of this chapter or a home improvement contractor under the provisions of chapter 400, in which the owner or owners of the new home construction contractor providing the written notice required by this section are or have been a shareholder, member, partner or owner during the previous five years. ... (underlined language is new law).

While the new law requires that written notice of other applicable NHCC and HIC entities be provided to consumers, the legislation did not amend the written statutory registration notice in the statute itself (i.e., section 20-417d(c)). Presumably, therefore, the new written notice can be a separate document. We recommend that all home builders comply with this new law by either amending the existing statutory registration notice you currently provide to consumers (see the 2006 changes to the New Home Construction Contractor registration notice, adopted by Public Act 06-73, which became effective on May 30, 2006) or provide to consumers a separate written notice that states substantially the following (**check with your attorney for the best way to proceed**). The notice should be in all capital letters in at least 10 point bold-face type (see section 20-

417d). We also recommend that you obtain a copy signed by each consumer acknowledging receipt of this new notice or institute some other practice as proof of providing the notice:

**"PURSUANT TO PUBLIC ACT 09-18, THE SHAREHOLDERS, MEMBERS, PARTNERS OR OWNERS OF**

**\_\_\_\_\_ (the NHCC) IS OR HAS BEEN A SHAREHOLDER, MEMBER, PARTNER OR OWNER OF THE FOLLOWING NEW HOME CONSTRUCTION CONTRACTOR(S) OR HOME IMPROVEMENT CONTRACTOR(S) DURING THE PREVIOUS FIVE YEARS:** \_\_\_\_\_

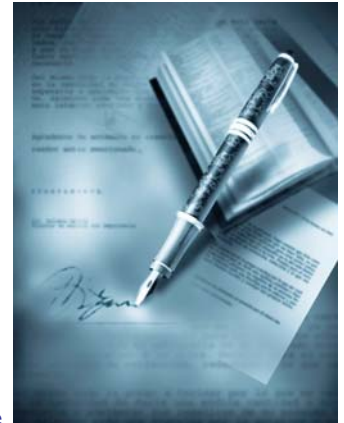
**RECEIPT ACKNOWLEDGED BY CONSUMER:**

\_\_\_\_\_  
Consumer Signature

\_\_\_\_\_  
Date

## Home Improvement Contractor:

To summarize the new requirement for home improvement contractors, under the amended HIC registration statute (chapter 400, section 20-429), "(a) No home improvement contract shall be valid or enforceable against an owner unless it: (1) Is in writing, (2) is signed by the owner and the contractor, (3) contains the entire agreement between the owner and the contractor, (4) contains the date of the transaction, (5) contains the name and address of the contractor and the contractor's registration number, (6) contains a notice of the owner's cancellation rights in accordance with the provisions of chapter 740, (7) contains a starting date and completion date, [and] (8) is entered into by a registered salesman or registered contractor, and (9) includes a provision disclosing each corporation, limited liability company, partnership, sole proprietorship or other legal entity, which is or has been a home improvement contractor pursuant to the provisions of this chapter or a new home construction contractor pursuant to the provisions of chapter 399a, in which the owner or owners of the home improvement contractor are or have been a shareholder, member, partner, or owner during the previous five years. ... (underlined language is new law).



The HIC provision requires the new notice to be included in the HIC's contract. If the contract is worded correctly such that attachments are included in the agreement, you may be able to attach the new written notice to your existing contracts. **Check with your attorney as to the best way to proceed.** The contract provision would read substantially as follows:

**"Pursuant to Public Act 09-18, the shareholders, improvement contractor(s) during the previous five year members, partners or owners of**

**\_\_\_\_\_ (the HIC) is or has been a shareholder, member, partner or owner of the following new home construction contractor(s) or home ars:** \_\_\_\_\_

Check the HBACT.org website for amendments to the 2009 Building Code and other need-to-know information!

## EPA's New Lead: Renovation, Repair and Safety Rule



In April, 2010, companies that do almost any kind of construction or installation work inside homes built before 1978 will be required to be certified and to use lead-safe work practices.

Common renovation activities like sanding, cutting, and demolition can create hazardous lead dust and chips by disturbing

ing lead-based paint, which can be harmful to adults and children. To protect against this risk, on April 22, 2008, EPA issued a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning.

If you do almost any kind of construction or installation work inside homes or child occupied facilities built before 1978, you need to know about the EPA's new Lead: Renovation, Repair and Painting rule.

NAHB has a number of resources to help its members comply with the new lead paint rule. Remodelers and builders who do renovation or remodeling projects in homes built before 1978 must soon comply with new lead paint safety requirements set by the U.S. Environmental Protection Agency. Any company doing work in these homes must be certified, follow specific work practices and keep detailed records. At least one employee in these companies must be trained in these new requirements by April 2010.

NAHB members can now listen to an online recording of NAHB's audio seminar on the requirements of the new lead paint rule for free by logging in to [www.nahb.org/leadpaintaudio](http://www.nahb.org/leadpaintaudio). In the seminar, a panel of experts examines the new lead paint rule governing the work of professional remodelers where lead paint is involved

Visit [www.nahb.org/leadpaint](http://www.nahb.org/leadpaint) for the latest news on the rule, requirements of the rule, training, educating consumers, and preparing your firm for the rule.

### Becoming a Certified Firm or Renovator

Beginning in April 2010, firms working in pre-1978 homes will need to be certified. Along with firm certification, an employee will also need to be certified as a Certified Renovator. Below is an explanation of the difference between a Certified Firm and Certified Renovator.

#### Certified Firm

All remodeling firms doing work in pre-1978 homes are required to have Firm Certification, which is different from Certified Renovator. There are certain activities in pre-1978 houses that are not subjected to the rule and it is important to look at the rule for a better understanding of exempt ac-

tivities. Firms are required to be certified by April 22, 2010.

Firms may begin applying for certification beginning October 22, 2009. To obtain a copy of the "Application for Firms" contact the NLIC at 1-800-424-LEAD (5323) or visit [www.epa.gov/lead/pubs/renovation.htm](http://www.epa.gov/lead/pubs/renovation.htm). The cost for firm certification is \$300 and is renewable every five years.

#### Responsibilities of Certified Firm

Certified firms must ensure that:

- All individuals performing activities that disturb painted surfaces on behalf of the firm are either certified renovators or have been trained by a certified renovator.
- A certified renovator is assigned to each renovation and performs all of the certified renovator responsibilities.
- All renovations performed by the firm are performed in accordance with the work practice standards of the Lead-Based Paint Renovation, Repair, and Painting Program.
- Pre-renovation education requirements of the Lead-Based Paint Renovation, Repair, and Painting Program are performed.
- The program's recordkeeping requirements are met.

#### Certified Renovator

A certified renovator must successfully complete an eight-hour initial training course, including two hours of hands on training, offered by an accredited training provider. The course completion certificate serves as proof of certification. Renovators are required to be certified by April 22, 2010.

#### Responsibilities of Certified Renovator

When requested by the homeowner, must use a test kit accepted by EPA to determine whether components to be affected by the renovation contain lead-based paint.

- Must provide on-the-job-training to workers on the work practices they will be using in performing their assigned tasks.
- Must be physically present at the work site when warning signs are posted, while the work-area containment is being established, and while the work-area cleaning is performed.
- Must regularly direct work being performed by other individuals to ensure that the work practices are being followed, including maintaining the integrity of the containment barriers and ensuring that dust or debris does not spread beyond the work area.
- Must be available, either on-site or by telephone, at all times renovations are being conducted.
- Must perform project cleaning verification.
- Must have with them at the work site copies of their initial course completion certificate and their most recent refresher course completion certificate.
- Must prepare required records.

The certified renovator will be responsible for training other employees and overseeing work practices and cleaning. The training curriculum, which is currently under development by the EPA, will be an eight-hour class with two hours of hands-on training. Both the firm and Certified Renovator certifications are valid for five years. A Certified Renovator must take a four-hour refresher course to be recertified.



## HBA of Connecticut News

### Local Regulatory Affairs Program

**The city of Norwich has made changes to its zoning regulations.** The changes involve the General Commercial District and include a requirement that any residential development be part of a mixed-use project.

**The city of Norwich has increased its land-use application fees.** The increase affects all applications except single-family residential projects.

**The town of Stonington has rejected a major zone change.** The Conservation Commission petitioned the town to rezone 103 acres along Taugwonk Road from light industrial to residential uses. The Economic Development Commission was opposed to the change.

### The New Basics of Marketing & Sales – Webinar Series

The HBA of CT's Sales & Marketing Council is sponsoring a webinar series produced by HBA and SMC member Jerry Rouleau and his company, BuilderRadio.

July 29 - **11 Keys to Effective Email Marketing**

by Sundee Kapur

Aug. 12 - **Design Trends for 2009 and Beyond**

by Doris Pearlman & Anne Olson

Aug. 26 - **Identifying Your Target Market**

by Jerry Costanzo

Sept. 16 - **Creating Traffic to Model Homes & Sales Centers** by Bonnie Alfriend

You'll be able to attend all six dynamic 1-hour webinars as live presentations for \$185 or purchase each webinar separately for just \$37 each.

View and review the recorded video as many times as you like, and even gather the entire team around the computer and use these as sales meetings or training sessions.

To register or learn more about Taking Control of Your Sales Webinar Series: The New Basics of Marketing and Sales, go to <http://www.builderradio.com/CTWebinars>.

Please note: when you register via this link, the HBA of CT will receive a royalty.

All webinars are one hour: 5 min intro & overview, 45 minute presentations with power point & 10 min Q&A; and begin at 2PM (EST).

All individuals who register (even if they can't make the call) will be given a link after the seminar, to download an audio copy of the tele-seminar.

## HOBI AWARDS 2009



### Call For Entries



Join the best in your industry by entering Connecticut's only Home Building Industry Awards. Sponsored by the HBA of Connecticut, the HOBI Awards offers recognition to builders, remodelers and members of the housing industry for excellence in home design and construction, home technology, sales and marketing, home financing and community service.

#### ELIGIBILITY:

Only HBA of Connecticut members may enter any house, development or product built, remodeled, supplied, marketed or financed by an HBA member after January 2007. **PLUS any community service project undertaken in 2009.**

#### JUDGING:

A panel of housing industry professionals will visit homes and developments and/or review all entries. Judges reserve the right to eliminate any category due to insufficient entries or if the quality of the work does not warrant a winner. All decisions are final.

#### WINNING ENTRIES:

Winners will be notified by October 9th — Awards and a Power Point show of the winning entries will be presented at the HBA of Connecticut **HOBI Awards Dinner on Tuesday, November 10, 2009** at the Aqua Turf in Southington, CT. Winners will be featured in *Connecticut Builder* magazine, and will benefit from local and state wide media coverage and publicity.

#### TOP AWARDS:

Top Awards will be kept confidential and announced at the dinner on November 10, 2009.

**ENTRY DEADLINE: WEDNESDAY, SEPTEMBER 9, 2009**



Connecticut  
Housing  
Coalition

**MARK YOUR CALENDAR**  
**October 7th!**

### A New Day for Housing

Don't miss Connecticut's largest gathering of affordable housing practitioners, advocates and resident leaders.

#### WATCH THE MAIL FOR FURTHER DETAILS.

For more information, e-mail [info@ct-housing.org](mailto:info@ct-housing.org) or call **(860) 563-2943 x20**.

Visit [www.HBACT.org](http://www.HBACT.org)

*for up-to-the minute Information on what's  
happening at the state and local level!*

## BUILDING BRIEFS

### SBA Stimulus Program Helps Builders and Suppliers

A new, short-term program offered by the Small Business Administration (SBA) may provide some temporary relief to thousands of small businesses — including home builders and suppliers — by offering interest-free loans to help them pay their bills.

The America's Recovery Capital (ARC) loan program, which began on June 15, offers small businesses guaranteed deferred-payment, interest-free loans of up to \$35,000 that they can use to pay principal and interest on existing loans; qualifying small business debt, including mortgages; term and revolving lines of credit; capital leases; credit card obligations; and notes payable to vendors, suppliers and utilities.

The SBA \$255 million program will continue through Sept. 30, 2010 or until the funding is exhausted.

SBA-approved lenders, who are being encouraged to make the loans, will disburse each loan over a six-month period. Borrowers will not be required to begin repaying the loans

until 12 months after final disbursement and will have five years to repay the loan.

While the loans are available interest-free to small businesses, SBA will pay the lenders the prime rate plus 2% for the loans.

SBA classifies companies as small businesses based on their annual revenue thresholds or their number of employees. Home builders are considered a small business if their annual revenues do not exceed \$37.5 million, while the annual revenues of contractors are capped at \$14 million. Manufacturers, such as those who make components used in home construction, are limited to 500 or fewer employees, while wholesalers may employ up to 100 persons.

NAHB members can begin the loan process by first contacting local banks. Because the program is new, many lenders may not be aware of it.

### Connecticut Builders See No Decline in Land Prices

Longtime builder Greg Ugalde knows that when the real estate market slows, it can be the right time to start buying land for future developments. At least, that's the way it used to be. Ugalde, president of Torrington-based T&M Building Co., recently discovered that although the Connecticut housing market is sluggish — with the number of home sales and median sale prices dropping dramatically the past few months — the price of land has not followed suit. "In these kinds of economic times where the economy is struggling, this is usually a good time to try to replenish our land holdings and get ready for when the economy turns around," Ugalde, a builder for more than 20 years, said. "But we've found that, while there might be some small adjustments on some land, overall prices are holding

steady." There is little new construction planned. Housing permits issued for residential construction in the state fell by 20% in February compared with a year earlier, with 200 permits for single-family houses, condos and apartments issued in 128 towns, according to the state Department of Economic and Community Development. So if real estate is struggling, why aren't local land prices falling? Local builders and others say the issue boils down to basic supply and demand. Although new home construction has slowed, there still is a very small supply of buildable land available in the greater Hartford area, especially for larger housing developments. And, for the most part, landowners are in no hurry to sell, especially at a reduced rate.

### H.R. 2998 Not the Answer to a Secure Energy Future , Says NAHB

American home buyers deserve a more equitable solution than the American Clean Energy and Security Act as Congress moves to cut our nation's energy use, says the National Association of Home Builders (NAHB).

"The hard truth is that we can't build our way out of this problem," said NAHB Chairman Joe Robson, a builder and developer in Tulsa, Okla. "We need to make sure our utilities more efficiently generate and transmit power. We need to make our existing housing stock more energy efficient. We need to reduce our 'plug load' — home appliances, televisions and computers — and make these products more energy efficient. This bill's focus on new home construction won't get us very far at all."

The House of Representatives on June 26 passed H.R. 2998, sweeping legislation that requires new homes to be built 30 percent more energy efficiently than mandated in the 2006 International Energy Conservation Code. That number

increases to 50 percent by 2014 and then increases 5 percent every three years.

"That's simply too far, too fast," Robson said. "The market is not geared up to supply the necessary materials and equipment, and that's going to drive up costs. The result will be fewer working-class families in these new energy-efficient homes. They'll be relegated to older, less efficient housing stock and face ever higher utility bills."

According to the U.S. Department of Energy, homes are responsible for about 21 percent of the energy consumed each year. "Forcing more regulation on a fraction of those homes just won't move the needle," Robson said.

Nor does H.R. 2998 do much to address the more than 94 million homes built before 1991, when energy efficiency codes became the norm. The bill misses the mark because older, inefficient homes are the source of the vast majority of energy loss associated with buildings.

**WE'RE ON THE WEB!**  
**WWW.BAEC.NET**



**Johnny D's  
Words of  
Wisdom**

Measure a man's greatness  
by how much it takes to  
discourage him.



Builders Association of Eastern Connecticut Inc.  
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*BAEC is the recognized source of quality building services and information.  
We build neighborhoods and improve the communities in which we live and work.*

**Attention All Board, and  
Committee Members**

**SAVE THE DATE**  
**Wednesday, August 19, 2009**  
**Ahoy Mates!**

*Come relax on the Argia  
as we sail into the sunset!*

*Check your cell phones in at the dock  
or walk the plank!*

*Ship Boards promptly at 5:15 P.M.  
Leaving From Schooner Wharf  
15 Holmes Street, Mystic, CT*

**Sponsorships Are Available**

**For more information call the  
BAEC office at 860.859.3518!**

**Calendar  
of Events**

**JULY 2009**

Wed.	14th	12:00 PM	BAEC Home Show Mtg.
Wed.	22nd	5:30 PM	Green Expo and Past Presidents Night Showcase Home, Oakdale

**AUGUST 2009**

Tues.	4th	6:00 PM	BAEC Board Meeting
Thurs.	13th	6:00 PM	BAEC Membership Comm.
Wed.	19th	12:00 PM	BAEC Home Show Mtg.
Wed.	19th	5:30 PM	Cruise on the ARGIA Mystic, CT

**For more information and to register  
for events, visit our calendar at  
[www.BAEC.net](http://www.BAEC.net)**