



Senate

General Assembly

File No. 172

February Session, 2010

Substitute Senate Bill No. 319

Senate, March 29, 2010

The Committee on Housing reported through SEN. GOMES of the 23rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING AN URBAN HOMESTEADING PILOT PROGRAM.

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

1 Section 1. (*Effective July 1, 2010*) (a) The Connecticut Housing
2 Finance Authority, in consultation with the Department of Economic
3 and Community Development, shall establish a pilot program to
4 promote the revitalization and stabilization of urban neighborhoods by
5 encouraging home ownership by persons who will become owner-
6 occupants of two to four-family homes. The Connecticut Housing
7 Finance Authority may administer the program through one or more
8 nonprofit organizations. The goal of the program shall be to increase
9 home ownership in targeted neighborhoods with high proportions of
10 two to four-family homes, giving priority to promoting owner
11 occupation in buildings that are vacant, bank-owned or investor-
12 owned. The program shall: (1) Incorporate support services for persons
13 participating in the program to maximize the likelihood of their
14 success in maintaining home ownership on a long-term basis; (2) be

15 implemented in up to three municipalities that are recipients of grants
16 under the federal Neighborhood Stabilization Program established
17 under Title III of Division B of the Housing and Economic Recovery
18 Act of 2008 or under the federal Neighborhood Stabilization Program 2
19 established under Title XII of Division A of the American Recovery
20 and Reinvestment Act of 2009; (3) identify funding resources that may
21 be used to purchase two to four-family homes and to repair or
22 rehabilitate such homes as necessary for occupancy; (4) identify
23 incentives to encourage lender participation; (5) assist participants in
24 locating purchase financing and provide counseling before and after
25 any purchase, including training in skills necessary to be an effective
26 landlord and assistance resolving problems that may arise after closing
27 on a home; (6) encourage and recruit community stakeholders such as
28 local banks, local boards of realtors, neighborhood revitalization zone
29 committees and similar entities to provide active support for the
30 program; (7) require persons participating in the program to agree to
31 occupy any home purchased under the program as their primary
32 residence for not less than seven years; and (8) identify mortgage
33 financing to make loans partially forgivable upon compliance with the
34 requirement identified in subdivision (7) of this subsection. Priority for
35 participation in the program may be given to persons who will become
36 first-time homebuyers and to persons who are already living in a
37 neighborhood that is being targeted by the program.

38 (b) The Connecticut Housing Finance Authority shall establish the
39 parameters of the program not later than October 1, 2010, and shall
40 designate up to three municipalities to participate in such program not
41 later than January 1, 2011. The Connecticut Housing Finance
42 Authority, in accordance with section 11-4a of the general statutes,
43 shall submit to the joint standing committee of the General Assembly
44 having cognizance of matters relating to housing (1) a status report on
45 the program not later than February 1, 2011; (2) an interim report on
46 the program not later than January 1, 2012; and (3) a final report on the
47 program not later than January 1, 2013.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2010</i>	New section

HSG *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which requires the Connecticut Housing Finance Authority, in consultation with the Department of Economic and Community Development, to establish a pilot program to promote homeownership in urban neighborhoods, results in no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sSB 319

AN ACT CONCERNING AN URBAN HOMESTEADING PILOT PROGRAM.

SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute

Yea 11 Nay 0 (03/11/2010)