



**Substitute Senate Bill No. 495**

**Public Act No. 08-10**

**AN ACT CONCERNING ELIGIBILITY FOR THE PUBLIC HOUSING PILOT PROGRAM AND THE LOW AND MODERATE INCOME HOUSING TAX ABATEMENT.**

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

Section 1. Subsections (a) and (b) of section 8-216 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2008*):

(a) The state, acting by and in the discretion of the Commissioner of Economic and Community Development, may enter into a contract with a municipality for state financial assistance for housing, or any part thereof, solely for low or moderate-income persons or families, or for housing or any part thereof, on property classified by the municipality pursuant to section 8-215, for use for housing solely for low or moderate-income persons or families, in the form of reimbursement for tax abatements under said section, provided the construction or rehabilitation of such housing shall have been commenced after July 1, 1967, or, in the case of apartment buildings containing three or more stories, under construction on July 1, 1967. Such contract shall provide for state financial assistance in the form of a state grant-in-aid to the municipality not to exceed the amount of taxes abated by the municipality pursuant to section 8-215, provided

**Substitute Senate Bill No. 495**

no payment shall be made to any municipality under any contract entered into on or after October 1, 1973, unless the assessment on such housing or part thereof is determined as provided in section 8-216a except when such contract is a modification, amendment, or replacement of a contract already in existence on or before October 1, 1973. In such contract, the commissioner may require assurances that the amount of tax abatement will be used for the purposes stated in section 8-215, and that the commissioner shall have the right of inspection to determine that such purposes are being achieved. With respect to housing for which tax abatement has been provided pursuant to said section 8-215, such grant-in-aid shall be paid to the municipality each year, in an amount not to exceed the tax abatement for such year, as long as the housing continues to fulfill the purposes stated in said section. [ but in no case shall payments of such state financial assistance continue for more than forty consecutive fiscal years of the municipality.]

(b) The state, acting by and in the discretion of the Commissioner of Economic and Community Development, may enter into a contract with a municipality and the housing authority of the municipality or with the Connecticut Housing Finance Authority or any subsidiary created by the authority pursuant to section 8-242a or 8-244 or with a successor owner to make payments in lieu of taxes to the municipality on land and improvements owned or leased by the housing authority or the Connecticut Housing Finance Authority or successor owner under the provisions of part II of chapter 128. On and after July 1, 1997, the time period of the contract may include the remaining years of operation of the project. Such payments shall be made annually in an amount equal to the taxes that would be paid on such property were the property not exempt from taxation, and shall be calculated by multiplying the assessed value of such property, which shall be determined by the tax assessor of such municipality in the manner used by such assessor for assessing the value of other real property, by

***Substitute Senate Bill No. 495***

the applicable tax rate of the municipality. Such contract shall provide that, in consideration of such grant-in-aid, the municipality shall waive during the period of such contract any payments by the housing authority or the Connecticut Housing Finance Authority or successor owner to the municipality under the provisions of section 8-71, and shall further provide that the amount of the payments so waived shall be used by the housing authority or the Connecticut Housing Finance Authority or successor owner for a program of social and supplementary services to the occupants or shall be applied to the operating costs or reserves of the property, or shall be used to maintain or improve the physical quality of the property. As used in this subsection, a "successor owner" means an entity that owns a housing project developed pursuant to part II of chapter 128 after the revitalization of such project pursuant to a plan approved by the commissioner.

Approved April 29, 2008