OLR Bill Analysis
sHB 7361

AN ACT CONCERNING THE ADOPTION OF MASTER PLANS BY TAXINCREMENT DISTRICTS.

SUMMARY

This bill makes several changes to the process municipalities must follow to establish a tax increment financing (TIF) district under CGS § 7-339cc et seq. (TIF is a development strategy whereby anticipated property tax revenue resulting from a major project is allocated to costs associated with the project.)

Under current law, if a municipality has a planning commission, at least 90 days before the legislative body adopts the TIF master plan, the municipality must transmit the plan to it for an advisory opinion on the master plan’s consistency with the local plan of conservation and development (POCD). The bill (1) allows the plan to be submitted at any time, by eliminating the requirement that the plan be submitted to the commission at least 90 days before it is adopted, and (2) requires the plan to be submitted to the combined planning and zoning commission, if the municipality has one, for a determination of the plan’s compliance with the POCD.

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

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute
Yea  21  Nay  0  (03/29/2019)