



# Senate

General Assembly

**File No. 280**

*February Session, 2004*

Substitute Senate Bill No. 338

*Senate, March 29, 2004*

The Committee on Planning and Development reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

## ***AN ACT CONCERNING CERTAIN STATE MODERATE RENTAL HOUSING PROJECTS.***

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

- 1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section:
- 2 (1) "Commissioner" means the Commissioner of Economic and  
3 Community Development.
- 4 (2) "Housing revitalization plan" means a plan prepared by the city  
5 of Hartford, East Hartford or New London, to address the  
6 revitalization of a state-assisted moderate rental housing development,  
7 or portion of such a development, constructed pursuant to part II of  
8 chapter 128 of the general statutes. The housing authority shall consult  
9 with the residents of the housing development in preparing said plan,  
10 in accordance with the provisions of this section.
- 11 (3) "Local planning committee" means a committee established by

12 the executive director of the housing authority of the city of Hartford,  
13 East Hartford or New London for the purpose of developing a housing  
14 revitalization plan.

15 (4) "Housing authority" means the housing authority, created  
16 pursuant to section 8-40 of the general statutes, of the city of Hartford,  
17 East Hartford or New London.

18 (b) Any housing authority that wishes to revitalize a state-assisted  
19 moderate rental housing development constructed pursuant to part II  
20 of chapter 128 of the general statutes shall comply with the provisions  
21 of this section.

22 (c) The executive director of the housing authority shall establish a  
23 local planning committee, which shall consist of representatives of (1)  
24 the housing authority; (2) each resident association that represents  
25 residents of the housing development; (3) the municipality in which  
26 the housing development is located; (4) the Department of Economic  
27 and Community Development; (5) the Connecticut Housing Finance  
28 Authority; (6) the employees of the housing authority; (7) community  
29 groups involved in the provision or maintenance of housing for very  
30 low income households, including, but not limited to, emergency  
31 shelters, legal services programs and social services agencies that deal  
32 with housing problems; (8) such other persons or community  
33 organizations, including local community leaders and representatives  
34 of business, labor, education and other social services agencies, as the  
35 executive director of the housing authority deems desirable; and (9)  
36 the chairpersons and ranking members of the select committee of the  
37 General Assembly having cognizance of matters relating to housing, or  
38 their designees. Each entity under subdivisions (1) to (8), inclusive, of  
39 this subsection shall appoint its representative to the local planning  
40 committee. The executive director of the housing authority shall  
41 designate the chairperson of said committee.

42 (d) The board of the housing authority shall assure that the tenants  
43 of the housing development are able to fully participate in the  
44 planning, review and implementation process. The authority shall

45 provide reasonable funding with which the tenants can obtain the  
46 services of professionals with expertise in tenant outreach, training,  
47 organizing, housing policy and law so as to promote the achievement  
48 of genuine tenant participation and to protect the interests of the  
49 tenants during the planning and implementation process. The  
50 residents of the development shall create a committee to participate in  
51 the revitalization process. Said committee shall select the professionals  
52 described in this subsection, have access to all information concerning  
53 the revitalization process, and be permitted to participate in all  
54 meetings concerning such process, including meetings of the local  
55 planning committee and the housing authority.

56 (e) The local planning committee shall prepare a housing  
57 revitalization plan for the housing development for which  
58 revitalization is sought. The committee shall hold at least one public  
59 hearing early in the planning process, at least one public hearing after  
60 a preliminary housing revitalization plan has been drafted and at least  
61 one public hearing on the final housing revitalization plan. Notice of  
62 each such public hearing shall be mailed or delivered to each tenant  
63 association representing tenants in the development and to each tenant  
64 household in the development. In addition to any formal notice, each  
65 such public hearing shall be publicized generally in the municipality  
66 through posted notices at the development and through publicity both  
67 through newspapers of general circulation in the municipality and to  
68 weekly community newspapers. A record shall be kept of all  
69 comments received at such hearings.

70 (f) A housing revitalization plan shall provide for the rehabilitation,  
71 reconstruction or reconfiguration of the housing development. The  
72 plan shall include an estimate of the cost of implementation and the  
73 projected funding sources by which such cost shall be met. The plan  
74 shall state whether its implementation requires the waiver of any  
75 existing general statutes or regulations and, if so, shall identify with  
76 specificity the general statutes or regulations of Connecticut state  
77 agencies sought to be waived, the extent to which waiver is necessary  
78 and the justification for such waiver. A housing revitalization plan

79 may include the demolition of some or all of the existing buildings in  
80 the development and may propose their replacement with fewer units  
81 of on-site and off-site low and moderate income housing than were  
82 part of the original moderate rental housing development. If said plan  
83 proposes such reduced number of replacement units of low and  
84 moderate income housing, the plan shall state explicitly why such a  
85 reduction in low and moderate income housing units is necessary. The  
86 plan shall also describe the alternatives considered by the housing  
87 authority in planning for the future of the housing development. Upon  
88 completion of the housing revitalization plan, the local planning  
89 committee shall submit the plan to the housing authority for its  
90 approval.

91 (g) Upon approval of the housing revitalization plan by the housing  
92 authority, the housing authority shall submit the plan to the  
93 Department of Economic and Community Development, the  
94 Connecticut Housing Finance Authority and the select committee of  
95 the General Assembly having cognizance of matters relating to  
96 housing. The plan shall be accompanied by a copy or a summary of all  
97 comments received at public hearings and an explanation of how the  
98 plan was modified, or why it was not modified, in response to the  
99 comments.

100 (h) A housing revitalization plan may be amended, provided any  
101 such amendment is prepared and approved in accordance with the  
102 same procedure under this section for the preparation and approval of  
103 the plan.

104 Sec. 2. Section 35 of public act 03-6 of the June 30 special session is  
105 amended by adding subsections (e) and (f) as follows (*Effective from*  
106 *passage*):

107 (NEW) (e) The successor entity may, from time to time, amend an  
108 approved revitalization plan, provided any such amendment shall  
109 comply with this section and sections 34 and 36 of public act 03-6 of  
110 the June 30 special session. Any such amendment shall be proposed  
111 and approved pursuant to the provisions of subsections (c) and (d) of

112 this section, provided no such amendment may be submitted to the  
113 commissioner for approval or approved by the commissioner unless it  
114 is developed with the advice and consultation of the local planning  
115 committee. The local planning committee shall be convened by the  
116 successor entity. The executive director of the successor entity shall  
117 designate the members of the local planning committee and its  
118 chairperson, provided the membership of such planning committee  
119 shall include not less than two residents of the developments including  
120 residents selected by a resident association, and not less than two  
121 representatives of organizations that advocate for public housing  
122 residents. Each resident association representing residents of the  
123 developments may select one representative to serve on the local  
124 planning committee. The successor entity shall (1) assure that the  
125 residents of the housing developments are able to fully participate in  
126 the planning, review and implementation process, and (2) provide  
127 reasonable support so that such residents will have access to expertise  
128 in tenant outreach, training, organizing, legal rights and housing  
129 policy in order to promote genuine tenant participation and to protect  
130 the interests of the residents during the planning and implementation  
131 process. As used in this subsection, "successor entity" means the  
132 Connecticut Housing Finance Authority.

133 (NEW) (f) The local planning committee may propose amendments  
134 to the housing revitalization plan. The committee shall hold at least  
135 one public hearing prior to its approval of any amendment. Notice of  
136 any such public hearing shall be mailed or delivered to each resident  
137 household in the developments and to each resident association  
138 representing residents in the developments. In addition to any formal  
139 notice, any such public hearing shall be publicized generally in the  
140 municipality through posted notices at the developments and through  
141 publicity both through newspapers of general circulation in the  
142 municipality and through weekly community newspapers. A record  
143 shall be kept of all comments received at such hearings and at the  
144 hearing held pursuant to subsection (c) of this section, and a summary  
145 of all oral comments and copies of all written comments shall be  
146 transmitted to the commissioner at the time of submission of the

147 proposed amendment to the plan.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>

**HSG**      *Joint Favorable Subst. C/R*      PD

**PD**      *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 05 \$</b>	<b>FY 06 \$</b>
CT Housing Finance Authority (quasi-public)	RevBonds - Cost	See Below	See Below
Department of Economic & Community Development	GF - Cost	See Below	See Below

Note: RevBonds=Revenue Bonds; GF=General Fund

#### **Municipal Impact:**

<b>Municipalities</b>	<b>Effect</b>	<b>FY 05 \$</b>	<b>FY 06 \$</b>
CT Housing Finance Authority	Cost	Minimal	Minimal

#### **Explanation**

Specifying that the Connecticut Housing Finance Authority (CHFA) is the successor entity for the New Britain property clarifies current practice. The additional successor entity requirements including providing reasonable support for residents to have access to expertise in tenant outreach, training, organizing, legal rights and housing policy could increase costs to CHFA beyond available resources, depending upon the magnitude of the activity.

It is also estimated that the Department of Economic and Community Development (DECD) will require a part-time or .2 of a full-time housing employee, at a cost of approximately \$12,000 a year, to review and comment on any new and or revised plans submitted by local planning committees.

It is anticipated that any fiscal impact to a local housing authority which chooses to redevelop their respective state assisted moderate income rental housing will be handled within available resources. Costs incurred by impacted municipalities due to the holding of public hearings required by the bill, are anticipated to be minimal.

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**OLR Bill Analysis**

sSB 338

***AN ACT CONCERNING CERTAIN STATE MODERATE RENTAL HOUSING PROJECTS*****SUMMARY:**

This bill allows the housing authorities (HA) in East Hartford, Hartford, and New London to redevelop their respective state-assisted moderate-income rental housing. The bill (1) establishes a process with tenant and public input; (2) allows each HA to seek a waiver from state laws, including the one requiring one-for-one unit replacement in public housing redevelopment; (3) requires the plans to identify funding; and (4) allows the plans to be amended.

The bill establishes local planning committees and sets membership and authorizes the HA to choose the committee's chair. Each local planning committee (which must include representatives of the affected developments and certain state agencies, among others) must create a housing redevelopment plan. At least three public hearings must be held on any housing redevelopment plan and the final plan must include responses to comments received at hearings. The HA may approve the redevelopment plan. After approving the plan, the HA must submit it to the Department of Economic and Community Development (DECD), Connecticut Housing Finance Authority (CHFA), and the Select Committee on Housing.

The bill does not indicate what agency or official will have the authority to grant waivers from state law, nor does it create a procedure for the waiver (see COMMENT).

For certain HA properties in New Britain, the bill specifies that the CHFA is the successor entity, which means it is authorized to take title or control of those properties. The CHFA may amend the original housing redevelopment plan approved under existing law for the properties, but must include the local planning committee and be in compliance with existing law.

The bill also allows the local planning committee of any of the four towns mentioned to propose to amend the plan and specifies that the

committee must include tenants and their advocates in the process. Any amendment to the redevelopment plan in New Britain is subject to certain requirements, including meeting criteria necessary for the DECD commissioner's approval.

EFFECTIVE DATE: Upon passage

### **HOUSING REDEVELOPMENT PLANS FOR HARTFORD, EAST HARTFORD, AND NEW LONDON**

Under the bill, a redevelopment plan (1) is created by the local planning committee in Hartford, East Hartford, or New London in consultation with the residents of the affected projects and (2) addresses the redevelopment of, or a portion of, state-assisted moderate-income housing developments.

A plan must provide for the rehabilitation, reconstruction, or reconfiguration of the housing development. State law requires one-for-one unit replacement when redeveloping such housing projects. Under the bill, a plan may include the demolition of some or all of the existing buildings in a development and propose their replacement with fewer units than were part of the original development. But it must (1) state explicitly why such a reduction in low- and moderate-income housing units is necessary if it proposes to reduce the number of replacement units of low- and moderate-income housing and (2) describe the alternatives considered by the housing authority in planning for the future of the housing development.

The plan must state whether its implementation requires the waiver of the one-for-one replacement requirement or any other existing general statutes or regulations and, if so:

1. identify the specific statutes or Connecticut state agencies regulations it seeks to waive,
2. identify how the waiver is necessary for the plan, and
3. provide justification for the waiver.

(It is unclear under the bill who must approve such a waiver for it to be valid.)

The plan must also include an estimate of the implementation cost and the projected funding sources for meeting the cost.

### ***Planning Committee Membership***

The bill establishes local planning committees for Hartford, East Hartford, or New London, to create a housing redevelopment plans.

The planning committees must include a representative of:

1. the HA;
2. each resident association that represents residents of the housing development;
3. the municipality in which the housing development is located;
4. DECD;
5. CHFA;
6. HA employees;
7. community groups involved in housing for very low-income households, including emergency shelters, legal services programs, and social services agencies that deal with housing problems;
8. other people or community organizations, including local community leaders and representatives of business, labor, education, and other social services agencies, as the HA executive director sees fit; and
9. the chairpersons and ranking members of the Select Committee on Housing or their designees.

The bill specifies that all those groups or organizations listed above must appoint a representative to the committee, except for the legislators. It is not clear who determines what community housing groups will participate in appointing representatives. But the bill allows the HA executive director to choose non-housing community leaders as he sees fit and to designate the committee's chairperson.

### ***Committee Responsibilities***

The local planning committee must: (1) prepare a housing redevelopment plan for the housing development and (2) hold at least one public hearing (a) early in the planning process, (b) after it has drafted a preliminary housing revitalization, and (c) on the final housing redevelopment plan. Public hearing notices must be mailed or delivered to each tenant association representing tenants in the development and to each tenant household in the development. In addition to any formal notice, each public hearing must be publicized

in the municipality where the development is located through posted notices at the development and in both general circulation newspapers in the municipality and weekly community newspapers.

A record must be kept of all comments received at the hearings.

Upon its completion, the local planning committee must submit the plan to the HA for approval.

### ***Tenant Participation and Tenant Committee***

Each HA board must assure that tenants in the affected developments are able to fully participate in the planning, review, and implementation process. The authority must provide reasonable funding for tenants to hire professionals with expertise in tenant outreach, training, organizing, housing policy, and law, to (1) promote genuine tenant participation and (2) protect the interests of the tenants during the planning and implementation process.

Tenants must create a committee to participate in the revitalization process. The committee must select the professionals mentioned above.

The tenants' committee must also (1) have access to all information concerning the redevelopment process and (2) be permitted to participate in all meetings concerning redevelopment, including meetings of the local planning committee and the housing authority.

### ***Plan Approval***

After the HA approves the plan, it must submit it to DECD, CHFA, and the Select Committee on Housing. The bill does not specify what action DECD, CHFA, or the Housing Committee will take on the plan (see COMMENT). A copy or a summary of all comments received at public hearings and an explanation of how the planning committee modified the plan, or why it did not, in response to the comments, must be submitted with the plan.

### ***Amending the Plan***

A housing redevelopment plan may be amended, but the amendment must go through the same approval process as the original plan.

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**NEW BRITAIN'S MODERATE-INCOME RENTAL AND ELDERLY HOUSING*****Redevelopment Plan and Successor Entity***

By law, New Britain and its housing authority, in cooperation with DECD and CHFA, may redevelop Corbin Heights, Corbin Heights Extension, Pinnacle Heights, and Pinnacle Heights Extension. New Britain must assure that the number of replacement apartments is consistent with its housing redevelopment master plan, which had to be completed by the local redevelopment planning committee and approved at the local and state levels.

The law specifies that a successor entity that obtains title to or control of the housing development in the master plan has all of the housing authority's rights, powers, and responsibilities.

The law defines a "successor entity" as a public body, including the CHFA, which obtains title to, or control of, the developments from DECD or the housing authority. Under that law, CHFA became the successor. The bill defines the CHFA as the successor entity.

***Successor Entity's Authority and Obligations Under the Bill***

Under the bill, the CHFA may amend the approved redevelopment plan. But any amendment must be proposed and approved subject to the requirements of existing law for developing the original plan (e.g., holding a public hearing and meeting the criteria to qualify for the DECD commissioner's approval). An amendment may not be submitted for approval or approved by the commissioner unless it is developed with the advice and consultation of the local planning committee.

The bill requires the CHFA to:

1. assure that the residents of the housing developments can fully participate in the planning, review, and implementation process; and
2. provide reasonable support (presumably financial) so that residents will have access to expertise in tenant outreach, training, organizing, legal rights, and housing policy to (a) promote genuine tenant participation and (b) protect residents' interests of the during the planning and implementation process.

The bill also requires (1) the CHFA to convene a new local planning committee and (2) the CHFA's executive director to designate the minimum number of local planning committee members. The bill specifies that the planning committee must include (1) at least two residents of the developments, including residents selected by a resident association, and (2) at least two representatives of organizations that advocate for public housing residents. In addition, each resident association of the affected developments may select one representative to add to the local planning committee. The CHFA executive director also designates the committee's chairperson.

It allows the local planning committee to propose amendments to the original housing redevelopment master plan. The committee must hold at least one public hearing before it approves any amendment to the plan.

Public hearing notice requirements are the same as described above for East Hartford, Hartford, and New London.

Additionally, a record must be kept of all comments received (1) at the hearings and (2) at the hearing on the redevelopment plan before its submission to the DECD commissioner for approval (as required for the original plan under existing law). The oral and written comments must be attached to the amendment, as described above.

## **BACKGROUND**

### ***Conditions for the DECD Commissioner's Approval***

By law, the commissioner could approve New Britain's redevelopment master plan if he found:

1. its implementation was in the best interest of the state, community, and residents of the development;
2. adequate provision was made for the developments' current residents, including relocation assistance;
3. there was sufficient, affordable housing in the community for the displaced residents;
4. residents had been involved in the planning process and will be able to comment on the implementation plan;
5. a mechanism would be available to facilitate resident comments

- about the plan's implementation; and
6. that New Britain's mayor approved the plan.

The plan also had to have sufficient funding to complete one or more phases of the project.

### ***Related Bill***

sSB 37, which the Planning and Development Committee favorably reported on March 15, 2004, contains similar provisions regarding amending New Britain's housing redevelopment mater plan.

### **COMMENT**

#### ***Waivers from State Law or Regulation***

The bill does not indicate what agency or official will have the authority to grant a waiver from state law or regulation. The plan, including the waiver request, is submitted to DECD, CHFA, and the Select Committee on Housing, but there is no provision for any of those bodies to take action. There is no procedure for the waiver in terms of what should be considered before a waiver is granted.

### **COMMITTEE ACTION**

Select Committee on Housing

Joint Favorable Substitute Change of Reference  
Yea 10    Nay 3

Planning and Development Committee

Joint Favorable Report  
Yea 16    Nay 0