



General Assembly

Substitute Bill No. 5812

January Session, 2001

**AN ACT AUTHORIZING BONDS OF THE STATE FOR THE
RENOVATION OF RENTAL HOUSING WITHIN DISTRESSED
MUNICIPALITIES AND FOR A WINDOW REPAIR AND REPLACEMENT
PROGRAM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (a) For purposes of this section, (1) "eligible
2 building" means a structure located in a distressed municipality, as
3 defined in section 32-9p of the general statutes, that contains not more
4 than twenty residential units, and may contain an owner-occupied
5 unit, and (2) "eligible costs" means costs incurred to make renovations
6 and repairs to bring an eligible building into compliance with the State
7 Building Code.

8 (b) There is established a revolving loan fund to be known as the
9 "Rental Housing Revolving Loan Fund". The fund shall contain any
10 moneys required by law to be deposited in the fund. Investment
11 earnings credited to the fund shall become part of the assets of the
12 fund. Any balance remaining in the fund at the end of any fiscal year
13 shall be carried forward in the fund for the next fiscal year. Payments
14 of principal or interest on a low interest loan provided pursuant to this
15 section shall be paid to the Treasurer for deposit in the Rental Housing
16 Revolving Loan Fund. The fund shall be used to make low interest
17 loans pursuant to subsection (c) of this section and to pay reasonable
18 and necessary expenses incurred in administering loans under this

19 section. The Commissioner of Economic and Community
20 Development may enter into a contract or contracts with nonprofit
21 corporations to provide for the administration of the Rental Housing
22 Revolving Loan Fund by such nonprofit corporations, provided no low
23 interest loan shall be made from the fund without the authorization of
24 the commissioner as provided in subsection (c) of this section.

25 (c) The state, acting by and in the discretion of the Commissioner of
26 Economic and Community Development, may enter into a contract to
27 provide financial assistance in the form of low interest loans to owners
28 of eligible buildings to make repairs to bring such buildings into
29 compliance with the State Building Code. The commissioner may
30 require owners of eligible buildings who apply for a low interest loan
31 pursuant to this section to submit a copy of the report filed by the
32 building inspector listing code violations, and an estimate of the cost of
33 repairs to correct such violations. The commissioner may establish
34 priorities for the low cost loans provided pursuant to this program,
35 including, but not limited to, types of repairs financed, the location of
36 the eligible building, ability of owners to repay such loans, and the
37 extent to which any repairs will extend the useful life of the eligible
38 building.

39 (d) The commissioner may adopt regulations, in accordance with
40 the provisions of chapter 54 of the general statutes, to specify
41 application procedures and priorities for providing low cost loans
42 pursuant to this section.

43 Sec. 2. (NEW) (a) For purposes of this section, "eligible building"
44 means a two to six-family building that was built prior to 1950 and has
45 wooden windows, and "commissioner" means the Commissioner of
46 Economic and Community Development.

47 (b) The commissioner shall establish a demonstration program in at
48 least three municipalities to promote energy efficiency and
49 environmentally safe housing by providing matching grants, not to
50 exceed one hundred dollars per window, to owners of eligible

51 buildings to repair or replace wooden windows in such buildings. The
52 commissioner may contract with one or more entities to operate this
53 program.

54 (c) The demonstration program shall end on June 30, 2004. On or
55 before February 1, 2004, the commissioner shall report to the select
56 committee of the General Assembly having cognizance of matters
57 relating to housing as to the number of eligible buildings in which
58 assistance was provided, the costs involved, the effectiveness of the
59 demonstration program and the commissioner's recommendation as to
60 whether the demonstration program should be expanded and made
61 permanent.

62 (d) The commissioner shall adopt regulations, in accordance with
63 the provisions of chapter 54 of the general statutes, to implement the
64 provisions of this section.

65 Sec. 3. (a) For the purposes described in subsection (b) of this
66 section, the State Bond Commission shall have the power, from time to
67 time, to authorize the issuance of bonds of the state in one or more
68 series and in principal amounts not exceeding in the aggregate ten
69 million dollars.

70 (b) The proceeds of the sale of said bonds, to the extent of the
71 amount stated in subsection (a) of this section, shall be used by the
72 Department of Economic and Community Development for the
73 purpose of capitalizing the Rental Housing Revolving Loan Fund
74 established by section 1 of this act.

75 (c) All provisions of section 3-20 of the general statutes, or the
76 exercise of any right or power granted thereby, which are not
77 inconsistent with the provisions of this section are hereby adopted and
78 shall apply to all bonds authorized by the State Bond Commission
79 pursuant to this section, and temporary notes in anticipation of the
80 money to be derived from the sale of any such bonds so authorized
81 may be issued in accordance with said section 3-20 and from time to
82 time renewed. Such bonds shall mature at such time or times not

83 exceeding twenty years from their respective dates as may be provided
84 in or pursuant to the resolution or resolutions of the State Bond
85 Commission authorizing such bonds. None of said bonds shall be
86 authorized except upon a finding by the State Bond Commission that
87 there has been filed with it a request for such authorization which is
88 signed by or on behalf of the Secretary of the Office of Policy and
89 Management and states such terms and conditions as said commission,
90 in its discretion, may require. Said bonds issued pursuant to this
91 section shall be general obligations of the state and the full faith and
92 credit of the state of Connecticut are pledged for the payment of the
93 principal of and interest on said bonds as the same become due, and
94 accordingly and as part of the contract of the state with the holders of
95 said bonds, appropriation of all amounts necessary for punctual
96 payment of such principal and interest is hereby made, and the State
97 Treasurer shall pay such principal and interest as the same become
98 due.

99 Sec. 4. (a) For the purposes described in subsection (b) of this
100 section, the State Bond Commission shall have the power, from time to
101 time, to authorize the issuance of bonds of the state in one or more
102 series and in principal amounts not exceeding in the aggregate two
103 million dollars.

104 (b) The proceeds of the sale of said bonds, to the extent of the
105 amount stated in subsection (a) of this section, shall be used by the
106 Department of Economic and Community Development for the
107 purpose of funding the pilot program established pursuant to section 2
108 of this act.

109 (c) All provisions of section 3-20 of the general statutes, or the
110 exercise of any right or power granted thereby, which are not
111 inconsistent with the provisions of this section are hereby adopted and
112 shall apply to all bonds authorized by the State Bond Commission
113 pursuant to this section, and temporary notes in anticipation of the
114 money to be derived from the sale of any such bonds so authorized
115 may be issued in accordance with said section 3-20 and from time to

116 time renewed. Such bonds shall mature at such time or times not
117 exceeding twenty years from their respective dates as may be provided
118 in or pursuant to the resolution or resolutions of the State Bond
119 Commission authorizing such bonds. None of said bonds shall be
120 authorized except upon a finding by the State Bond Commission that
121 there has been filed with it a request for such authorization which is
122 signed by or on behalf of the Secretary of the Office of Policy and
123 Management and states such terms and conditions as said commission,
124 in its discretion, may require. Said bonds issued pursuant to this
125 section shall be general obligations of the state and the full faith and
126 credit of the state of Connecticut are pledged for the payment of the
127 principal of and interest on said bonds as the same become due, and
128 accordingly and as part of the contract of the state with the holders of
129 said bonds, appropriation of all amounts necessary for punctual
130 payment of such principal and interest is hereby made, and the State
131 Treasurer shall pay such principal and interest as the same become
132 due.

133 Sec. 5. This act shall take effect July 1, 2001.

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