



Senate

General Assembly

File No. 199

February Session, 2006

Substitute Senate Bill No. 389

Senate, March 29, 2006

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT AUTHORIZING MUNICIPALITIES TO ESTABLISH A SPECIAL ASSESSMENT ON BLIGHTED HOUSING.

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

1 Section 1. (NEW) (*Effective July 1, 2006*) (a) Any municipality that
2 has regulations preventing housing blight under subparagraph (H)(xv)
3 of subdivision (7) of subsection (c) of section 7-148 of the general
4 statutes, may, by ordinance adopted by its legislative body on
5 recommendation of its board of finance or equivalent body, provide
6 for a special assessment on housing that is blighted, as defined in such
7 regulations.

8 (b) Prior to initial approval by the legislative body of such
9 municipality of the plan for implementation of the special assessment
10 to be provided pursuant to the provisions of this section, the executive
11 authority of such municipality shall appoint a committee consisting of
12 not less than six taxpayers of such municipality, one of whom shall be
13 a landlord, the tax assessor and representatives of municipal agencies

14 responsible for zoning and health, housing, fire and other safety code
15 compliance. The committee shall undertake and complete, within a
16 period not in excess of sixty days following such appointment, a study
17 and investigation with respect to such special assessment and shall
18 submit a report to the board of finance or equivalent body of such
19 municipality. The report shall include, but not be limited to, the
20 following: (1) A statement describing the fiscal effect of a special
21 assessment on the revenue for the municipality; (2) identification of
22 properties that may be subject to a special assessment; (3) the amount
23 of property taxes generated by the properties and the cost to the
24 municipality for code enforcement on such properties, including costs
25 for police and fire personnel; (4) recommendations with respect to the
26 form and extent of any assessment; and (5) standards for imposition of
27 the assessment. In establishing any standards, the committee shall
28 consider the number of outstanding health, housing and safety
29 violations for the property, the number of times municipal health,
30 housing and safety personnel have had to inspect the property and the
31 cost to the municipality to enforce code compliance on the property.
32 After the initial approval of the special assessment by the legislative
33 body of such municipality, such plan may be amended from time to
34 time by vote of its legislative body on recommendation of its board of
35 finance or equivalent body without compliance with the requirements
36 of this subsection applicable to such initial approval.

37 (c) Any ordinance adopted under subsection (a) of this section shall
38 include, but not be limited to, the following: (1) Standards to
39 determine if a special assessment should be imposed on a property, (2)
40 the amount of the assessment, which shall be a reasonable amount and
41 based on an analysis of the costs to the municipality code inspection
42 and enforcement, including costs for police and fire personnel, (3)
43 procedures for notice to the property owner of imposition of the
44 special assessment, which shall include a time period to remedy the
45 code noncompliance before the assessment is due and a process for
46 appeal of an assessment, and (4) the appointment of a board consisting
47 of the finance director, tax assessor and municipal code enforcement
48 official to determine when the special assessment should be imposed

49 on specific property. Annually, the legislative body shall review the
50 amount of any assessment to be imposed pursuant to an ordinance
51 adopted under this section and may revise such amount.

52 (d) Any funds received by a municipality from a special assessment
53 imposed pursuant to an ordinance adopted under subsection (c) of this
54 section shall be deposited into a special fund or account maintained by
55 the municipality which shall be dedicated for expenses of the
56 municipality related to enforcement of ordinances regulating blight
57 and state and local health, housing and safety codes and regulations,
58 including expenses related to community police.

59 (e) Any unpaid special assessment imposed by a municipality
60 pursuant to the provisions of an ordinance adopted under subsection
61 (c) of this section shall constitute a lien upon the real estate against
62 which the fine was imposed from the date of such fine. Each such lien
63 may be continued, recorded and released in the manner provided by
64 the general statutes for continuing, recording and releasing property
65 tax liens. Each such lien may be enforced in the same manner as
66 property tax liens.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2006	New section

PD *Joint Favorable Subst.*

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: None

Municipal Impact:

Municipalities	Effect	FY 07 \$	FY 08 \$
Various Municipalities	See Below	See Below	See Below

Explanation

The bill allows municipalities that choose to do so to provide a special assessment on blighted housing dedicated for expenses related to enforcement of ordinances and other regulations regarding blight. Any municipality choosing to adopt provisions of this bill will be able to accommodate any additional administrative functions resulting from passage of this bill within its anticipated budgetary resources.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 389*****AN ACT AUTHORIZING MUNICIPALITIES TO ESTABLISH A SPECIAL ASSESSMENT ON BLIGHTED HOUSING.*****SUMMARY:**

This bill allows municipalities that meet certain conditions to impose a special assessment on blighted housing. To do so, (1) the municipality must have adopted housing blight regulations, as authorized by existing law, and (2) its legislative body must adopt an ordinance, upon the recommendation of its board of finance or equivalent body, authorizing the assessment on housing that is blighted, as defined in the regulations.

The bill specifies the contents of the ordinance. It establishes the steps the municipality must take before the legislative body can initially approve a plan for implementing the special assessment, including the appointment of a study committee.

A municipality must deposit any funds it receives from a special assessment into a special fund or account it maintains. The fund or account must be dedicated for the municipality's expenses related to enforcing the blight regulations and state and local health, housing, and safety codes and regulations, including police expenses.

Any unpaid special assessment a municipality imposed is a lien upon the real estate against which it was imposed, running from the date of the fine. The lien may be continued, recorded, enforced, and released like a property tax lien.

EFFECTIVE DATE: July 1, 2006

CONTENTS OF THE ORDINANCE

The ordinance must at least include:

1. standards for determining if a special assessment should be imposed on a property;
2. the amount of the assessment, which must be reasonable and based on an analysis of the costs to the municipality for health, housing and safety code inspection and enforcement, including police and fire costs;
3. procedures for notifying the property owner of imposition of the special assessment, which must tell him (a) how long he has to remedy the violation of the code before the assessment goes into effect and (b) how he may appeal an assessment; and
4. the appointment of a board consisting of the finance director, tax assessor and municipal code enforcement to determine when the special assessment should be imposed on a specific property.

The legislative body must annually review the amount of the assessment and can revise this amount.

STEPS THE MUNICIPALITY MUST TAKE BEFORE IMPLEMENTING THE ASSESSMENT

Before the legislative body can initially approve the plan for implementing the assessment, the municipality's executive authority must appoint a committee to study the issue. The committee must consist of (1) at least six taxpayers, one of whom must be a landlord; (2) the tax assessor; and (3) representatives of the municipality's zoning, health, housing, fire, and other safety code compliance agencies.

Within 60 days of their appointment, the committee must complete a study and investigation concerning the special assessment and issue a report to the board of finance or equivalent body in the municipality. The report must at least include:

1. a statement describing the assessment's effect on municipal revenue;
2. an identification of properties that may be subject to the assessment;
3. the amount of property taxes the properties generate and the municipality's costs for code enforcement on such properties, including costs for police and fire personnel;
4. recommendations regarding the form and extent of any assessment; and
5. standards for imposing the assessment.

In establishing the standards, the committee must consider (1) the number of outstanding health, housing, and safety violations for the property; (2) the number of times municipal health, housing, and safety personnel have had to inspect the property; and (3) the municipality's cost to enforce code compliance on the property.

After the legislative body initially approves the special assessment, it may vote to amend the plan, on the recommendation of its board of finance or equivalent body, without following these procedures.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 10 Nay 6 (03/17/2006)