



General Assembly

February Session, 2012

Raised Bill No. 5224

LCO No. 1123

01123_____HSG

Referred to Committee on Housing

Introduced by:
(HSG)

AN ACT CONCERNING AN URBAN REVITALIZATION PILOT PROGRAM.

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

1 Section 1. (*Effective from passage*) (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. Such program shall be
7 implemented in up to three municipalities that are recipients of grants
8 under the federal Neighborhood Stabilization Program, established
9 under Title III of Division B of the Housing and Economic Recovery
10 Act of 2008, or under the federal Neighborhood Stabilization
11 Program 2, established under Title XII of Division A of the American
12 Recovery and Reinvestment Act of 2009. The Connecticut Housing
13 Finance Authority may contract with one or more nonprofit
14 organizations to administer the program.

15 (b) The goal of the program shall be to increase home ownership in
16 targeted neighborhoods with high proportions of two to four-family

17 homes, giving priority to promoting owner occupancy in buildings
18 that are vacant, bank-owned or investor-owned. The authority shall
19 encourage and recruit community stakeholders such as local banks,
20 local boards of realtors, neighborhood revitalization zone committees
21 and similar entities to provide active support for the program. The
22 program shall: (1) Incorporate support services for program
23 participants to maximize the likelihood of their success in maintaining
24 home ownership on a long-term basis; (2) identify funding resources
25 that may be used to purchase two to four-family homes and to repair
26 or rehabilitate such homes as necessary for occupancy; (3) identify
27 incentives to encourage lender participation; and (4) assist program
28 participants in locating purchase financing and counseling before and
29 after any purchase, including training in skills necessary to be an
30 effective landlord and assistance in resolving problems that may arise
31 after closing on a home.

32 (c) Program participants shall agree to occupy any home purchased
33 under the program as their primary residence for not less than a term
34 of seven years. The authority shall identify mortgage financing to
35 make loans partially forgivable upon a program participant's
36 completion of this term. Priority for participation in the program may
37 be given to persons who will become first-time homebuyers and to
38 persons who are already living in a neighborhood that is being
39 targeted by the program.

40 (d) The Connecticut Housing Finance Authority shall establish the
41 parameters of the program not later than October 1, 2012, and shall
42 designate up to three municipalities to participate in such program not
43 later than January 1, 2013. The Connecticut Housing Finance
44 Authority, in accordance with section 11-4a of the general statutes,
45 shall submit to the joint standing committee of the General Assembly
46 having cognizance of matters relating to housing (1) a status report on
47 the program not later than February 1, 2013; (2) an interim report on
48 the program not later than January 1, 2014; and (3) a final report on the
49 program not later than January 1, 2015.

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

Statement of Purpose:

To promote the revitalization and stabilization of urban neighborhoods.

[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.]