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

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

Section 1. Section 7-339ee of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

Prior to the establishment of a tax increment district and approval of a district master plan for such tax increment district, the municipal legislative body or the board of selectmen in the case of a municipality in which the legislative body is a town meeting shall (1) consider whether the proposed tax increment district and district master plan will contribute to the economic growth or well-being of the municipality or to the betterment of the health, welfare or safety of the inhabitants of the municipality; (2) [at least ninety days prior to establishing a tax increment district and approving the district master plan for such tax increment district,] transmit the district master plan to the planning commission or combined planning and zoning commission of the municipality, [if any] as applicable, requesting a study of the district master plan and a written advisory opinion. Such written advisory opinion shall include a determination on whether the plan is consistent with the plan of conservation and development of the municipality adopted under section 8-23; (3) hold at least one public hearing on the proposal to establish a tax increment district.
Notice of the hearing shall be published at least ten days prior to the
hearing in a newspaper having general circulation within the
municipality and shall include (A) the date, time and place of such
hearing, and (B) the boundaries of the proposed tax increment district
by legal description; and (4) determine whether the proposed tax
increment district meets the following conditions:

(A) A portion of the real property within a tax increment district
shall meet at least one of the following criteria: (i) Be a substandard,
insanitary, deteriorated, deteriorating or blighted area; (ii) be in need
of rehabilitation, redevelopment or conservation work; or (iii) be
suitable for industrial, commercial, residential, mixed-use or retail
uses, downtown development or transit-oriented development; and

(B) The original assessed value of a proposed tax increment district
plus the original assessed value of all existing tax increment districts
within the municipality may not exceed ten per cent of the total value
of taxable property within the municipality as of October first of the
year immediately preceding the establishment of the tax increment
district. Excluded from the calculation in this subdivision is any tax
increment district established on or after October 1, 2015, that consists
entirely of contiguous property owned by a single taxpayer. For the
purpose of this subdivision, "contiguous property" includes a parcel or
parcels of land divided by a road, power line, railroad line or right-of-
way. A municipality may not establish a tax increment district if the
conditions in this subdivision are not met.

Sec. 2. Section 7-339ff of the general statutes is repealed and the
following is substituted in lieu thereof (Effective October 1, 2019):

(a) In connection with the establishment of a tax increment district,
the legislative body of a municipality shall adopt a district master plan
for each tax increment district and a statement of the percentage or
stated sum of increased assessed value to be designated as captured
assessed value in accordance with such plan. [The district master plan
shall be adopted at the same time that the tax increment district is
established, as part of the tax increment district adoption proceedings
set forth in sections 7-339cc to 7-339kk, inclusive.] Such legislative
body shall adopt such plan after receipt of a written advisory opinion
from the planning commission or combined planning and zoning
commission of the municipality requested pursuant to section 7-339ee,
as amended by this act, or ninety days after the date such request was
made, whichever is earlier.

(b) The district master plan shall include: (1) The boundaries of the
tax increment district by legal description; (2) a list of the tax
identification numbers for all lots or parcels within the tax increment
district; (3) a description of the present condition and uses of all land
and buildings within the tax increment district; (4) a description of the
public facilities, improvements or programs within the tax increment
district anticipated to be added and financed in whole or in part; (5) a
description of the industrial, commercial, residential, mixed-use or
retail improvements, downtown development or transit-oriented
development within the tax increment district anticipated to be
financed in whole or in part; (6) a financial plan in accordance with
subsection (c) of this section; (7) a plan for the proposed maintenance
and operation of the tax increment district after the planned capital
improvements are completed; and (8) the maximum duration of the
tax increment district, which may not exceed a total of fifty tax years
beginning with the tax year in which the tax increment district is
established.

(c) The financial plan for a district master plan shall include: (1) Cost
estimates for the public improvements and developments anticipated
in the district master plan; (2) the maximum amount of indebtedness to
be incurred to implement the district master plan; (3) sources of
anticipated revenues; (4) a description of the terms and conditions of
any agreements, including any anticipated assessment agreements,
contracts or other obligations related to the district master plan; (5)
estimates of increased assessed values of the tax increment district; and
(6) the portion of the increased assessed values to be applied to the
district master plan as captured assessed values and resulting tax increments in each year of the plan.

(d) The district master plan may be amended from time to time by the legislative body of the municipality. Such legislative body shall review the district master plan at least once every ten years after the initial approval of the tax increment district and the district master plan in order for the tax increment district and the district master plan to remain in effect. With respect to any district master plan that includes development that is funded in whole or in part by federal funds, the provisions of this subsection shall not apply to the extent that such provisions are prohibited by federal law.

| Section 1 | October 1, 2019 | 7-339ee |
| Sec. 2    | October 1, 2019 | 7-339ff |

**PD** *Joint Favorable Subst.*