



General Assembly

**Substitute Bill No. 5539**

February Session, 2014



**AN ACT CONCERNING THE REVITALIZATION OF HOUSING IN DISTRESSED MUNICIPALITIES.**

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

1 Section 1. Subsections (a) and (b) of section 4-66c of the 2014  
2 supplement to the general statutes are repealed and the following is  
3 substituted in lieu thereof (*Effective July 1, 2014*):

4 (a) For the purposes of subsection (b) of this section, the State Bond  
5 Commission shall have power, from time to time to authorize the  
6 issuance of bonds of the state in one or more series and in principal  
7 amounts not exceeding in the aggregate one billion three hundred  
8 [fifty-nine] sixty million four hundred eighty-seven thousand five  
9 hundred forty-four dollars, provided [fifty] fifty-one million dollars of  
10 said authorization shall be effective July 1, 2014. All provisions of  
11 section 3-20, or the exercise of any right or power granted thereby,  
12 which are not inconsistent with the provisions of this section, are  
13 hereby adopted and shall apply to all bonds authorized by the State  
14 Bond Commission pursuant to this section, and temporary notes in  
15 anticipation of the money to be derived from the sale of any such  
16 bonds so authorized may be issued in accordance with said section 3-  
17 20 and from time to time renewed. Such bonds shall mature at such  
18 time or times not exceeding twenty years from their respective dates as  
19 may be provided in or pursuant to the resolution or resolutions of the

20 State Bond Commission authorizing such bonds. None of said bonds  
21 shall be authorized except upon a finding by the State Bond  
22 Commission that there has been filed with it a request for such  
23 authorization, which is signed by or on behalf of the Secretary of the  
24 Office of Policy and Management and states such terms and conditions  
25 as said commission in its discretion may require. Said bonds issued  
26 pursuant to this section shall be general obligations of the state and the  
27 full faith and credit of the state of Connecticut are pledged for the  
28 payment of the principal of and interest on said bonds as the same  
29 become due, and accordingly as part of the contract of the state with  
30 the holders of said bonds, appropriation of all amounts necessary for  
31 punctual payment of such principal and interest is hereby made, and  
32 the Treasurer shall pay such principal and interest as the same become  
33 due.

34 (b) (1) The proceeds of the sale of said bonds, to the extent  
35 hereinafter stated, shall be used, subject to the provisions of  
36 subsections (c) and (d) of this section, for the purpose of redirecting,  
37 improving and expanding state activities which promote community  
38 conservation and development and improve the quality of life for  
39 urban residents of the state as hereinafter stated: (A) For the  
40 Department of Economic and Community Development: Economic  
41 and community development projects, including administrative costs  
42 incurred by the Department of Economic and Community  
43 Development, not exceeding sixty-seven million five hundred ninety-  
44 one thousand six hundred forty-two dollars, one million dollars of  
45 which shall be used for a grant to the development center program and  
46 the nonprofit business consortium deployment center approved  
47 pursuant to section 32-411; (B) for the Department of Transportation:  
48 Urban mass transit, not exceeding two million dollars; (C) for the  
49 Department of Energy and Environmental Protection: Recreation  
50 development and solid waste disposal projects, not exceeding one  
51 million nine hundred ninety-five thousand nine hundred two dollars;  
52 (D) for the Department of Social Services: Child day care projects,  
53 elderly centers, shelter facilities for victims of domestic violence,

54 emergency shelters and related facilities for the homeless,  
55 multipurpose human resource centers and food distribution facilities,  
56 not exceeding thirty-nine million one hundred thousand dollars,  
57 provided four million dollars of said authorization shall be effective  
58 July 1, 1994; (E) for the Department of Economic and Community  
59 Development: Housing projects, not exceeding three million dollars;  
60 (F) for the Office of Policy and Management: (i) Grants-in-aid to  
61 municipalities for a pilot demonstration program to leverage private  
62 contributions for redevelopment of designated historic preservation  
63 areas, not exceeding one million dollars; (ii) grants-in-aid for urban  
64 development projects including economic and community  
65 development, transportation, environmental protection, public safety,  
66 children and families and social services projects and programs,  
67 including, in the case of economic and community development  
68 projects administered on behalf of the Office of Policy and  
69 Management by the Department of Economic and Community  
70 Development, administrative costs incurred by the Department of  
71 Economic and Community Development, not exceeding one billion  
72 two hundred forty-four million eight hundred thousand dollars,  
73 provided fifty million dollars of said authorization shall be effective  
74 July 1, 2014; and (iii) grants-in-aid to municipalities for a pilot program  
75 to provide loans to property owners for the revitalization of housing in  
76 distressed municipalities, not exceeding one million dollars.

77 (2) (A) Five million dollars of the grants-in-aid authorized in  
78 subparagraph (F)(ii) of subdivision (1) of this subsection may be made  
79 available to private nonprofit organizations for the purposes described  
80 in said subparagraph (F)(ii). (B) Twelve million dollars of the grants-in-  
81 aid authorized in subparagraph (F)(ii) of subdivision (1) of this  
82 subsection may be made available for necessary renovations and  
83 improvements of libraries. (C) Five million dollars of the grants-in-aid  
84 authorized in subparagraph (F)(ii) of subdivision (1) of this subsection  
85 shall be made available for small business gap financing. (D) Ten  
86 million dollars of the grants-in-aid authorized in subparagraph (F)(ii)  
87 of subdivision (1) of this subsection may be made available for regional

88 economic development revolving loan funds. (E) One million four  
89 hundred thousand dollars of the grants-in-aid authorized in  
90 subparagraph (F)(ii) of subdivision (1) of this subsection shall be made  
91 available for rehabilitation and renovation of the Black Rock Library in  
92 Bridgeport. (F) Two million five hundred thousand dollars of the  
93 grants-in-aid authorized in subparagraph (F)(ii) of subdivision (1) of  
94 this subsection shall be made available for site acquisition, renovation  
95 and rehabilitation for the Institute for the Hispanic Family in Hartford.  
96 (G) Three million dollars of the grants-in-aid authorized in  
97 subparagraph (F)(ii) of subdivision (1) of this subsection shall be made  
98 available for the acquisition of land and the development of  
99 commercial or retail property in New Haven. (H) Seven hundred fifty  
100 thousand dollars of the grants-in-aid authorized in subparagraph  
101 (F)(ii) of subdivision (1) of this subsection shall be made available for  
102 repairs and replacement of the fishing pier at Cummings Park in  
103 Stamford.

104       Sec. 2. (NEW) (*Effective July 1, 2014*) (a) For the fiscal years ending  
105 June 30, 2015, June 30, 2016, and June 30, 2017, the Secretary of the  
106 Office of Policy and Management shall establish a housing  
107 revitalization program in distressed municipalities, as defined in  
108 section 32-9p of the general statutes, and in municipalities eligible to  
109 receive a community development block grant pursuant to the  
110 provisions of 42 USC 5301 et seq. The purpose of the program shall be  
111 to provide to persons who own residential property within such  
112 municipalities loans for the purpose of making home repairs,  
113 including, but not limited to, installing siding or other exterior finishes,  
114 replacing windows and replacing or repairing furnaces and roofs. Any  
115 available funds for the program shall be divided equally among the  
116 eligible municipalities.

117       (b) The chief executive officer of each eligible municipality that  
118 participates in the housing revitalization program shall designate a  
119 municipal officer or employee to administer the program. Such  
120 administrator shall make such loans available to persons who own

121 residential property in census tracts (1) in which twenty-five per cent  
122 or more of individuals or families have income below the poverty  
123 level, as determined by the most recent United States census, as  
124 officially updated by the appropriate state agency or institution, and  
125 (2) identified by the municipality as suitable for the program. Any  
126 such loan shall be repaid by means of a special assessment placed on  
127 the residential property.

128 (c) To receive a loan pursuant to the housing revitalization pilot  
129 program, applicants shall submit an application to the administrator  
130 on a form approved by the secretary together with any documentation  
131 required by the administrator demonstrating that the applicant meets  
132 the eligibility criteria set forth in subsection (a) of this section.

133 (d) On or before February 1, 2017, the secretary shall make a report  
134 on the status of the housing revitalization pilot program, in accordance  
135 with the provisions of section 11-4a of the general statutes, to the joint  
136 standing committees of the General Assembly having cognizance of  
137 matters relating to local governments, housing and finance, revenue  
138 and bonding.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	4-66c(a) and (b)
Sec. 2	July 1, 2014	New section

**PD**      *Joint Favorable Subst.*