AN ACT CONCERNING A PILOT PROGRAM FOR AFFORDABLE HOUSING REPLACEMENT.

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

Section 1. Section 8-64a of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2010):

(a) No housing authority [which] that receives or has received any state financial assistance may sell, lease, transfer or destroy, or contract to sell, lease, transfer or destroy, any housing project or portion thereof in any case where such project or portion thereof would no longer be available for the purpose of low or moderate income rental housing as a result of such sale, lease, transfer or destruction, except the Commissioner of Economic and Community Development may grant written approval for the sale, lease, transfer or destruction of a housing project if the commissioner finds, after a public hearing, that (1) the sale, lease, transfer or destruction is in the best interest of the state and the municipality in which the project is located, (2) an adequate supply of low or moderate income rental housing exists in the municipality in which the project is located, (3) the housing authority has developed a plan for the sale, lease, transfer or destruction of such project in
consultation with the residents of such project and representatives of
the municipality in which such project is situated and has made
adequate provision for said residents' and representatives' participation in such plan, and (4) any person who is displaced as a result of the sale, lease, transfer or destruction will be relocated to a comparable dwelling unit of public or subsidized housing in the same municipality or will receive a tenant-based rental subsidy and will receive relocation assistance under chapter 135. The commissioner shall consider the extent to which the housing units which are to be sold, leased, transferred or destroyed will be replaced in ways which may include, but need not be limited to, newly constructed housing, rehabilitation of housing which is abandoned or has been vacant for at least one year, or new federal, state or local tenant-based or project-based rental subsidies. The commissioner shall give the residents of the housing project or portion thereof which is to be sold, leased, transferred or destroyed written notice of said public hearing by first class mail not less than ninety days before the date of the hearing. Said written approval shall contain a statement of facts supporting the findings of the commissioner. This section shall not apply to the sale, lease, transfer or destruction of a housing project pursuant to the terms of any contract entered into before June 3, 1988. This section shall not apply to phase I of Father Panik Village in Bridgeport, Elm Haven in New Haven, Pequonock Gardens Project in Bridgeport, Evergreen Apartments in Bridgeport, Quinnipiac Terrace/Riverview in New Haven, Dutch Point in Hartford, Southfield Village in Stamford and, upon approval by the United States Department of Housing and Urban Development of a HOPE VI revitalization application and a revitalization plan that includes at least the one-for-one replacement of low and moderate income units, Fairfield Court in Stamford.

(b) During the period from October 1, 2010, to September 30, 2013, inclusive, the commissioner shall permit a housing authority that has applied to sell, lease, transfer or destroy a housing project or any portion thereof pursuant to subsection (a) of this section to replace any dwelling unit that would no longer be available for the purpose of low
or moderate-income rental housing as a result of such sale, lease, transfer or destruction at a ratio of one replacement unit for every two units sold, leased, transferred or destroyed, provided the commissioner determines at least ten per cent of the dwelling units in the municipality in which the housing authority is located will continue to meet the requirements of subsection (k) of section 8-30g after the commissioner grants permission pursuant to this subsection.

This act shall take effect as follows and shall amend the following sections:

| Section 1 | October 1, 2010 | 8-64a |

Statement of Purpose:
To create a three-year pilot program permitting certain housing authorities receiving state financial assistance to replace dwelling units restricted for low and moderate-income families at a ratio of one replacement dwelling unit for every two dwelling units authorized to be sold, leased, transferred or destroyed.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]