



**PA 19-185**—sHB 7361

*Planning and Development Committee*

**AN ACT CONCERNING THE ADOPTION OF MASTER PLANS BY TAX INCREMENT DISTRICTS**

**SUMMARY:** This act makes several changes to the process municipalities must follow to establish a tax increment financing (TIF) district. (TIF is a development strategy whereby anticipated property tax revenue resulting from a major project is allocated to the project's costs.)

For municipalities with planning commissions, prior law required the municipality, at least 90 days before adopting the TIF master plan (see BACKGROUND), to transmit the plan to its planning commission for an advisory opinion on the master plan's consistency with the local plan of conservation and development (POCD). The act (1) allows the master plan to be submitted at any time, by eliminating the requirement that it be submitted to the commission at least 90 days before its adoption, and (2) requires the master plan to be submitted to the combined planning and zoning commission, if the municipality has one, for a determination of its compliance with the POCD.

The act also eliminates the requirement that municipal legislative bodies adopt a TIF master plan at the same time they vote to establish the district. Instead, under the act, the legislative body may adopt the master plan (1) after receiving a written advisory opinion on the plan's compliance with the POCD or (2) 90 days after requesting such advisory opinion, whichever is earlier. By law, unchanged by the act, a TIF district is only effective when the legislative body both approves the district and adopts a district master plan.

EFFECTIVE DATE: October 1, 2019

**BACKGROUND**

*TIF District Master Plans*

The "district master plan" is a statement of means and objectives relating to a district designed to:

1. provide new employment opportunities,
2. retain existing employment,
3. provide housing opportunities,
4. improve or broaden the tax base, or
5. construct or improve physical facilities and structures (CGS § 7-339cc).

The district master plan must include, among other things, (1) a legal description of the district's boundaries; (2) the (a) industrial, commercial, residential, mixed-use, or retail improvements and (b) downtown or transit-oriented development anticipated to be financed in whole or part; and (3) a

OLR PUBLIC ACT SUMMARY

financial plan identifying project costs and revenue sources (CGS § 7-339ff).