



General Assembly

January Session, 2021

**Committee Bill No. 49**

LCO No. 3271



Referred to Committee on HOUSING

Introduced by:  
(HSG)

***AN ACT INCREASING OPPORTUNITIES FOR WORKFORCE  
HOUSING DEVELOPMENT IN THE STATE.***

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

- 1 Section 1. (NEW) (*Effective July 1, 2021*) (a) As used in this section:
- 2 (1) "Commissioner" means the Commissioner of Housing.
- 3 (2) "Eligible workforce housing opportunity development project" or  
4 "project" means a project for the construction or substantial  
5 rehabilitation of rental housing (A) located within an opportunity zone  
6 in this state, (B) designated under subsection (e) of this section for  
7 certain professions that work within the municipality in which the  
8 project is located and for low and moderate income families and  
9 individuals, and (C) that may incorporate renewable energy technology  
10 and be transit-oriented.
- 11 (3) "Substantial rehabilitation" means either (A) the costs of any  
12 repair, replacement or improvement to a building that exceeds twenty-  
13 five per cent of the value of such building after the completion of all  
14 such repairs, replacements or improvements, or (B) the replacement of  
15 two or more of the following: (i) Roof structures, (ii) ceilings, (iii) wall

16 or floor structures, (iv) foundations, (v) plumbing systems, (vi) heating  
17 and air conditioning systems, or (vii) electrical systems.

18 (4) "Opportunity zone" means an area designated as a qualified  
19 opportunity zone pursuant to the Tax Cuts and Jobs Act of 2017, P.L.  
20 115-97, as amended from time to time.

21 (5) "Eligible developer" or "developer" means (A) a nonprofit  
22 corporation; (B) any business corporation incorporated pursuant to  
23 chapter 601 of the general statutes, (i) having as one of its purposes the  
24 construction, rehabilitation, ownership or operation of housing, and (ii)  
25 either certified under this section or having articles of incorporation  
26 approved by the commissioner in accordance with regulations adopted  
27 pursuant to section 8-79a or 8-84 of the general statutes; (C) any  
28 partnership, limited partnership, limited liability partnership, joint  
29 venture, trust, limited liability company or association, (i) having as one  
30 of its purposes the construction, rehabilitation, ownership or operation  
31 of housing, and (ii) either certified under this section or having basic  
32 documents of organization approved by the commissioner in  
33 accordance with regulations adopted pursuant to section 8-79a or 8-84  
34 of the general statutes; (D) a housing authority; or (E) a municipal  
35 developer.

36 (6) "Authority" or "housing authority" means any of the public  
37 corporations created by section 8-40 of the general statutes, and the  
38 Connecticut Housing Authority when exercising the rights, powers,  
39 duties or privileges of, or subject to the immunities or limitations of,  
40 housing authorities pursuant to section 8-121 of the general statutes.

41 (7) "Nonprofit corporation" means a nonprofit corporation  
42 incorporated pursuant to chapter 602 of the general statutes or any  
43 predecessor statutes thereto, having as one of its purposes the  
44 construction, rehabilitation, ownership or operation of housing and  
45 having articles of incorporation approved by the Commissioner of  
46 Housing in accordance with regulations adopted pursuant to section 8-  
47 79a or 8-84 of the general statutes or certified under this section.

48 (8) "Municipal developer" means a municipality which has not  
49 declared by resolution a need for a housing authority pursuant to  
50 section 8-40 of the general statutes, acting by and through its legislative  
51 body. "Municipal developer" means the board of selectmen if such  
52 board is authorized to act as the municipal developer by the town  
53 meeting or representative town meeting.

54 (9) "Low and moderate income" means individuals or families who  
55 lack the amount of income which is necessary, as determined by the  
56 Commissioner of Housing, to enable them to rent mixed income  
57 housing without financial assistance.

58 (10) "Market rate" means the rental income that such property would  
59 most probably command on the open market as indicated by present  
60 rentals in the opportunity zone being paid for comparable space.

61 (b) There is established a workforce housing opportunity  
62 development program administered by the Department of Housing  
63 under which individuals or entities who make cash contributions to an  
64 eligible developer for an eligible workforce housing opportunity  
65 development project located in a federally designated opportunity zone  
66 may be allowed a credit against the tax due under chapter 208 or 229 of  
67 the general statutes in an amount equal to the amount specified by the  
68 commissioner under this section. Any developer of a workforce housing  
69 opportunity development project shall be allowed an exemption from  
70 any fees under section 29-263 of the general statutes, as amended by this  
71 act, and any eligible workforce housing opportunity development  
72 project shall be assessed using the capitalization of net income method  
73 under subsection (b) of section 12-63b of the general statutes, as  
74 amended by this act.

75 (c) The Commissioner of Housing shall determine eligibility criteria  
76 for such program and establish an application process for the program.  
77 The Department of Housing shall commence accepting applications for  
78 such program not later than January 1, 2023. A developer may apply to  
79 the Department of Housing for certification as a developer qualified to

80 receive cash investments eligible for a tax credit pursuant to this section  
81 in a manner and form prescribed by the commissioner. To the extent  
82 feasible, any eligible workforce housing opportunity development  
83 project shall incorporate renewable energy or other technology in order  
84 to lower utility costs for the tenants and be transit-oriented. Any eligible  
85 workforce housing opportunity development project once constructed  
86 or substantially rehabilitated shall be rented as follows: (1) Fifty per cent  
87 of the units shall be rented at the market rate, (2) forty per cent of the  
88 units shall be rented to the workforce population designated under  
89 subsection (e) of this section, where such project is located at a rent not  
90 exceeding twenty per cent of the prevailing rent of the opportunity zone  
91 where such development is located, and (3) ten per cent of the units shall  
92 be rented to families or individuals of low and moderate income  
93 receiving rental assistance under chapter 128 or 319uu of the general  
94 statutes or 42 USC 1437f, as amended from time to time. Any such  
95 program shall provide for a method of selecting persons satisfying such  
96 income criteria to rent such units of housing from among a pool of  
97 applicants, which method shall not discriminate on the basis of race,  
98 creed, color, national origin, ancestry, sex, gender identity or expression,  
99 age or physical or intellectual disability.

100 (d) A workforce housing opportunity development project shall be  
101 scheduled for completion not more than three years after the date of  
102 approval by the Department of Housing. Each developer of a workforce  
103 housing opportunity development project shall submit to the  
104 commissioner quarterly progress reports and a final report upon  
105 completion, in a manner and form prescribed by the commissioner. If a  
106 workforce housing opportunity development project fails to be  
107 completed on or before three years from the date of approval of such  
108 project, or at any time the commissioner determines that a project is  
109 unlikely to be completed, the commissioner may request the Attorney  
110 General to reclaim any remaining funds contributed by individuals or  
111 entities under subsection (b) of this section and reallocate such funds to  
112 another eligible project.

113 (e) The developer shall obtain the approval of the zoning commission,  
114 as defined in section 8-13m of the general statutes, of the municipality  
115 and of any other applicable municipal agency for the proposed  
116 workforce housing opportunity development project. After all such  
117 approvals are granted, the municipality may, not later than thirty days  
118 after such approval, by vote of its legislative body or, in a municipality  
119 where the legislative body is a town meeting, by vote of the board of  
120 selectmen, designate the workforce population that forty per cent of the  
121 project shall be dedicated to. Such designation may include volunteer  
122 firefighters, teachers, police officers, emergency medical personnel or  
123 other professions of persons working in the municipality. If the  
124 municipality does not vote within such time period, the developer shall  
125 designate the workforce population.

126 (f) For taxable income years commencing on or after January 1, 2023,  
127 the Commissioner of Revenue Services shall grant a credit against the  
128 tax imposed under chapter 208 or 229 of the general statutes, other than  
129 the liability imposed by section 12-707 of the general statutes, in an  
130 amount equal to the amount specified by the Commissioner of Housing  
131 in a tax credit voucher issued by the Commissioner of Housing pursuant  
132 to subsection (g) of this section.

133 (g) (1) The Commissioner of Housing shall administer a system of tax  
134 credit vouchers within the resources, requirements and purposes of this  
135 section, for individuals and entities making cash contributions to an  
136 eligible developer for an eligible workforce housing opportunity  
137 development project. Such voucher may be used as a credit against the  
138 tax to which such individual or entity is subject under chapter 208 or 229  
139 of the general statutes, other than the liability imposed by section 12-707  
140 of the general statutes.

141 (2) In no event shall the total amount of all tax credits allowed to all  
142 individuals or entities pursuant to the provisions of this section exceed  
143 five million dollars in any one fiscal year.

144 (3) No tax credit shall be granted to any individual or entity for any

145 individual amount contributed of less than two hundred fifty dollars.

146 (4) Any tax credit not used in the taxable income year during which  
147 the cash contribution was made may be carried forward or backward  
148 for the five immediately succeeding or preceding taxable or income  
149 years until the full credit has been allowed.

150 (5) If an entity claiming a credit under this section is an S corporation  
151 or an entity treated as a partnership for federal income tax purposes, the  
152 credit may be claimed by the entity's shareholders or partners. If the  
153 entity is a single member limited liability company that is disregarded  
154 as an entity separate from its owner, the credit may be claimed by such  
155 limited liability company's owner, provided such owner is subject to the  
156 tax imposed under chapter 208 or 229 of the general statutes.

157 (h) The Commissioner of Housing shall adopt regulations in  
158 accordance with the provisions of chapter 54 of the general statutes to  
159 implement the provisions of this section, including, but not limited to,  
160 the conditions for certification of a developer applying for assistance  
161 under this section.

162 Sec. 2. Section 12-63b of the general statutes is repealed and the  
163 following is substituted in lieu thereof (*Effective July 1, 2021*):

164 (a) The assessor or board of assessors in any town, at any time, when  
165 determining the present true and actual value of real property as  
166 provided in section 12-63, which property is used primarily for the  
167 purpose of producing rental income, exclusive of such property used  
168 solely for residential purposes, containing not more than six dwelling  
169 units and in which the owner resides, shall determine such value on the  
170 basis of an appraisal which shall include to the extent applicable with  
171 respect to such property, consideration of each of the following methods  
172 of appraisal: (1) Replacement cost less depreciation, plus the market  
173 value of the land, (2) capitalization of net income based on market rent  
174 for similar property, and (3) a sales comparison approach based on  
175 current bona fide sales of comparable property. The provisions of this

176 section shall not be applicable with respect to any housing assisted by  
177 the federal or state government except any such housing for which the  
178 federal assistance directly related to rent for each unit in such housing  
179 is no less than the difference between the fair market rent for each such  
180 unit in the applicable area and the amount of rent payable by the tenant  
181 in each such unit, as determined under the federal program providing  
182 for such assistance.

183 (b) In the case of an eligible workforce housing opportunity  
184 development project, as defined in section 1 of this act, the assessor shall  
185 use the capitalization of net income method based on the actual rent  
186 received for the property.

187 [(b)] (c) For purposes of subdivision (2) of subsection (a) of this  
188 section and, generally, in its use as a factor in any appraisal with respect  
189 to real property used primarily for the purpose of producing rental  
190 income, the term "market rent" means the rental income that such  
191 property would most probably command on the open market as  
192 indicated by present rentals being paid for comparable space. In  
193 determining market rent the assessor shall consider the actual rental  
194 income applicable with respect to such real property under the terms of  
195 an existing contract of lease at the time of such determination.

196 Sec. 3. Section 8-395 of the general statutes is repealed and the  
197 following is substituted in lieu thereof (*Effective July 1, 2021*):

198 (a) As used in this section, (1) "business firm" means any business  
199 entity authorized to do business in the state and subject to the  
200 corporation business tax imposed under chapter 208, or any company  
201 subject to a tax imposed under chapter 207, or any air carrier subject to  
202 the air carriers tax imposed under chapter 209, or any railroad company  
203 subject to the railroad companies tax imposed under chapter 210, or any  
204 regulated telecommunications service, express, cable or community  
205 antenna television company subject to the regulated  
206 telecommunications service, express, cable and community antenna  
207 television companies tax imposed under chapter 211, or any utility

208 company subject to the utility companies tax imposed under chapter  
209 212, [and] (2) "nonprofit corporation" means a nonprofit corporation  
210 incorporated pursuant to chapter 602 or any predecessor statutes  
211 thereto, having as one of its purposes the construction, rehabilitation,  
212 ownership or operation of housing and having articles of incorporation  
213 approved by the executive director of the Connecticut Housing Finance  
214 Authority in accordance with regulations adopted pursuant to section  
215 8-79a or 8-84, (3) "workforce housing development project" or "project"  
216 means the construction or substantial rehabilitation of dwelling units for  
217 rental housing where (A) ten per cent of the units are affordable  
218 housing, (B) forty per cent of the units are rented to the workforce  
219 population designated by the developer, in consultation with the  
220 municipality where such project is located, at a rent not exceeding  
221 twenty per cent of the prevailing rent of the area where such  
222 development is located, and (C) fifty per cent of the units are rented at  
223 a market rate and includes, but is not limited to, an eligible workforce  
224 housing opportunity development project, as defined in section 1 of this  
225 act, (4) "affordable housing" means rental housing for which persons  
226 and families pay thirty per cent or less of their annual income, where  
227 such income is less than or equal to the area median income for the  
228 municipality in which such housing is located, as determined by the  
229 United States Department of Housing and Urban Development, (5)  
230 "substantial rehabilitation" means either (A) the costs of any repair,  
231 replacement or improvement to a building that exceeds twenty-five per  
232 cent of the value of such building after the completion of all such repairs,  
233 replacements or improvements, or (B) the replacement of two or more  
234 of the following: (i) Roof structures, (ii) ceilings, (iii) wall or floor  
235 structures, (iv) foundations, (v) plumbing systems, (vi) heating and air  
236 conditioning systems, or (vii) electrical systems, and (6) "market rate"  
237 means the rental income that such unit would most probably command  
238 on the open market as indicated by present rentals being paid for  
239 comparable space in the area where the unit is located.

240 (b) The Commissioner of Revenue Services shall grant a credit against  
241 [any] the tax [due] imposed under [the provisions of] chapter 207, 208,

242 209, 210, 211 or 212 in an amount equal to the amount specified by the  
243 Connecticut Housing Finance Authority in any tax credit voucher  
244 issued by said authority pursuant to subsection (c) of this section.

245 (c) The Connecticut Housing Finance Authority shall administer a  
246 system of tax credit vouchers within the resources, requirements and  
247 purposes of this section, for business firms making cash contributions to  
248 housing programs developed, sponsored or managed by a nonprofit  
249 corporation, as defined in subsection (a) of this section, which benefit  
250 low and moderate income persons or families which have been  
251 approved prior to the date of any such cash contribution by the  
252 authority, including, but not limited to, contributions for a workforce  
253 housing development project. Such vouchers may be used as a credit  
254 against any of the taxes to which such business firm is subject and which  
255 are enumerated in subsection (b) of this section. For taxable or income  
256 years commencing on or after January 1, 1998, to be eligible for approval  
257 a housing program shall be scheduled for completion not more than  
258 three years from the date of approval. For taxable or income years  
259 commencing on or after January 1, 2022, to be eligible for approval, a  
260 workforce housing development project shall be scheduled for  
261 completion not more than three years from the date of approval. Each  
262 program or developer of a workforce housing development project shall  
263 submit to the authority quarterly progress reports and a final report  
264 upon completion, in a manner and form prescribed by the authority. If  
265 a program or workforce housing development project fails to be  
266 completed [after] on or before three years from the date of approval of  
267 the project, or at any time the authority determines that a program or  
268 project is unlikely to be completed, the authority may reclaim any  
269 remaining funds contributed by business firms and reallocate such  
270 funds to another eligible program or project.

271 (d) No business firm shall receive a credit pursuant to both this  
272 section and chapter 228a in relation to the same cash contribution.

273 (e) Nothing in this section shall be construed to prevent two or more

274 business firms from participating jointly in one or more programs or  
275 projects under the provisions of this section. Such joint programs or  
276 projects shall be submitted, and acted upon, as a single program or  
277 project by the business firms involved.

278 (f) No tax credit shall be granted to any business firm for any  
279 individual amount contributed of less than two hundred fifty dollars.

280 (g) Any tax credit not used in the [period] taxable or income year  
281 during which the cash contribution was made may be carried forward  
282 or backward for the five immediately succeeding or preceding taxable  
283 or income years until the full credit has been allowed.

284 (h) In no event shall the total amount of all tax credits allowed to all  
285 business firms pursuant to the provisions of this section exceed ten  
286 million dollars in any one fiscal year, provided, each year until the date  
287 sixty days after the date the Connecticut Housing Finance Authority  
288 publishes the list of housing programs or workforce housing  
289 development projects that will receive tax credit reservations, two  
290 million dollars of the total amount of all tax credits under this section  
291 shall be set aside for permanent supportive housing initiatives  
292 established pursuant to section 17a-485c, and one million dollars of the  
293 total amount of all tax credits under this section shall be set aside for  
294 workforce housing, as defined by the Connecticut Housing Finance  
295 Authority through written procedures adopted pursuant to subsection  
296 (k) of this section. Each year, on or after the date sixty days after the date  
297 the Connecticut Housing Finance Authority publishes the list of  
298 housing programs or projects that will receive tax credit reservations,  
299 any unused portion of such tax credits shall become available for any  
300 housing program or project eligible for tax credits pursuant to this  
301 section.

302 (i) No organization conducting a housing program or [programs]  
303 project eligible for funding with respect to which tax credits may be  
304 allowed under this section shall be allowed to receive an aggregate  
305 amount of such funding for any such program or [programs] project in

306 excess of five hundred thousand dollars for any fiscal year.

307 (j) Nothing in this section shall be construed to prevent a business  
308 firm from making any cash contribution to a housing program or project  
309 to which tax credits may be applied which cash contribution may result  
310 in the business firm having a limited equity interest in the program or  
311 project.

312 (k) The Connecticut Housing Finance Authority, with the approval of  
313 the Commissioner of Revenue Services, shall adopt written procedures  
314 in accordance with section 1-121 to implement the provisions of this  
315 section. Such procedures shall include provisions for issuing tax credit  
316 vouchers for cash contributions to housing programs or projects based  
317 on a system of ranking housing programs. In establishing such ranking  
318 system, the authority shall consider the following: (1) The readiness of  
319 the project to be built; (2) use of the funds to build or rehabilitate a  
320 specific housing project or to capitalize a revolving loan fund providing  
321 low-cost loans for housing construction, repair or rehabilitation to  
322 benefit persons of very low, low and moderate income; (3) the extent the  
323 project will benefit families at or below twenty-five per cent of the area  
324 median income and families with incomes between twenty-five per cent  
325 and fifty per cent of the area median income, as defined by the United  
326 States Department of Housing and Urban Development; (4) evidence of  
327 the general administrative capability of the nonprofit corporation to  
328 build or rehabilitate housing; (5) evidence that any funds received by  
329 the nonprofit corporation for which a voucher was issued were used to  
330 accomplish the goals set forth in the application; and (6) with respect to  
331 any income year commencing on or after January 1, 1998: (A) Use of the  
332 funds to provide housing opportunities in urban areas and the impact  
333 of such funds on neighborhood revitalization; and (B) the extent to  
334 which tax credit funds are leveraged by other funds.

335 (l) Vouchers issued or reserved by the Department of Housing under  
336 the provisions of this section prior to July 1, 1995, shall be valid on and  
337 after July 1, 1995, to the same extent as they would be valid under the

338 provisions of this section in effect on June 30, 1995.

339 (m) The credit which is sought by the business firm shall first be  
340 claimed on the tax return for such business firm's taxable income or year  
341 during which the cash contribution to which the tax credit voucher  
342 relates was paid.

343 Sec. 4. Section 29-263 of the general statutes is repealed and the  
344 following is substituted in lieu thereof (*Effective July 1, 2021*):

345 (a) Except as provided in subsection (h) of section 29-252a and the  
346 State Building Code adopted pursuant to subsection (a) of section 29-  
347 252, after October 1, 1970, no building or structure shall be constructed  
348 or altered until an application has been filed with the building official  
349 and a permit issued. Such permit shall be issued or refused, in whole or  
350 in part, within thirty days after the date of an application. No permit  
351 shall be issued except upon application of the owner of the premises  
352 affected or the owner's authorized agent. No permit shall be issued to a  
353 contractor who is required to be registered pursuant to chapter 400, for  
354 work to be performed by such contractor, unless the name, business  
355 address and Department of Consumer Protection registration number  
356 of such contractor is clearly marked on the application for the permit,  
357 and the contractor has presented such contractor's certificate of  
358 registration as a home improvement contractor. Prior to the issuance of  
359 a permit and within said thirty-day period, the building official shall  
360 review the plans of buildings or structures to be constructed or altered,  
361 including, but not limited to, plans prepared by an architect licensed  
362 pursuant to chapter 390, a professional engineer licensed pursuant to  
363 chapter 391 or an interior designer registered pursuant to chapter 396a  
364 acting within the scope of such license or registration, to determine their  
365 compliance with the requirements of the State Building Code and,  
366 where applicable, the local fire marshal shall review such plans to  
367 determine their compliance with the Fire Safety Code. Such plans  
368 submitted for review shall be in substantial compliance with the  
369 provisions of the State Building Code and, where applicable, with the

370 provisions of the Fire Safety Code.

371 (b) On and after July 1, 1999, the building official shall assess an  
372 education fee on each building permit application. During the fiscal year  
373 commencing July 1, 1999, the amount of such fee shall be sixteen cents  
374 per one thousand dollars of construction value as declared on the  
375 building permit application and the building official shall remit such  
376 fees quarterly to the Department of Administrative Services, for deposit  
377 in the General Fund. Upon deposit in the General Fund, the amount of  
378 such fees shall be credited to the appropriation to the Department of  
379 Administrative Services and shall be used for the code training and  
380 educational programs established pursuant to section 29-251c and the  
381 educational programs required in subsections (a) and (b) of section 29-  
382 262. On and after July 1, 2000, the assessment shall be made in  
383 accordance with regulations adopted pursuant to subsection (d) of  
384 section 29-251c. All fees collected pursuant to this subsection shall be  
385 maintained in a separate account by the local building department.  
386 During the fiscal year commencing July 1, 1999, the local building  
387 department may retain two per cent of such fees for administrative costs  
388 incurred in collecting such fees and maintaining such account. On and  
389 after July 1, 2000, the portion of such fees which may be retained by a  
390 local building department shall be determined in accordance with  
391 regulations adopted pursuant to subsection (d) of section 29-251c. No  
392 building official shall assess such education fee on a building permit  
393 application to repair or replace a concrete foundation that has  
394 deteriorated due to the presence of pyrrhotite.

395 (c) Any municipality may, by ordinance adopted by its legislative  
396 body, exempt Class I renewable energy source projects from payment  
397 of building permit fees imposed by the municipality.

398 (d) Notwithstanding any municipal charter, home rule ordinance or  
399 special act, no municipality shall collect an application fee on a building  
400 permit application to repair or replace a concrete foundation that has  
401 deteriorated due to the presence of pyrrhotite.

402 (e) Notwithstanding any municipal charter, home rule ordinance or  
403 special act, no municipality shall collect any fee for a building permit  
404 application for the construction or substantial rehabilitation of (1) an  
405 eligible workforce housing opportunity development project, as defined  
406 in section 1 of this act, or (2) a workforce housing development project,  
407 as defined in section 8-395, as amended by this act.

408 Sec. 5. (NEW) (*Effective October 1, 2021, and applicable to assessment*  
409 *years commencing on or after October 1, 2021*) The legislative body of any  
410 municipality or, in a municipality where the legislative body is a town  
411 meeting, the board of selectmen, may, by ordinance, exempt from real  
412 property tax any workforce housing development project, as defined in  
413 section 8-395 of the general statutes, as amended by this act, to the extent  
414 of seventy per cent of its valuation for purposes of assessment in each  
415 of the seven full assessment years following the assessment year in  
416 which the construction or substantial rehabilitation, as defined in  
417 section 8-395 of the general statutes, as amended by this act, is  
418 completed.

419 Sec. 6. (NEW) (*Effective October 1, 2021*) (a) The Secretary of the Office  
420 of Policy and Management shall pay a state grant in lieu of taxes to any  
421 municipality that has opted to partially exempt from real property tax a  
422 workforce housing development project under section 5 of this act and  
423 submitted an application for such grant. A municipality shall apply for  
424 such grant annually on a form and in a manner prescribed by the  
425 secretary. On or before January first, annually, the Secretary of the Office  
426 of Policy and Management shall determine the amount due to such  
427 municipalities, in accordance with this section.

428 (b) Beginning with the fiscal year commencing July 1, 2023, the grant  
429 payable to any municipality that applies for a grant under the provisions  
430 of this section shall be equal to seventy per cent of the property taxes  
431 which, except for any exemption applicable to any such housing  
432 authority property under the provisions of chapter 128 of the general  
433 statutes, would have been paid with respect to such exempt real

434 property on the assessment list in such municipality for the assessment  
435 date two years prior to the commencement of the state fiscal year in  
436 which such grant is payable, for a maximum of seven assessment years.  
437 The amount of the grant payable to each municipality in any year in  
438 accordance with this section shall be reduced proportionately in the  
439 event that the total of such grants in such year exceeds the amount  
440 appropriated for the purposes of this section with respect to such year.

441 Sec. 7. (NEW) (*Effective October 1, 2021*) The Connecticut Housing  
442 Finance Authority shall develop and administer a program of mortgage  
443 assistance for (1) developers for the construction or substantial  
444 rehabilitation of eligible workforce housing opportunity development  
445 projects, as defined in section 1 of this act, and (2) developers for the  
446 construction or substantial rehabilitation of workforce housing  
447 development projects, as defined in section 8-395 of the general statutes,  
448 as amended by this act. In making mortgage assistance available under  
449 the program, the authority shall utilize any appropriate housing  
450 subsidies.

451 Sec. 8. (*Effective from passage*) The Department of Housing shall,  
452 within available appropriations, conduct a study on methods to (1)  
453 increase housing options for apprentices and other newly hired  
454 employees, and (2) enable such apprentices and other newly hired  
455 employees to reside in the municipalities in which they work. Not later  
456 than January 1, 2022, the Commissioner of Housing shall submit a  
457 report, in accordance with the provisions of section 11-4a of the general  
458 statutes, to the joint standing committee of the General Assembly  
459 having cognizance of matters relating to housing. Such report shall  
460 include recommendations on methods to increase such housing options  
461 and any legislation necessary to implement such recommendations.

|   |                     |             |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: |                     |             |
| Section 1   | <i>July 1, 2021</i> | New section |
| Sec. 2  | <i>July 1, 2021</i> | 12-63b      |

|        |   |             |
|--------|---|-------------|
| Sec. 3 | <i>July 1, 2021</i>   | 8-395       |
| Sec. 4 | <i>July 1, 2021</i>   | 29-263      |
| Sec. 5 | <i>October 1, 2021, and applicable to assessment years commencing on or after October 1, 2021</i> | New section |
| Sec. 6 | <i>October 1, 2021</i>  | New section |
| Sec. 7 | <i>October 1, 2021</i>  | New section |
| Sec. 8 | <i>from passage</i>   | New section |

**Statement of Purpose:**

To establish the workforce housing development program in opportunity zones and to create additional opportunities for workforce housing development in other parts of the state using tax credits, fee waivers and property tax abatement.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. ANWAR, 3rd Dist.

S.B. 49