



# TOWN OF VERNON

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## Vernon Mayor Daniel Champagne and Congressman Joe Courtney Brief Federal Housing Officials on Crumbling Foundations

### *Call for Federal Dollars to be Used for Foundation Repairs*

(VERNON, Connecticut) Vernon Mayor Daniel A. Champagne, U.S. Rep. Joe Courtney, D-2nd District, Vernon Town Administrator Michael Purcaro, and Coventry Town Manager John Elsesser met Monday with U.S. Department of Housing and Urban Development (HUD) New England Regional Administrator David Tille, HUD Community Planning & Development Director Alanna C. Kabel, and HUD Hartford Field Office Director Suzanne Piacentini at Vernon Town Hall to discuss local efforts to mitigate the crumbling foundations problem that threatens homes, the financial well-being of families and the tax base in Vernon and other communities across Connecticut and central Massachusetts.

The state and federal governments have provided financial assistance to homeowners affected by the problem, but more help is needed, Mayor Champagne and Congressman Courtney, a Vernon resident, told Tille.

Vernon, Ellington and Stafford have worked in partnership to use federal funds through the Community Development Block Grant (CDBG) program to fund free testing of foundations for the presence of pyrrhotite, a mineral that when exposed to water and oxygen causes concrete to crack and swell. Homes built in northeastern Connecticut between 1983 and 2015 have a higher probability of having the mineral present in the concrete used for the home's foundation.

"We are working to address this crisis at the state, federal and local levels," Mayor Champagne said. "Homeowners are still coming forward because they just learned they have a crumbling foundation."

The number of homeowners who have had their foundations tested is low when compared to the potential problem. In Vernon, the owners of 36 housing units have applied to have their foundations tested. There remains, however, over 1,400 additional homes that may have a problem but have not been tested. More than 35,000 homes statewide could be affected by crumbling foundations.

The full extent of the crumbling foundations problem is not yet known because some people are reluctant to test their homes because their home's value could plummet if the foundation is contaminated. Some insurance companies have refused to cover the costs of replacing foundations. Federal legislation to provide money specifically to repair foundations has not moved forward.

Another issue towns and cities face is the impact of crumbling foundations on the tax base. Vernon Assessor David Wheeler said 267 residential property owners have sought reductions in their assessments because of crumbling foundations and that has resulted in \$1.57 million less in taxes being paid by those property owners.



Local officials met Monday with U.S. Department of Housing and Urban Development Regional Administrator David Tille at Vernon Town Hall. Left to right, Vernon Town Administrator Michael Purcaro, HUD New England Regional Administrator David Tille, HUD Community Planning & Development Director Alanna Kabel, HUD Hartford Field Office Director Suzanne Piacentini, Vernon Mayor Daniel Champagne, Coventry Town Manager John Elsesser and Congressman Joe Courtney. (Photo credit: David Owens/Town of Vernon)

“This is a crisis that will affect the entire state as assessments on homes with crumbling foundations decline,” Purcaro said. “We have mitigated the decline in tax revenue in Vernon through careful budgeting and use of reserves, but other communities may not be able to do that. A coordinated response from the local, state and federal government is essential to address and ultimately solve this problem. Fixing these crumbling foundations benefits the affected homeowners and the long-term economic vitality of Connecticut.”

Mayor Champagne urged homeowners to contact their local town hall to learn about options for testing of their foundation.

While federal CDBG funds have been used for testing, Mayor Champagne said the funds should also be used to pay for repairs – something the U.S. Department of Housing and Urban Development permits.

Alanna Kabel said CDBG funds can be used for rehabilitation of crumbling foundations, but that so far the Connecticut Department of Housing, which administers the funds, has limited their use to testing.

Federal CDBG money allocated for foundation testing has also been diverted to other uses, Purcaro said. “We’ve literally had to claw money out of the Department of Housing for testing,” Purcaro said. “Now that it’s clear CDBG money can be used for repairs, we need every dollar allocated for crumbling foundations to be directed to its intended use.”

Congressman Courtney said the CDBG is popular in Congress and funding has increased in each of the past several years. There is also a bill pending in the House of Representatives to direct more CDBG money to funding foundation repairs.

“It’s clear the federal government has an essential role to play in providing the resources necessary to address crumbling foundations,” Congressman Courtney said. “And there is support among my colleagues to do just that. It’s clear CDBG funds can play an important role, but more money is needed. We need to move legislation forward.”

Administrator Tille said he has seen the devastation caused by crumbling foundations. For many families, their most valuable asset is their home.

“It is essential we work together to find a long-term solution to this problem that helps families secure their futures,” Administrator Tille said. “HUD will continue to search for ways to assist homeowners more directly.”

There is also money available to help pay for foundation repairs through the Connecticut Foundation Solutions Indemnity Company ([crumblingfoundations.org](http://crumblingfoundations.org)), a captive insurance agency formed in 2017 to help homeowners fix crumbling foundations. Funding comes from a state allocation and a \$12 fee on home insurance policies issued in Connecticut.

There is a waiting list because more funding is needed and because so few contractors currently do the work to repair foundations. But there is good news, Congressman Courtney said. More contractors are getting into foundation repair work and the increased competition has caused the average price of a repair to decline to \$150,000 from \$175,000, he said.

Coventry Town Manager John Elsesser told Administrator Tille and Congressman Courtney that it makes sense to use HUD funds to make repairs to homes with crumbling foundations. He noted that one of HUD’s central objectives is to eliminate blight, and homes with crumbling foundations have the potential to become blighted properties if the owners walk away, he said.

“Why would we put people in that difficult situation when there is a solution at hand,” Elsesser asked. “Directing HUD funding to the captive insurance agency so that repairs can be made makes the most sense.”

For some homeowners, it is difficult to admit there may be a problem. They are reluctant to find out their foundation is damaged because they don’t know what to do. But help is available, said Leslie Campolongo, a

project manager for the Town of Vernon. And as more people see they are not alone, they are willing to step forward and ask for help.

“The more we educate, the more we assist our homeowners, there’s a sense of relief,” Campolongo said. “There’s an emotional stress these folks are under, financial and emotional. And I hope more people step forward because they have confidence in the way the towns are handling the federal funds that have come through the state to do what is right for our communities.” Money is available for testing, she said.

If you suspect you have a crumbling foundation, contact your local town hall to determine what options are available. If you live in Vernon, Ellington or Stafford, information about the program is available [here](#) or by calling the Town of Vernon at (860) 870-3678.

### **About the Town of Vernon**

The Town of Vernon is a celebrated place to live, work and visit. From its beautiful parks and lakes, to its vast trails and historic homes and buildings, Vernon is a resilient and thriving community that promotes the health and wellbeing of its residents and values the natural environment. With a resident population of approximately 30,000 and occupying 18.03 square miles, Vernon combines a balanced appreciation of history, and a strong economic base for growth, both residential and commercial. Located 15 minutes east of the Connecticut capital of Hartford, and 25 miles from the City of Springfield, Massachusetts, the Town of Vernon is strategically located in “New England's Knowledge Corridor” with close proximity to some of the top colleges and universities in the country.

Recently designated as a certified Sustainable Community, the Town of Vernon offers a wide range of benefits and services to its residents. The Town of Vernon is a full-service municipality that practices a management philosophy of continuous quality improvement. To learn more about the Town of Vernon, please call (860) 870-3670 or visit [www.vernon-ct.gov](http://www.vernon-ct.gov).