



Substitute Senate Bill No. 1054

Public Act No. 07-207

AN ACT CONCERNING THE DEFINITION OF DETERIORATING AND DETERIORATED PROPERTY IN REDEVELOPMENT AREAS, REFERRAL OF STATEMENTS OF COMPENSATION TO THE OMBUDSMAN FOR PROPERTY RIGHTS, A STUDY OF THE CALCULATION OF LOST GOOD WILL FOR RELOCATION ASSISTANCE FOR DISPLACED BUSINESSES AND COMPENSATION FOR OUTDOOR ADVERTISING STRUCTURES.

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

Section 1. Section 8-125 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007, and applicable to redevelopment plans adopted on or after said date*):

As used in this chapter:

[(a)] (1) "Redevelopment" means improvement by the rehabilitation or demolition of structures, by the construction of new structures, improvements or facilities, by the location or relocation of streets, parks and utilities, by replanning or by two or more of these methods;

[(b)] (2) "Redevelopment area" means an area within the state which is deteriorated, deteriorating, substandard or detrimental to the safety, health, morals or welfare of the community. An area may consist partly or wholly of vacant or unimproved land or of land with structures and improvements thereon, and may include structures not

Substitute Senate Bill No. 1054

in themselves substandard or insanitary which are found to be essential to complete an adequate unit of development, if the redevelopment area is deteriorated, deteriorating, substandard or detrimental. An area may include properties not contiguous to each other. An area may include all or part of the territorial limits of any fire district, sewer district, fire and sewer district, lighting district, village, beach or improvement association or any other district or association, wholly within a town and having the power to make appropriations or to levy taxes, whether or not such entity is chartered by the General Assembly;

[(c)] (3) A "redevelopment plan" shall include: [(1)] (A) A description of the redevelopment area and the condition, type and use of the structures therein; [(2)] (B) the location and extent of the land uses proposed for and within the area, such as housing, recreation, business, industry, schools, civic activities, open spaces or other categories of public and private uses; [(3)] (C) the location and extent of streets and other public utilities, facilities and works within the area; [(4)] (D) schedules showing the number of families displaced by the proposed improvement, the method of temporary relocation of such families and the availability of sufficient suitable living accommodations at prices and rentals within the financial reach of such families and located within a reasonable distance of the area from which they are displaced; [(5)] (E) present and proposed zoning regulations in the redevelopment area; [(6)] (F) any other detail including financial aspects of redevelopment which, in the judgment of the redevelopment agency authorized herein, is necessary to give it adequate information;

[(d)] (4) "Planning agency" means the existing city or town plan commission or, if such agency does not exist or is not created, the legislative body or agency designated by it;

[(e)] (5) "Redeveloper" means any individual, group of individuals

Substitute Senate Bill No. 1054

or corporation or any municipality or other public agency including any housing authority established pursuant to chapter 128;

[(f)] (6) "Real property" means land, subterranean or subsurface rights, structures, any and all easements, air rights and franchises and every estate, right or interest therein; and

(7) "Deteriorated" or "deteriorating" with respect to a redevelopment area means an area within which at least twenty per cent of the buildings contain one or more building deficiencies or environmental deficiencies, including, but not limited to: (A) Defects that warrant clearance; (B) conditions from a defect that are not correctable by normal maintenance; (C) extensive minor defects that collectively have a negative effect on the surrounding area; (D) inadequate original construction or subsequent alterations; (E) inadequate or unsafe plumbing, heating or electrical facilities; (F) overcrowding or improper location of structures on land; (G) excessive density of dwelling units; (H) conversion of incompatible types of uses, such as conversion of a structure located near family dwelling units to rooming houses; (I) obsolete building types, such as large residences or other buildings which because of lack of use or maintenance have a blighting influence; (J) detrimental land uses or conditions, such as incompatible uses, structures in mixed use, or adverse influences from noise, smoke or fumes; (K) unsafe, congested, poorly designed, or otherwise deficient streets; (L) inadequate public utilities or community facilities that contribute to unsatisfactory living conditions or economic decline, or (M) other equally significant building deficiencies or environmental deficiencies.

Sec. 2. Section 8-132 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007, and applicable to property acquired on or after said date*):

(a) Any person claiming to be aggrieved by the statement of

Substitute Senate Bill No. 1054

compensation filed by the redevelopment agency may, at any time within six months after the [same] statement of compensation has been filed, apply to the superior court for the judicial district in which such property is situated for a review of such statement of compensation so far as [the same] it affects such applicant. The court, after causing notice of the pendency of such application to be given to the redevelopment agency, may appoint a judge trial referee to make a review of the statement of compensation. Notwithstanding the provisions of this subsection, upon motion of both parties or their attorneys, the court shall refer the application to the Ombudsman for Property Rights for a hearing pursuant to subdivision (2) of subsection (b) of this section.

(b) (1) If the court appoints a judge trial referee, the judge trial referee, after giving at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and the redevelopment agency, shall view the property and take such testimony as the judge trial referee deems material and shall thereupon revise such statement of compensation in such manner as the judge trial referee deems proper and [forthwith] promptly report to the court. Such report shall contain a detailed statement of findings by the judge trial referee [,] sufficient to enable the court to determine the considerations upon which the judge trial referee's conclusions are based. The report of the judge trial referee shall take into account any evidence relevant to the fair market value of the property, including evidence of environmental condition and required environmental remediation. The judge trial referee shall make a separate finding for remediation costs and the property owner shall be entitled to a set-off of such costs in any pending or subsequent action to recover remediation costs for the property. The court shall review the report, and may reject [it] the report for any irregular or improper conduct in the performance of the duties of the judge trial referee. If the court rejects the report, [is rejected,] the court may appoint another judge

Substitute Senate Bill No. 1054

trial referee to make such review and report or may refer the application to the Ombudsman for Property Rights upon motion as provided in subsection (a) of this section. If the court accepts the report, [is accepted, its] the statement of compensation in the report shall be conclusive upon such owner and the redevelopment agency.

(2) If the court refers the application to the Ombudsman for Property Rights pursuant to subsection (a) of this section, the ombudsman, after giving at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and the redevelopment agency, shall view the property and take such testimony as the ombudsman deems material and shall thereupon revise such statement of compensation in such manner as the ombudsman deems proper and promptly report to the court. Such report shall contain a detailed statement of findings by the ombudsman sufficient to enable the court to determine the considerations upon which the ombudsman's conclusions are based. The report of the ombudsman shall take into account any evidence relevant to the fair market value of the property, including evidence of environmental condition and required environmental remediation. The ombudsman shall make a separate finding for remediation costs and the property owner shall be entitled to a set-off of such costs in any pending or subsequent action to recover remediation costs for the property. The report submitted by the ombudsman shall constitute a part of the proceeding, and the statement of compensation in the report shall be conclusive upon such owner and the redevelopment agency.

(c) If the court does not appoint a judge trial referee or refer the application to the Ombudsman for Property Rights, the court, after giving at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and the redevelopment agency and take such testimony as [it] the court deems material, may

Substitute Senate Bill No. 1054

view the subject property, and shall make a finding regarding the statement of compensation. The findings of the court shall take into account any evidence relevant to the fair market value of the property, including evidence of environmental condition and required environmental remediation. The court shall make a separate finding for remediation costs and the property owner shall be entitled to a set-off of such costs in any pending or subsequent action to recover remediation costs for the property. The findings of the court shall be conclusive upon such owner and the redevelopment agency.

(d) If no appeal to the Appellate Court is filed within the time allowed by law, or if an appeal is filed and the proceedings have terminated in a final judgment finding the amount due the property owner, the clerk shall send a certified copy of the statement of compensation and of the judgment to the redevelopment agency, which shall, upon receipt thereof, pay such property owner the amount due as compensation. The pendency of any such application for review shall not prevent or delay any action that is proposed with regard to such property by the project area redevelopment plan.

Sec. 3. (NEW) (*Effective from passage*) (a) As used in this section, "good will" means the benefits that accrue to a business that are unique to its location.

(b) The Ombudsman for Property Rights shall study the feasibility of calculating relocation assistance for businesses displaced by eminent domain or condemnation, pursuant to chapter 132 or 588l of the general statutes, on the basis of any loss or gain in good will associated with the displacement of the business. The ombudsman shall examine (1) the possible methods for calculating such loss or gain in good will, (2) the advantages and disadvantages of basing such relocation assistance on any loss or gain in good will associated with the relocation of the business, (3) the experience of other states in basing relocation assistance on any loss or gain in good will associated with

Substitute Senate Bill No. 1054

the relocation of the business, and (4) possible strategies for municipalities to plan to achieve the fiscal capacity necessary to compensate property owners for lost good will associated with the displacement of a business.

(c) Not later than January 1, 2008, the ombudsman shall submit a report, in accordance with section 11-4a of the general statutes, on the ombudsman's findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to the judiciary and planning and development. If the ombudsman recommends that such good will relocation assistance be implemented in this state, the ombudsman shall recommend a method for implementing such recommendation with respect to chapters 132 and 588l of the general statutes.

Sec. 4. Section 8-273a of the general statutes, as amended by section 18 of public act 07-141, is repealed and the following is substitute in lieu thereof (*Effective from passage and applicable to property acquired on and after said date*):

(a) Notwithstanding any other provisions of the general statutes to the contrary, whenever the Commissioner of Transportation undertakes the acquisition of real property on a state or federally-funded project which results in any person being displaced from his home, business, or farm, the Commissioner of Transportation is hereby authorized to provide relocation assistance and to make relocation payments to such displaced persons and to do such other acts and follow procedures and practices as may be necessary to comply with or to provide the same relocation assistance and relocation payments as provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 USC 4601 et seq. and any subsequent amendments thereto and regulations promulgated thereunder.

Substitute Senate Bill No. 1054

(b) (1) Whenever the Commissioner of Transportation acquires an outdoor advertising structure, the amount of compensation to the owner of the outdoor advertising structure shall include payment for relocation costs incurred by such owner.

(2) If the owner (A) is able to obtain, within one year of acquisition by the commissioner, all state and local permits necessary for relocation of the outdoor advertising structure to another site in the Standard Metropolitan Statistical Area, as designated in the federal census, in which the outdoor advertising structure is located, and (B) such site was not previously offered for sale or lease to the owner of the outdoor advertising structure, then the commissioner shall pay to the owner the replacement cost of the outdoor advertising structure, plus the fair market value of such outdoor advertising structure less the fair market value of the new site. The fair market value of such site shall be determined by the income capitalization method.

(3) If the owner (A) is unable to obtain, within one year of acquisition by the commissioner, all state and local permits necessary for relocation to another site in the same Standard Metropolitan Statistical Area, as designated in the federal census in which the outdoor advertising structure is located, or (B) such site was previously offered for sale or lease to the owner of the outdoor advertising structure, the commissioner shall pay the replacement cost plus the fair market value of the outdoor advertising structure the commissioner has acquired. The owner shall provide to the commissioner written documentation sufficient to establish that all state and local necessary permits cannot be obtained for relocation within one year of acquisition or that the only available relocation sites have been previously offered for sale or lease to the owner.

(4) Any person aggrieved by determination of the amount of compensation paid under this subsection may appeal to the State Properties Review Board.

Substitute Senate Bill No. 1054

(5) The provisions of this subsection shall not be construed to authorize any action that is found to violate the provisions of 23 USC 131 or 23 CFR 750 or the terms of an agreement entered into by the Commissioner of Transportation with the Secretary of Commerce pursuant to subsection (b) of section 13a-123.

Approved July 10, 2007