

## Municipal Authority to Address Blight

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### Issue

Provide a brief description of state laws authorizing municipalities to regulate and address blight. This report updates OLR Report [2013-R-0331](#).

### Summary

Numerous state laws authorize municipalities to regulate and address blighted properties. This report groups these laws into three general categories: laws to (1) prevent and remediate blight, (2) redevelop blighted and abandoned properties, and (3) provide financial incentives to encourage property owners to remediate or redevelop blighted properties.

The law gives municipalities various mechanisms they may use to prevent and remediate blight. Some are narrowly tailored to municipal anti-blight efforts, such as those authorizing municipalities to adopt and enforce blight ordinances, fine owners for violating these ordinances, or impose liens and levy special assessments to recover unpaid blight fines and remediation costs. Others apply more broadly to blighted properties. For example, municipalities may choose to regulate blight through zoning or public health, building, or fire safety code enforcement.

Several different statutes authorize municipalities to redevelop blighted or abandoned properties. For example, under the Urban Homesteading Program, municipally designated urban homesteading agencies can acquire abandoned buildings and transfer them to qualified parties. The agencies can also provide assistance to help qualified applicants buy and rehabilitate abandoned properties.

Municipalities may provide financial incentives to encourage property owners to rehabilitate or redevelop blighted properties, including property tax abatements or fixed, deferred, or reduced assessments.

In addition to authorizing municipalities to address blight, the law also gives the state additional tools to combat blight. For example, [CGS § 19a-343](#) authorizes the state to bring an action to abate a public nuisance when three or more citations for certain municipal ordinance violations (e.g., excessive noise at a nonresidential property) are issued at a property within a year. [CGS § 54-33g](#) authorizes the state to institute a civil forfeiture action if property is possessed, controlled, designed, used, or intended for use during the commission of a criminal offense or constitutes the proceeds of a crime. In addition, [CGS § 7-148o](#) imposes a state fine for each day a willful violation of a municipal blight ordinance continues after a person receives written notice and has a reasonable opportunity to remediate the conditions.

Blighted properties are often contaminated sites (commonly known as brownfields) and as such, require environmental remediation before they can be redeveloped. The state has enacted a number of programs to provide financial assistance, regulatory relief, and liability protection to municipalities and private developers seeking to clean up and redevelop these sites. OLR Report [2012-R-0424](#) describes these programs.

## **Blight Prevention and Remediation**

Appendix 1 summarizes state laws that authorize municipalities to prevent and remediate blighted conditions. Some of the provisions are narrowly tailored to municipal anti-blight efforts. For example, the law authorizes municipalities to (1) adopt and enforce blight ordinances ([CGS § 7-148\(c\)\(7\)\(H\)\(xv\)](#)), (2) fine owners for violating these ordinances, and (3) impose liens and levy special assessments to recover unpaid fines and remediation costs ([CGS §§ 7-148aa](#), [7-148ff](#), [49-73b](#), and [47a-53](#)). In addition, [CGS § 7-148ii](#) establishes a registration system for tracking the owners of certain foreclosed properties and authorizes municipalities to enforce state and local property maintenance laws against registrants, including anti-blight ordinances.

Other statutes have broader applicability. The municipal powers statutes give municipalities the general authority to regulate and secure buildings, structures, and businesses to promote public health, safety, and welfare ([CGS § 7-148](#)). Municipalities may use the zoning enforcement process to address blighted conditions that violate zoning regulations, such as unregistered motor vehicles stored on a property ([CGS § 8-1 et seq.](#)). They may

address blight through their local health or building officials or fire marshal, in cases where the blighted conditions violate public health, building, or fire safety codes. And the law authorizes them to adopt ordinances governing the demolition of unsafe buildings.

The law also provides tools municipalities may use to indirectly address blight. Under [CGS § 7-600 et seq.](#), a municipality may establish one or more neighborhood revitalization zones (NRZs) to revitalize neighborhoods where there are a significant number of deteriorated properties that are substantially out of compliance with health and safety codes. A municipality with an NRZ can petition the courts to place a deteriorated property in rent receivership so that the codes are met and to prevent further property deterioration. In addition, [CGS §§ 47a-14a et seq.](#) and [47a-56a](#) authorize tenants and municipalities to petition the courts for the appointment of a rent receiver under certain circumstances. These include the existence of conditions dangerous to life, health, or safety; housing code violations; and a lack of water, electricity, heat, or sewerage facilities. If a receiver is appointed, he or she must correct the problems that led to the receivership. Tenants pay rent to the receiver rather than the owner.

Finally, municipalities with populations over 50,000 can use their federal Community Development Block Grants to rehabilitate or demolish unsafe buildings ([CGS § 8-169a et seq.](#)). Smaller municipalities can compete for federal Small Cities program funds, which can be used for the same purposes. The Department of Housing administers the latter program and chooses which projects receive funding.

## **Redeveloping Blighted or Abandoned Properties**

Appendix 2 summarizes state laws authorizing municipalities to redevelop blighted or abandoned properties. Municipalities often use these strategies when an owner fails to remediate blighted property or a high concentration of blighted properties requires redevelopment of multiple tracts of land.

Under the Urban Homesteading Program, a municipality may create an urban homesteading agency to turn vacant and abandoned buildings into owner-occupied homes ([CGS § 8-169o et seq.](#)). These agencies may acquire such properties and transfer them to people willing to rehabilitate and reside in them. Similarly, under the Rehabilitation of Abandoned Industrial and Commercial Buildings Program, municipalities may acquire and transfer blighted commercial and industrial properties to entities agreeing to rehabilitate them ([CGS 8-290 et seq.](#)). Both statutes authorize municipalities to provide a variety of financial incentives to buyers.

Other provisions give municipalities the tools to help developers redevelop designated areas (e.g., the redevelopment and urban renewal statutes, [CGS §§ 8-124 et seq.](#) and [8-140 et seq.](#)). After designating redevelopment areas, municipalities prepare and implement plans for acquiring and improving land so that it can be developed. Under these statutes, municipally-created implementing agencies are generally authorized to (1) acquire property by eminent domain, (2) issue bonds to carry out redevelopment plans, and (3) provide financial assistance to developers.

## **Financial Incentives to Address Blight**

The law authorizes various financial incentives that municipalities may use to address blight. As Appendix 3 shows, most of the incentives are property tax abatements or fixed, deferred, or reduced assessments to encourage property owners to rehabilitate or redevelop blighted properties. For example, [CGS § 12-121e](#) authorizes municipalities that have enacted anti-blight ordinances to reduce the property tax assessment on property rehabilitated under the ordinance. [CGS §§ 12-65c](#) to [12-65f](#) authorize municipalities to designate a rehabilitation area and defer increased assessments on property located in it, based on a statutory schedule, if the property is being rehabilitated or constructed for certain uses. Similarly, [CGS § 12-65](#) authorizes municipalities to fix the property tax assessments for up to 15 years on newly constructed or rehabilitated multifamily housing in locally designated development areas.

The law also authorizes property tax abatements, along with other financial assistance, for property conveyed under two redevelopment programs (i.e., urban homesteading and rehabilitation of abandoned industrial and commercial buildings). It authorizes municipalities to abate taxes for properties that redevelopment agencies acquire by eminent domain in designated redevelopment areas ([CGS § 8-129a](#)). And it requires municipalities with designated housing development zones to fix the assessments on commercial and certain residential property in the zones, based on a statutory schedule ([CGS § 8-380](#)).

**Appendix 1: Authority to Prevent Blight and Rehabilitate Blighted Property**

§	Title	Description
<a href="#">7-148</a>	Municipal powers, generally	<p>Among other things, authorizes municipalities to:</p> <ul style="list-style-type: none"> <li>• regulate housing to ensure it is safe and sanitary</li> <li>• regulate the use of buildings to promote public health and safety and the general welfare</li> <li>• demolish unsafe buildings and structures</li> <li>• do all things necessary or desirable to secure and promote the public health</li> <li>• regulate and prohibit the carrying on of any trade, business, or profession in the municipality that is, or could become, harmful to public health</li> <li>• define and prohibit nuisances and abate them at the property owner's expense</li> </ul>
<a href="#">7-148(c)(7)(H)(xv)</a>	Blight regulations	<ul style="list-style-type: none"> <li>• Authorizes municipalities to (1) make and enforce regulations to prevent and remediate housing blight and (2) establish fines of between \$10 and \$100 for each day a violation continues (regulations must define "blight")</li> <li>• Municipalities must give written notice of a violation to the property's owner and occupant and provide them with a reasonable opportunity to remediate the conditions before taking any enforcement action</li> <li>• Municipalities that issue citations for blight violations must also establish a citation hearing procedure for individuals to contest their liability for the fines</li> </ul>
<a href="#">7-148aa</a>	Liens for unpaid blight fines	Specifies that unpaid fines imposed under a blight ordinance constitute a lien on the property and take precedence over all other liens and encumbrances, except taxes, filed after July 1, 1997
<a href="#">7-148ff</a>	Special assessment on blighted property	<ul style="list-style-type: none"> <li>• Authorizes municipalities to enact an ordinance imposing a special assessment on blighted housing to cover blight enforcement and remediation costs</li> <li>• Makes unpaid assessments a lien on the property</li> </ul>
<a href="#">7-148jj</a>	Registration and maintenance of foreclosed residential properties	<ul style="list-style-type: none"> <li>• Requires anyone who commences a foreclosure action on a residential property to register the property with the town clerk in the municipality where the property is located (information provided must include contact information for registrant and the person, local property maintenance company, or other entity serving as the contact with the municipality for any matters concerning the residential property)</li> <li>• Authorizes municipalities to cite registrants for state and local property maintenance laws, including blight ordinances</li> </ul>
<a href="#">7-600 et seq.</a>	NRZs	<ul style="list-style-type: none"> <li>• Authorizes municipalities to set up a process through which groups of residents, property owners, and businesses in distressed neighborhoods can develop strategic plans and work with government agencies to revitalize the neighborhood</li> <li>• Authorizes municipalities to take properties in an NRZ by eminent domain</li> <li>• Authorizes municipalities to ask the courts to establish rent receiverships for deteriorated properties within an NRZ, a tool that captures rent payments to pay for correcting code violations</li> </ul>

**Appendix 1 (continued)**

§	Title	Description
<a href="#">8-1 et seq.</a>	Zoning enforcement	<ul style="list-style-type: none"> <li>• Authorizes municipalities to regulate land use through zoning to, among other things, promote the safety, health, and welfare of their citizens</li> <li>• Authorizes a court to impose civil and criminal penalties for zoning violations</li> <li>• Authorizes towns to establish a citation system, by ordinance, to enforce zoning violations. The ordinance must establish the types of violations for which citations may be issued and the amount of the fine, which can be no more than \$150 per violation (§ 8-12a)</li> </ul>
<a href="#">8-169a et seq.</a>	Community development pursuant to federal law	<ul style="list-style-type: none"> <li>• Authorizes municipalities to carry out activities permitted by Title I of the federal Housing and Community Development Act, including accepting federal community development block grant funds</li> <li>• Grants may be used to eliminate blight, prevent property deterioration, and rehabilitate neighborhoods, among other things</li> </ul>
<a href="#">19a-200 et seq.</a>	Local health directors	<ul style="list-style-type: none"> <li>• Empowers and requires municipal health directors to preserve the public health and prevent the spread of disease</li> <li>• Requires municipal health directors, or authorized agents or boards of health, to enforce or assist in enforcing the state Public Health Code and regulations adopted by the public health commissioner</li> <li>• Authorizes municipal health directors to levy fines and penalties for public health violations and grant and rescind license permits (such as for food service establishments or septic systems)</li> <li>• Authorizes municipalities to retain the power to adopt, by ordinance, sanitary rules and regulations, but they cannot be inconsistent with the Public Health Code</li> <li>• Authorizes municipalities to recover the cost of abating, remediating, or removing a nuisance from an owner</li> </ul>
<a href="#">29-251 et seq.</a>	Local building officials	<ul style="list-style-type: none"> <li>• Requires each municipality to appoint a building official to administer and enforce the state building code</li> <li>• Building officials must require compliance with the code and all pertinent rules and regulations. This includes overseeing (1) building construction, alteration, repair, removal, and demolition and (2) building location, use, occupancy, and maintenance.</li> </ul>
<a href="#">29-253</a>	Demolition	Authorizes municipalities to adopt ordinances governing the demolition of unsafe buildings (i.e., those that pose a fire hazard or otherwise endanger life or the public welfare)
<a href="#">29-291 et seq.</a>	Local fire marshals	Requires local fire marshals to enforce, within their jurisdictions, violations of the state fire safety and prevention codes and related laws and regulations
<a href="#">47a-14a et seq.</a> <a href="#">47a-56a</a>	Rent receivership	Authorizes courts, upon finding certain conditions affecting health or safety exist in an apartment, to establish a rent receivership, a tool that captures rent payments to pay for correcting the conditions
<a href="#">47a-53</a>	Liens for executing orders related to public nuisances	<ul style="list-style-type: none"> <li>• Authorizes local health boards or other enforcing agencies to declare as a public nuisance a (1) building or structure dangerous or detrimental to life or health or (2) tenement, lodging, or boarding house that violates the law requiring houses to have adequate heat</li> <li>• Authorizes the board or enforcing agency to (1) order the nuisance removed or otherwise remedied, (2) execute the order and impose a penalty if the owner does not comply, (3) collect the expense of executing such orders, and (4) impose a lien on the property for unpaid expenses and penalties</li> </ul>

Appendix 1 (continued)

§	Title	Description
<a href="#">49-73b</a>	Recovering expenses for inspecting, repairing, demolishing, or otherwise repairing property	<ul style="list-style-type: none"><li>• Authorizes municipalities to impose a lien for the cost of inspecting, repairing, demolishing, maintaining, removing, or disposing of any property to remedy blight or make it safe</li><li>• Authorizes municipalities to impose a lien on the owner's interest in the property, or, in some cases, the insurance policy covering the property</li></ul>

## Appendix 2: Authority to Redevelop Blighted or Abandoned Property

§	Title	Description
<a href="#">7-339cc et seq.</a>	Tax increment financing (TIF) districts	Authorizes municipalities to establish TIF districts to finance economic development projects in eligible areas, including blighted properties
<a href="#">7-480 et seq.</a>	Connecticut City and Town Development Act	Authorizes municipalities, upon finding that they would substantially benefit from the renovation, rehabilitation, or construction of commercial or residential properties, to issue bonds and make loans to developers to promote acquisition and development of property
<a href="#">8-124 et seq.</a> <a href="#">8-140 et seq.</a>	Redevelopment and urban renewal	<ul style="list-style-type: none"> <li>• Authorizes municipalities to designate an area for redevelopment or urban renewal if it is deteriorated, deteriorating, substandard, or detrimental to the community's safety, health, morals, or welfare</li> <li>• Authorizes municipalities to sell, lease, transfer, or take real property by eminent domain</li> <li>• Authorizes municipalities to issue bonds and make loans to developers</li> </ul>
<a href="#">8-169o et seq.</a>	Urban homesteading	<ul style="list-style-type: none"> <li>• Authorizes municipalities to establish an urban homesteading agency to focus on turning vacant and abandoned buildings into owner-occupied homes</li> <li>• Authorizes urban homesteading agencies to condemn abandoned and blighted property and transfer it to qualified homesteaders, who may be eligible for financial assistance for purchasing and rehabilitation costs</li> <li>• Agencies can recommend to the municipality that the taxes on improvements be deferred</li> </ul>
<a href="#">8-186 et seq.</a>	Municipal development projects	Authorizes municipalities, to facilitate new commercial and industrial development, to (1) acquire (including by eminent domain), improve, and convey real property to private developers and (2) lend money (if the property is located in a distressed municipality) to these developers
<a href="#">8-290 et seq.</a>	Rehabilitation of abandoned industrial and commercial buildings	<ul style="list-style-type: none"> <li>• Authorizes municipal urban rehabilitation agencies to recommend that a municipality acquire by purchase or condemnation, demolish, or foreclose for back taxes, blighted commercial or industrial property</li> <li>• Municipalities can transfer property, provide financial assistance to a rehabilitator, and defer property taxes on the subsequent improvements</li> </ul>
<a href="#">32-224 et seq.</a>	Economic development and manufacturing assistance	Authorizes municipalities, to maintain and develop the manufacturing sector, to (1) acquire (including by eminent domain), improve, and convey real property to private developers and (2) lend money to these developers



### Appendix 3: Financial Incentives to Address Blight

§	Title	Description
<a href="#">8-129a</a>	Abatement for properties in designated redevelopment areas	Authorizes municipalities to abate taxes for properties acquired by eminent domain in designated redevelopment areas
<a href="#">8-169u</a>	Abatement for property conveyed in an urban homesteading program	Authorizes municipalities to provide financial assistance, including a property tax abatement, for property conveyed in an urban homesteading program
<a href="#">8-296</a>	Abatement for property conveyed in urban rehabilitation program	Authorizes municipalities to provide financial assistance, including a property tax abatement, for rehabilitated commercial or industrial property conveyed in an urban rehabilitation program
<a href="#">8-380</a>	Fixed assessments in housing development zones	Requires municipalities to fix the assessments on commercial and certain residential property in designated housing development zones, based on a statutory schedule
<a href="#">12-65</a>	Fixed assessments on multifamily housing	Authorizes municipalities to fix the assessment for up to 15 years on newly constructed or rehabilitated multifamily housing in locally designated development areas
<a href="#">12-65c – 65f</a>	Deferred property tax assessment increases in rehabilitation areas	Authorizes municipalities to designate a rehabilitation area and defer an increased property tax assessment on property located in it if the property is being rehabilitated or constructed for certain uses, based on a statutory schedule
<a href="#">12-81r</a>	Property tax abatement, forgiveness, or fixed assessment program for contaminated property	Authorizes municipalities to abate or forgive property taxes on, and fix the assessment of, contaminated property slated for clean-up and redevelopment
<a href="#">12-121e</a>	Reduced assessment for remediated property	Authorizes municipalities with anti-blight ordinances to reduce the property tax assessment on property rehabilitated under the ordinance

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