

House of Representatives, March 30, 1998. The Committee on Planning and Development reported through REP. DAVIS, 50th DIST., Chairman of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HOUSING AND COMMUNITY DEVELOPMENT PROJECTS.

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

1 Section 8-216b of the general statutes is
2 repealed and the following is substituted in lieu
3 thereof:

4 (a) As used in this section, "housing site
5 development agency" means any economic development
6 agency, human resource development agency,
7 redevelopment agency, community development
8 agency, housing authority or municipal developer
9 designated by the legislative body of a
10 municipality to carry out a housing and community
11 development project within the municipality.

12 (b) The state, acting by and in the
13 discretion of the Commissioner of Economic and
14 Community Development, may enter into a contract
15 with a housing site development agency to provide
16 financial assistance in the form of a grant-in-aid
17 to the agency for the purpose of carrying out the
18 activities set forth in subsection (c) of this
19 section in connection with a housing and community
20 development project which supports the development
21 of housing which will be sold or rented at prices
22 affordable to persons and families of low and

23 moderate income. ELIGIBLE PROJECTS SHALL INCLUDE,
24 BUT NOT BE LIMITED TO, INFRASTRUCTURE IMPROVEMENTS
25 AND BUSINESS DEVELOPMENT PROJECTS THAT ARE
26 INTEGRAL TO THE DEVELOPMENT OF THE PROJECT. The
27 commissioner shall require that the housing site
28 development agency carry out any such project in
29 accordance with a housing and community
30 development plan approved by the commissioner,
31 which plan shall include: (1) A description of the
32 project area and the condition, type and use of
33 the structures located therein; (2) a description
34 of any relocation required as a result of the
35 project and a plan for such relocation; (3) a
36 summary of any zoning regulations covering the
37 project area and any amendments to such
38 regulations which may be necessary; (4) a
39 description of all real property to be acquired
40 and all buildings and structures to be demolished
41 or rehabilitated; (5) a description of all
42 infrastructure improvements to be made, including
43 an analysis of how such improvements will benefit
44 low and moderate income persons and families; (6)
45 the relationship of the project to local
46 objectives concerning land use, housing needs and
47 the development of public, community and
48 recreational facilities; (7) the sources, types
49 and amounts of project financing; and (8) a
50 statement as to whether the project will displace
51 site occupants from their dwelling units and, if
52 so, a description of the steps which will be taken
53 to minimize such displacement, to mitigate the
54 adverse affects of such displacement on low and
55 moderate income persons and to provide for the
56 relocation assistance required by chapter 135. No
57 grant-in-aid awarded by the commissioner under
58 this section may exceed two-thirds of the net cost
59 of the activities set forth in subsection (c) of
60 this section which are carried out in connection
61 with the project.

62 (c) Any grant-in-aid awarded to a housing
63 site development agency for a housing and
64 community development project under this section
65 shall be used for one or more of the following
66 activities: (1) Acquisition of real property for
67 housing or community facilities; (2)
68 rehabilitation of buildings for use as housing or
69 community facilities; (3) improvements supporting
70 the development of low and moderate housing,

71 including site assemblage and preparation, site
72 and public improvements and preconstruction costs;
73 (4) construction, rehabilitation or renovation of
74 community facilities or infrastructure supporting
75 community facilities, including neighborhood
76 centers, centers for the handicapped, senior
77 centers, historic properties, public utilities,
78 streets, street lighting, parking facilities,
79 sewer and drainage facilities, parks, playgrounds,
80 and recreation facilities; (5) removal of
81 architectural barriers which restrict the mobility
82 and accessibility of elderly and handicapped
83 persons; (6) relocation payments and assistance to
84 individuals and families; (7) building, health and
85 housing code enforcement activities and (8)
86 reasonable administrative costs incurred by the
87 grantee in connection with the project. A HOUSING
88 AND COMMUNITY DEVELOPMENT PROJECT MAY ALSO
89 INCLUDE, BUT NOT BE LIMITED TO, INFRASTRUCTURE
90 IMPROVEMENTS AND BUSINESS DEVELOPMENT PROJECTS
91 THAT ARE INTEGRAL TO THE DEVELOPMENT OF THE
92 PROJECT. A redevelopment agency acting as a
93 housing site development agency shall have the
94 power to condemn real property, in accordance with
95 the procedures set forth in sections 8-129 to
96 8-133, inclusive, for the purpose of a housing and
97 community development project.

98 (d) Any real property acquired with the use
99 of any grant-in-aid awarded under this section by
100 a housing site development agency in connection
101 with a housing and community development project
102 for use as housing predominantly for persons and
103 families of low and moderate income, including any
104 such property acquired for use as commercial and
105 community facilities designed to serve such
106 housing, may be transferred for consideration
107 which is less than cost or fair market value to
108 (1) a housing authority or (2) a person, firm or
109 corporation who the commissioner determines is
110 subject to the regulation or supervision of
111 operations, rents, charges, income, or sales price
112 with respect to such real property under a
113 regulatory agreement or other instrument which
114 restricts occupancy of such housing predominantly
115 to persons and families whose income does not
116 exceed one hundred per cent of the area median
117 income, as determined by the United States
118 Department of Housing and Urban Development.

119 (e) The state, acting by and in the
120 discretion of the Commissioner of Economic and
121 Community Development, may enter into a contract
122 with a nonprofit corporation for state financial
123 assistance for a housing and community development
124 project under this section. Such financial
125 assistance shall be in the form of a grant-in-aid
126 in an amount not to exceed two-thirds of the net
127 cost of the activities set forth in subsection (c)
128 of this section which are carried out in
129 connection with the project and shall be made only
130 to a nonprofit corporation which has secured a
131 commitment for mortgage financing from the United
132 States Department of Housing and Urban Development
133 or the Farmers' Home Administration. Such project
134 shall conform to the requirements of this section
135 and such other requirements as the commissioner
136 may prescribe.

137 (f) The Commissioner of Economic and
138 Community Development shall adopt regulations, in
139 accordance with the provisions of chapter 54, to
140 carry out the purposes of this section.

141 (g) On and after the effective date of
142 regulations adopted under section 8-437, the
143 Commissioner of Economic and Community Development
144 shall not accept any application for state
145 financial assistance pursuant to this section
146 except an application for a project or development
147 not qualifying for financial assistance pursuant
148 to section 8-433.

149 HSG COMMITTEE VOTE: YEA 9 NAY 0 JFS C/R PD
150 PD COMMITTEE VOTE: YEA 19 NAY 0 JF

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER sHB 5233

STATE IMPACT	Potential Cost (G.O. Bond Funds), see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Department of Economic and Community Development

EXPLANATION OF ESTIMATES:

STATE IMPACT: Expanding the use of bond funds used for the housing and community development programs to include infrastructure, business development and other types of projects integral to housing and community development projects could increase the need for additional future bond authorizations. Currently, funds in the amount of \$15 million are authorized for FY 1998-99.

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OLR BILL ANALYSIS

sHB 5233

AN ACT CONCERNING HOUSING AND COMMUNITY DEVELOPMENT PROJECTS

SUMMARY: This bill expands the housing and community development program to include infrastructure, business development, and other types of projects integral to a housing and community project. These projects can use the funds for the same activities authorized under current law for housing and community development projects.

The law allows the economic and community development commissioner to provide grants for municipal and nonprofit agencies developing low- and moderate-income housing and community facilities in predominantly residential areas. They can use the grants to provide public improvements and infrastructure tied to housing projects and community facilities, respectively.

EFFECTIVE DATE: October 1, 1998

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute Change of Reference
Yea 9 Nay 0

Planning and Development Committee

Joint Favorable Report
Yea 19 Nay 0