



House of Representatives

General Assembly

File No. 135

January Session, 2023

Substitute House Bill No. 6632

House of Representatives, March 21, 2023

The Committee on Housing reported through REP. LUXENBERG of the 12th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING AFFORDABLE HOMEOWNERSHIP OPPORTUNITIES.

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

1 Section 1. Section 8-64a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2023*):

3 No housing authority that receives or has received any state financial
4 assistance may sell, lease, transfer or destroy, or contract to sell, lease,
5 transfer or destroy, any housing project or portion thereof in any case
6 where such project or portion thereof would no longer be available for
7 the purpose of low or moderate income rental housing as a result of such
8 sale, lease, transfer or destruction, except the Commissioner of Housing
9 may grant written approval for the sale, lease, transfer or destruction of
10 a housing project if the commissioner finds, after a public hearing, that
11 (1) the sale, lease, transfer or destruction is in the best interest of the state
12 and the municipality in which the project is located, (2) an adequate
13 supply of low or moderate income rental housing exists in the
14 municipality in which the project is located, (3) the housing authority

15 has developed a plan for the sale, lease, transfer or destruction of such
16 project in consultation with the residents of such project and
17 representatives of the municipality in which such project is situated and
18 has made adequate provision for [said] such residents' and
19 representatives' participation in such plan, which plan may include the
20 construction of affordable housing that is owner-occupied single-family
21 or multifamily housing to replace existing housing units at a ratio of not
22 less than one-to-one, and (4) any person who is displaced as a result of
23 the sale, lease, transfer or destruction will (A) be relocated to a
24 comparable dwelling unit of public or subsidized housing in the same
25 municipality, [or will] (B) receive a tenant-based rental subsidy and will
26 receive relocation assistance under chapter 135, or (C) be relocated to a
27 housing unit within a single-family or multifamily residence that is
28 affordable housing in the same municipality. The commissioner shall
29 consider the extent to which the housing units that are to be sold, leased,
30 transferred or destroyed will be replaced with housing that is affordable
31 to households with incomes below twenty-five per cent of the area
32 median income and to households with incomes below fifty per cent of
33 the area median income, in ways that may include, but need not be
34 limited to, newly constructed housing, rehabilitation of housing that is
35 abandoned or has been vacant for at least one year, or new federal, state
36 or local tenant-based or project-based rental subsidies. The
37 commissioner shall give the residents of the housing project or portion
38 thereof that is to be sold, leased, transferred or destroyed written notice
39 of [said] such public hearing by first class mail not less than ninety days
40 before the date of the hearing. [Said] Such written approval shall contain
41 a statement of facts supporting the findings of the commissioner. This
42 section shall not apply to the sale, lease, transfer or destruction of a
43 housing project pursuant to the terms of any contract entered into before
44 June 3, 1988. The commissioner shall not impose a one-for-one
45 replacement requirement on King Court in East Hartford. This section
46 shall not apply to phase I of Father Panik Village in Bridgeport, Elm
47 Haven in New Haven, Pequonnock Gardens Project in Bridgeport,
48 Evergreen Apartments in Bridgeport, Quinnipiac Terrace/Riverview in
49 New Haven, Dutch Point in Hartford, William V. Begg Apartments in

50 Waterbury, Southfield Village in Stamford, Marina Village in
51 Bridgeport and, upon approval by the United States Department of
52 Housing and Urban Development of a HOPE VI revitalization
53 application and a revitalization plan that includes at least the one-for-
54 one replacement of low and moderate income units, Fairfield Court in
55 Stamford.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023</i>	8-64a

HSG *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the 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 chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which allows the Commissioner of Housing to approve an additional means through which a housing authority may replace its housing units, has no fiscal impact. The Department of Housing has the expertise to review proposals utilizing the bill's additional replacement method.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sHB 6632

AN ACT CONCERNING AFFORDABLE HOMEOWNERSHIP OPPORTUNITIES.

SUMMARY

Existing law generally prohibits housing authorities that receive or have received state assistance from selling, leasing, transferring, or destroying a housing project if the project would no longer be available for, or replaced by, low- or moderate-income rental housing. However, the housing commissioner may approve the action if she finds, after a public hearing, that four specified conditions are met.

This bill modifies two of the four conditions. Under current law, one of these conditions requires a finding that the housing authority (1) developed a plan to lease, sell, transfer, or destroy the project in consultation with its residents and municipal representatives and (2) made adequate provision for the residents and representatives to participate in the plan. The bill allows the plan to include constructing affordable housing that is owner-occupied single-family or multifamily housing to replace existing units at a ratio of at least one-to-one.

A second condition under current law requires a finding by the commissioner that anyone displaced by the action will receive assistance under the Uniform Relocation Assistance Act and will either be relocated to a comparable public or subsidized housing dwelling unit in the municipality or be given a tenant-based rental subsidy. The bill additionally allows her to find that someone displaced by the action will be relocated to a housing unit within a single-family or multifamily residence that is affordable housing in the same municipality.

Under existing law, the other two findings that the commissioner must make before approving the action are that (1) an adequate supply of low- or moderate-income rental housing exists in the municipality where the project is located and (2) the action is in the state's and municipality's best interests.

EFFECTIVE DATE: October 1, 2023

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/02/2023)