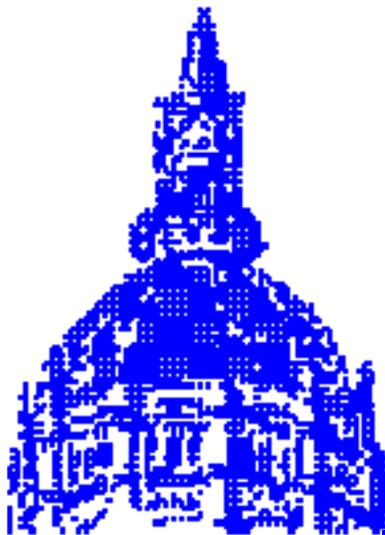


Office of Legislative Research
Connecticut General Assembly



ACTS AFFECTING HOUSING



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NOTICE TO READERS

This report provides brief summaries of the 2010 public acts affecting housing. Not all provisions of the acts are included. Complete summaries of all 2010 public acts will be available when OLR publishes its Public Act Summary book; several are already available on OLR's webpage (www.cga.ct.gov/olr/OLRPASums.asp). Readers are encouraged to obtain the full text of acts that interest them from the Connecticut State Library, the House Clerk's Office, or the General Assembly's website (www.cga.ct.gov).

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AFFORDABLE HOUSING

Home CT Carryforward

The budget act carries forward to FY 11 the unspent balance as of June 30, 2010 of funds appropriated for the Home CT program, which provides grants to towns that choose to zone land for developing housing mainly where transit facilities, infrastructure, and complementary uses already exist or have been planned or proposed (**PA 10-179**, effective July 1, 2010).

Homeless Youth

A new law requires the Department of Children and Families, within available appropriations, to establish a program for homeless youth and youth at risk of becoming homeless. The program may include (1) public outreach, (2) respite housing, and (3) transitional living services. The program must target youth under age 21 who lack appropriate and adequate shelter, including those under age 18 whose parents or guardians are unable or unwilling to provide shelter and appropriate care (**PA 10-179**, effective October 1, 2010).

Housing Located in the 500-Year-Flood Plain

A new law creates exceptions to the prohibition against building between the 100-year and the 500-year-flood plains for certain state-funded housing reconstruction, rehabilitation, or renovation projects. Among others, the exceptions include projects involving (1) renovation or rehabilitation of existing housing on the Department of Economic and Community Development's most recent affordable housing appeals list and (2) demolition and reconstruction of existing low- and moderate-income housing, provided they meet specified conditions, which the act sets. The state agency funding the project must certify that it complies with the National Flood Insurance Program (**PA 10-139**, effective July 1, 2010).

Rental Assistance

The budget act requires the Department of Social Services (DSS) to use up to \$450,000 appropriated to it for housing and homeless services in FY 11 to provide up to 50 rental assistance certificates to individuals and families who are frequent users of expensive state services. The act does not define the parameters of this group, but it requires the DSS commissioner to coordinate spending for the

rent certificates with the correction and mental health and addiction services commissioners, the Court Support Services Division executive director, and a Supportive Housing Initiative representative. (**PA 10-179**, effective July 1, 2010).

BOND CANCELATIONS

The 2010 bond act cancels \$480.6 million in state general obligation bond authorizations for many capital projects and programs, including public housing authority projects and state and local housing programs. This report does not list each cancellation, but we can provide a list of the housing-related bonding changes upon request (**PA 10-44**, effective July 1, 2010).

CONDOMINIUMS

The Common Interest Ownership Act (CIOA) generally governs the creation, alteration, management, termination, and sale of condominiums and other common interest communities formed in Connecticut after January 1, 1984. Certain CIOA provisions apply to common interest communities created in Connecticut before January 1, 1984, but only with respect to events and circumstances that occur after that date.

A new law makes several changes to CIOA. Among other things, it: (1) adds to the list of CIOA provisions that

automatically apply to common interest communities created in Connecticut before January 1, 1984; (2) provides that association rules that restrict residential leasing are unenforceable unless the restriction is recorded in land records; and (3) modifies requirements for resale certificates, including changes regarding disclosure of the number of owners delinquent in paying their common charges and eliminating a requirement regarding itemized costs (**PA 10-186**, effective July 1, 2010).

FORECLOSURE

Homestead Exemption

By law, certain property of a judgment debtor is exempt from execution or foreclosure following a money judgment. The homestead of an individual is exempt to the value of \$75,000 or, in the case of a money judgment arising out of services provided at a hospital, \$125,000. The property's value is determined as its fair market value minus the amount of any statutory or consensual lien encumbering it. This act extends the homestead exemption for judgment debtors to co-op properties (**PA 10-181**, effective October 1, 2010).

Judicial Foreclosure Mediation Program

This act (1) extends the judicial foreclosure mediation program for two years, to July 1, 2012 and (2) requires that a mortgagee represented by counsel who is absent from a foreclosure mediation session be available by phone instead of by phone or electronic means. The program helps homeowners struggling to keep up with their mortgages (**PA 10-181**, effective upon passage).

Tenants of Foreclosed Homes

This act modifies the “cash for keys” law by establishing that the minimum incentive mortgagees or other successors in interest may offer tenants to vacate a foreclosed residential property is \$2,000, regardless of whether there is evidence of the amount of the tenant’s security deposit. Under prior law, the minimum incentive varied depending on whether there was evidence of the amount of the tenant's security deposit (**PA 10-181**, effective October 1, 2010).

HISTORIC PRESERVATION: TAX CREDITS

Property owners who rehabilitate historic structures for mixed commercial and residential use qualify for business tax credits. Those completing projects in phases can receive tax credit vouchers

for completing work on, and placing in service, an identifiable part of the building. A new law allows an owner to receive a voucher for a substantial rehabilitation of an identifiable part of a building even if the completed portion includes no residential units. But it also requires the owner to repay (“recapture”) 100% of the credit if he or she fails to complete the residential portion by the deadline specified in the rehabilitation plan included in the credit application. The owner must recapture the credit voucher amount on his or her tax return for the income year following the year of the failure.

The act allows the Commission on Culture and Tourism, which administers the tax credit program, to extend the completion deadline for the residential portion for a maximum of three years (**PA 10-188**, effective July 1, 2010 and applicable to income years starting on or after January 1, 2010).

LANDLORD AND TENANT

Protection for Tenants Who are Domestic Violence Victims

A new law sets conditions under which tenants who are victims of family violence can end their rental agreements without penalty or liability for the balance. For rental agreements entered into after December 31, 2010, it allows tenants who (1)

are victims of family violence and (2) reasonably believe they must vacate their dwelling for fear of their or their children's safety, to terminate the rental agreement without being subject to penalty or liability for the remaining term of the agreement. Tenants must provide the landlord at least 30 calendar days' written notice before terminating the agreement.

The tenant's termination of the rental agreement does not relieve him or her from liability to the landlord for any (1) rent arrearage incurred before he or she terminated the rental agreement or (2) property damage that he or she causes. The act permits the landlord to bring an action in Superior Court for injunctive relief to prevent the rental agreement's termination if the act's requirements have not been satisfied (**PA 10-137**, effective October 1, 2010).

Municipal Mandate Relief

This act requires a state marshal to deliver the possessions and personal property of an evicted tenant to a town-designated storage facility, rather than leaving them on the sidewalk or road to be picked up by the town, and eliminates the town's responsibility to pay for the expense of moving these items. It applies the same procedures to possessions and personal property of a person evicted in a foreclosure or similar action.

The act requires the execution notice given to the tenant to include a notice providing instructions on how and where he or she can reclaim his or her possessions and personal effects, including a telephone number for arranging their release (**PA 10-171**, effective July 1, 2010).

PUBLIC HOUSING: TENANT COMMISSIONERS

This act adds methods for selecting tenant commissioners for a public housing authority's board of directors. By law, the municipality's chief executive officer or governing body appoints housing authority commissioners, including the tenant commissioners. In doing so, they must consider for appointment tenant commissioners suggested by any tenant organization. The act establishes a process for recognizing tenant organizations that may elect or designate tenants to the board according to the organization's bylaws.

The act also provides a mechanism for tenants to petition for an election if no recognized organization exists. Whether an election is held under an organization's bylaws or petitioned by the tenants, the housing authority must use its best efforts (in agreement with the tenant organization, to the extent practicable) to arrange for a neutral third-party organization to administer the election.

If the act's provisions for electing the tenant commissioner or selecting one under a tenant organization's bylaws are not utilized, then the appointing authority must select the appointee by considering tenants the organization suggests, as under existing law (**PA 10-67**, effective October 1, 2010—**VETOED**).

adopt ordinances giving these developers a property tax abatement (**PA 10-56**, effective October 1, 2010, and the property tax abatement provision is applicable to assessment years beginning on and after that date).

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SPECIAL NEEDS HOUSING: VISITABLE HOUSING

This act authorizes the Department of Economic and Community Development, in consultation with the Connecticut Housing Finance Authority, to establish a program that encourages Connecticut developers to build residential homes that are easy for people with disabilities to visit (commonly known as visitable housing). It defines "visitable housing" as one-to-four family residential housing with "visitable features," which are (1) interior doorways that provide a minimum 32-inch wide clear opening, (2) at least one accessible means of egress, and (3) at least one full or half bathroom on the first floor that is compliant with the Americans with Disabilities Act of 1990, as amended.

The act exempts developers from a requirement to obtain a State Building Code variance or exemption to construct visitable homes. And, it authorizes municipal legislative bodies to