



General Assembly

January Session, 2001

***Raised Bill No. 6534***

LCO No. 3163

Referred to Committee on Select Committee on Housing

Introduced by:  
(HSG)

***AN ACT CONCERNING THE MODERATE RENTAL HOUSING  
WORKOUT PROCESS.***

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

1 Subsection (c) of section 8-70 of the general statutes is repealed and  
2 the following is substituted in lieu thereof:

3 (c) Permanent loans or deferred loans made by the state under the  
4 authorization of this section (1) shall bear interest payable quarterly on  
5 the first days of January, April, July and October for the preceding  
6 calendar quarter at a rate to be determined in accordance with  
7 subsection (t) of section 3-20; (2) shall be in an amount not in excess of  
8 the development cost of the project or projects, including, in the case of  
9 loans or deferred loans financed from the proceeds of the state's  
10 general obligation bonds issued pursuant to any authorization,  
11 allocation or approval of the State Bond Commission made prior to  
12 July 1, 1990, a state service charge, as approved by the Commissioner  
13 of Economic and Community Development; and (3) shall be repayable  
14 in such installments as are determined by the Commissioner of  
15 Economic and Community Development within fifty years from the  
16 date of completion of the project or projects, as determined by the

17 Commissioner of Economic and Community Development. The term  
18 of a permanent loan or deferred loan may be extended upon the  
19 recommendation of the Commissioner of Economic and Community  
20 Development [with the approval of the State Bond Commission] after  
21 notification to the State Bond Commission and the Secretary of the  
22 Office of Policy and Management, if the commissioner determines that  
23 such an extension is necessary for the continuing financial viability of a  
24 project. In anticipation of such permanent loans or deferred loans, the  
25 state, acting by and through the Commissioner of Economic and  
26 Community Development, with the approval of the Governor and the  
27 Treasurer, may make temporary loans or deferred loans or advances to  
28 the authority or authorities at an interest rate to be determined in  
29 accordance with subsection (t) of section 3-20. As a condition of  
30 making any loan under this section, the commissioner may require the  
31 authority or authorities or the eligible developer to develop a  
32 management plan designed to ensure adequate maintenance of such  
33 project or projects.

**HSG**      *Joint Favorable C/R*

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