



PA 24-143—HB 5474

Planning and Development Committee

AN ACT CONCERNING MUNICIPAL APPROVALS FOR HOUSING DEVELOPMENT, FINES FOR VIOLATIONS OF LOCAL ORDINANCES, REGULATION OF SHORT-TERM RENTALS, RENTAL ASSISTANCE PROGRAM ADMINISTRATION, NOTICES OF RENT INCREASES AND THE HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND

TABLE OF CONTENTS:

[§ 1 — MUNICIPAL REPORTS TO DECD ON HOUSING PERMITTING APPLICATIONS](#)

Requires DECD to annually send each municipality an optional questionnaire on the number of residential building permit applications it approved and denied, including the number of proposed units

[§ 2 — DESIGN REVIEW PROCESS STUDY](#)

Requires the majority leaders' roundtable group on affordable housing to study municipal design review processes required for residential developments and report its findings and recommendations to the legislature

[§ 3 — CONVERSIONS OF NURSING HOMES TO MULTIFAMILY HOUSING](#)

Generally requires municipalities to allow vacant nursing homes to be converted to multifamily housing as long as they comply with zoning regulations and do not substantially impact public health and safety

[§ 4 — SURPLUS STATE PROPERTY AS LOW- AND MODERATE-INCOME HOUSING](#)

Requires OPM, when considering proposals for state surplus property, to prioritize any DOH plans to use the property for low- and moderate-income housing

[§ 5 — MUNICIPAL BLIGHT PENALTIES](#)

Bases the maximum penalties municipalities may impose for blight violations in certain types of property on their square footage, rather than a flat amount

[§ 6 — FIXED ASSESSMENTS](#)

Expands the ability of municipalities to freeze property tax assessments by (1) increasing the maximum duration of a freeze from 10 to 30 years and (2) allowing them to freeze the assessments on personal property, rather than only real property

[§ 7 — SHORT-TERM RENTAL PROPERTIES](#)

OLR PUBLIC ACT SUMMARY

Explicitly authorizes municipalities to (1) adopt ordinances regulating the operation and use of short-term rental properties and requiring their licensure and (2) hire consultants to help them develop these ordinances

§ 8 — MUNICIPAL LIENS FOR UNPAID ZONING VIOLATION FINES

Makes unpaid fines imposed under municipal ordinances for violating local zoning regulations a lien on the affected real estate

§ 9 — ASSESSMENT OF CERTAIN AFFORDABLE HOUSING

Requires municipalities to assess properties used as housing only for low- or moderate-income households based on the capitalized value of net rental income

§§ 10-12 — MIDDLE HOUSING DEVELOPED AS OF RIGHT

Awards municipalities points towards a moratorium under the 8-30g appeals procedure for each dwelling unit built in middle housing developed as of right if they have adopted zoning regulations allowing these types of developments

§ 13 — RAP MAXIMUM RENT LEVELS

Requires DOH, when setting maximum RAP rent levels, to use the fair market rent figure under the federal HCV program if it is higher than RAP's maximum allowable rent for the housing unit

§ 14 — TAX INCREMENT DISTRICT FUNDING FOR AFFORDABLE HOUSING RENOVATION

Authorizes municipalities to use tax increment district funds to renovate certain 8-30g deed-restricted affordable housing in exchange for the owner renewing the development's affordability restrictions

§ 15 — RAP REPORTING REQUIREMENTS

Expands the information that the DOH commissioner must include in her annual reports on RAP assistance

§§ 16 & 17 — NOTICE OF RENT INCREASES

Requires landlords to give residential tenants at least 45 days' written notice of proposed rent increases, or an amount of notice that equals the full length of the lease for tenants with lease terms of one month or less

§ 18 — HOUSING CHOICE VOUCHER PROGRAM TASK FORCE

Establishes a task force to study the federal HCV program and its implementation in the state, including any disparate impacts the program has on the development of at-risk children and youth or families

§§ 19 & 20 — HOUSING ENVIRONMENTAL IMPROVEMENT LOAN AND GRANT FUND AND RETROFIT PILOT PROGRAM

Expands DEEP's multifamily housing retrofit pilot program by, among other things, allowing (1) it to offer grants in addition to loans and (2) the department to contract with quasi-public agencies to administer the fund that finances the program; limits the amount of bond funding DEEP may use for the grants; delays the program's implementation date by one year

§ 21 — VACANT LOTS

OLR PUBLIC ACT SUMMARY

Exempts certain vacant lots in subdivisions and resubdivisions from changes to municipal zoning regulations and maps

§ 22 — MORATORIA FROM 8-30G APPEALS PROCEDURE

Allows eligible units completed before a municipality's 8-30g moratorium began, but that were not counted toward establishing the moratorium, to be counted toward qualifying for a subsequent moratorium

SUMMARY: This act makes various changes relating to housing development, rental housing, and blight and zoning requirements. A section-by-section analysis follows.

EFFECTIVE DATE: Various; see below.

§ 1 — MUNICIPAL REPORTS TO DECD ON HOUSING PERMITTING APPLICATIONS

Requires DECD to annually send each municipality an optional questionnaire on the number of residential building permit applications it approved and denied, including the number of proposed units

The act requires the Department of Economic and Community Development (DECD) commissioner to annually send each municipality a questionnaire on residential permit applications (i.e., subdivision, zoning permit, special permit, or site plan applications needed to build or renovate one or more dwelling units), which the municipality may choose to complete and return to the commissioner. The department must publish returned questionnaires on its website.

The questionnaire must include certain questions about residential permit applications submitted to or reviewed by the municipality's planning commission, zoning commission, or combined planning and zoning commission. Specifically, it must ask about the number of (1) permit applications submitted to these commissions, including the number of units they proposed building or renovating; (2) approved applications and proposed units; and (3) denied applications and proposed units. It must also include any other information about permit applications the DECD commissioner requests.

By law, every municipality must annually report by March 31 to DECD on the number of (1) new dwelling units permitted, including whether they are in single-family, two-to-four-family, or larger multifamily properties, and (2) dwelling units demolished. Under the act, the commissioner must send the residential permit applications questions as a supplemental questionnaire.

EFFECTIVE DATE: October 1, 2024

§ 2 — DESIGN REVIEW PROCESS STUDY

Requires the majority leaders' roundtable group on affordable housing to study municipal design review processes required for residential developments and report its findings and recommendations to the legislature

OLR PUBLIC ACT SUMMARY

PA 23-207, § 36, established the 24-member majority leaders' roundtable group on affordable housing and required it to study various topics related to promoting and developing affordable housing in the state. The act requires this group to do a separate study on municipal design review processes required for residential developments and, by January 1, 2025, report its findings and recommendations to the Planning and Development and Housing committees. The study must at least do the following:

1. analyze the current required design review processes and their impact on affordable housing's cost and development time;
2. identify barriers within these processes that may hinder building or renovating affordable housing; and
3. examine successful models from other jurisdictions that have streamlined, modified, or eliminated these processes for affordable housing.

By law, and under the act, "affordable housing" is that for which households earning no more than the federally determined area median income pay 30% or less of their annual income.

EFFECTIVE DATE: Upon passage

§ 3 — CONVERSIONS OF NURSING HOMES TO MULTIFAMILY HOUSING

Generally requires municipalities to allow vacant nursing homes to be converted to multifamily housing as long as they comply with zoning regulations and do not substantially impact public health and safety

The act requires municipalities that exercise their zoning powers under the statutes (rather than a special act) to allow eligible nursing homes to be converted to multifamily housing, subject only to a "summary review" (see below). To be eligible, the (1) nursing home must be a freestanding structure and not a nonconforming use and (2) owner must declare in writing to the municipality that the home has been vacant for at least 90 days immediately before the summary review application was submitted.

Additionally, the nursing home conversion must not result in the structure's total demolition or in substantial alteration of its footprint. If it does, the act allows the municipality to take a discretionary zoning action (e.g., a public hearing, variance, special permit, or special exemption).

The act requires the municipality's planning, zoning or combined planning and zoning commission to review and decide on each application within 65 days after receiving it, but the applicant may agree to extensions of up to an additional 65 days or withdraw its application.

Under the act, a "summary review" allows an application to be approved without requiring a public hearing, variance, special permit or exception, or any other discretionary zoning action, except for a determination that a site plan conforms with the applicable regulations, if it complies with zoning regulations (i.e., is allowed "as of right") and will not substantially impact public health and safety.

EFFECTIVE DATE: October 1, 2024

OLR PUBLIC ACT SUMMARY

§ 4 — SURPLUS STATE PROPERTY AS LOW- AND MODERATE-INCOME HOUSING

Requires OPM, when considering proposals for state surplus property, to prioritize any DOH plans to use the property for low- and moderate-income housing

By law, the Office of Policy and Management (OPM) secretary must notify state agencies (including departments and institutions) when state-owned land is available (CGS § 4b-21(b)). If an agency determines it can use the land for an agency-specific purpose, it must notify the secretary in writing within 30 days after receiving the notification and submit a plan for the land’s use. The act specifically requires the Department of Housing (DOH) to submit such a plan if it determines that the land can be used to construct, rehabilitate, or renovate housing for people with low and moderate incomes.

Existing law requires the secretary to analyze any submitted plans to determine whether the land should be transferred to a submitting agency. The act requires him to prioritize the review of any DOH plan for low- or moderate-income housing as described above. It requires the secretary to grant the transfer to DOH or state in writing any reason why the transfer is not feasible.

EFFECTIVE DATE: October 1, 2024

§ 5 — MUNICIPAL BLIGHT PENALTIES

Bases the maximum penalties municipalities may impose for blight violations in certain types of property on their square footage, rather than a flat amount

By law, municipalities may adopt blight ordinances that may be enforced through civil penalties the municipality sets, up to a maximum daily amount. The act sets a new maximum penalty structure for certain residential properties and commercial properties.

Under prior law, the maximum amounts were the same for commercial and residential properties and depended on (1) whether the property was occupied or vacant and (2) the number of violations within a 12-month period. The act retains prior law’s maximum penalties for residential properties with six or fewer units but sets different penalties for residential properties with seven or more units and commercial properties. These penalties are instead based on the building’s size (expressed as an amount per square foot). The table below compares, for each property type, the maximum daily penalties municipalities may set under prior law and the act.

Maximum Daily Blight Penalty

Building Type	Prior Law	The Act
Residential (six or fewer units)		
Occupied	\$150	\$150
Vacant	250	250
Third or subsequent violation	1,000	1,000

OLR PUBLIC ACT SUMMARY

Building Type	Prior Law	The Act
Residential (7 to 39 units)	Same as above	10 cents per sq. ft.
Residential (40+ units)	Same as above	12 cents per sq. ft.
Commercial	Same as above	10 cents per sq. ft.

EFFECTIVE DATE: October 1, 2024

§ 6 — FIXED ASSESSMENTS

Expands the ability of municipalities to freeze property tax assessments by (1) increasing the maximum duration of a freeze from 10 to 30 years and (2) allowing them to freeze the assessments on personal property, rather than only real property

A property tax incentive under existing law allows municipalities to enter into an agreement with a taxpayer to freeze the assessed value of property developed or being developed for specified purposes. Freezing an assessment keeps the property’s taxable value the same for a set period even if improvements or other factors increase its value (which would generally increase the taxes owed on it).

The act increases, from 10 to 30 years, the maximum period municipalities may freeze real property assessments (i.e., land and buildings, including the air space above) and also authorizes them to freeze assessments on personal property.

Under this law, municipalities may freeze the assessments only on property used for specified purposes, including for office, retail, or manufacturing uses; warehouse, storage, or distribution; structured multilevel parking supporting a mass transit system; information technology; recreation facilities; transportation facilities; mixed use; and health systems.

EFFECTIVE DATE: October 1, 2024

§ 7 — SHORT-TERM RENTAL PROPERTIES

Explicitly authorizes municipalities to (1) adopt ordinances regulating the operation and use of short-term rental properties and requiring their licensure and (2) hire consultants to help them develop these ordinances

The act explicitly authorizes municipalities, by vote of their legislative bodies, to adopt an ordinance regulating the operation and use of short-term rental properties and requiring their licensure. It also allows municipalities to hire consultants to help them develop these ordinances.

Under the act, short-term rental properties are dwelling units or portions of them that are (1) the subject of a short-term rental (i.e., the transfer, for consideration, of occupancy in a furnished residence or similar accommodation for 30 days or less) and (2) not a hotel, bed and breakfast, motel, motor court, motor inn, or tourist court.

EFFECTIVE DATE: October 1, 2024

§ 8 — MUNICIPAL LIENS FOR UNPAID ZONING VIOLATION FINES

OLR PUBLIC ACT SUMMARY

Makes unpaid fines imposed under municipal ordinances for violating local zoning regulations a lien on the affected real estate

By law, municipalities may adopt ordinances establishing penalties for violating local zoning regulations with fines of up to \$150 for each day the violation continues. The act makes unpaid fines imposed under these municipal ordinances a lien on the affected real estate from the date of the fine, just as existing law provides for unpaid blight fines. The lien takes precedence over all other liens filed after July 1, 1997, and encumbrances, except taxes. It can be continued, recorded, enforced, and released in the same way as a property tax lien.

EFFECTIVE DATE: October 1, 2024

§ 9 — ASSESSMENT OF CERTAIN AFFORDABLE HOUSING

Requires municipalities to assess properties used as housing only for low- or moderate-income households based on the capitalized value of net rental income

The act requires municipalities to assess properties used as housing only for low- or moderate-income households based on the capitalized value of “net rental income,” rather than fair market value, if the property’s rents or carrying charges are regulated by the federal or state government (or limited by a government agreement). Prior law explicitly required municipalities to do so only if they adopted an ordinance classifying the property as this type of housing for tax abatement purposes (see *Background — Tax Abatement for Low- or Moderate-Income Housing*). By law, housing only for low- or moderate-income households is (1) built or rehabilitated with government assistance and (2) subject to certain government regulation restricting occupancy based on household income limits (CGS § 8-202).

Under the act, “net rental income” is the gross income of a property described above as limited by rents and carrying charges, minus reasonable operating expenses and property taxes. In other words, under the act, municipalities must assess these properties based on actual rent received.

The law otherwise generally requires assessors to use each of the following three methods to determine rental properties’ fair market value:

1. replacement cost less depreciation, plus the land’s market value;
2. capitalization of net income based on market rent for similar property; and
3. comparable sales.

But this general requirement does not apply to (1) owner-occupied residential properties with six or fewer units and (2) certain federally or state-subsidized housing (CGS § 12-63b).

EFFECTIVE DATE: October 1, 2024

Background — Tax Abatement for Low- or Moderate-Income Housing

The law allows municipalities to adopt ordinances (1) reducing all or part of the property taxes on housing only for low- or moderate-income households and (2) classifying properties as eligible for abatement. The abatement must be made under

OLR PUBLIC ACT SUMMARY

a contract between the municipality and the housing's owner that, among other things, specifies how the owner will use the money saved from the abatement (CGS § 8-215). It also allows DOH to enter into contracts with municipalities to reimburse them for the abatements (CGS § 8-216).

§§ 10-12 — MIDDLE HOUSING DEVELOPED AS OF RIGHT

Awards municipalities points towards a moratorium under the 8-30g appeals procedure for each dwelling unit built in middle housing developed as of right if they have adopted zoning regulations allowing these types of developments

The act expressly lets municipal zoning regulations (adopted under the state's Zoning Enabling Act) allow for middle housing developed "as of right" on lots allowing for residential use, commercial use, or mixed-use development. For any municipality that adopts these types of zoning regulations, it also awards points towards a moratorium under the CGS § 8-30g affordable housing land use appeals procedure ("8-30g appeals procedure") for each dwelling unit in middle housing developed as of right.

By law, middle housing is duplexes, triplexes, quadplexes, townhouses, and cottage clusters. Housing developed as of right may be approved if it complies with zoning regulations, without requiring a public hearing, variance, special permit or exception, or any other discretionary zoning action, except for a determination that a site plan conforms with the applicable regulations.

Under the act, a municipality is awarded 0.25 housing unit equivalent (HUE) points for each of these middle housing units for which the municipality issues a certificate of occupancy (see *Background — Moratoria From 8-30g Appeals Procedure*). Under existing law, HUE points are generally not awarded for market-rate units unless located in housing developments with a specified percentage of other deed-restricted units meeting certain affordability requirements (these market-rate units are also awarded 0.25 points each). Under the act, middle housing units need not be subject to any affordability restrictions to qualify for HUE points.

The act also prohibits any municipality from repealing or substantially modifying its zoning regulations for as-of-right middle housing development during a moratorium from the 8-30g appeals procedure if it qualified for the moratorium based in part on HUE points awarded under the act.

Additionally, the act defines "live work unit" to clarify existing law's definition of "cottage cluster," which is a group of at least four detached housing units or live work units (per acre) located around a common open area. Under the act, a live work unit is a building, or space within it, that the occupant uses for both residential and commercial purposes.

EFFECTIVE DATE: October 1, 2024

Background — Moratoria From 8-30g Appeals Procedure

By law, a municipality is generally eligible for a temporary suspension of the 8-30g appeals procedure (i.e., a moratorium) each time it shows it has added a certain number of affordable housing units over the applicable time period (since

OLR PUBLIC ACT SUMMARY

July 1, 1990, for first moratoria). To be granted a moratorium, a municipality generally must achieve the greater of (1) 75 HUE points or (2) HUE points equaling more than 2% of their total housing stock, as determined by the most recent decennial census. The law provides an exception for certain municipalities, under which the 2% threshold drops to 1.5% for municipalities that (1) have at least 20,000 dwelling units; (2) adopt an affordable housing plan; and (3) apply for a second or subsequent moratorium.

§ 13 — RAP MAXIMUM RENT LEVELS

Requires DOH, when setting maximum RAP rent levels, to use the fair market rent figure under the federal HCV program if it is higher than RAP's maximum allowable rent for the housing unit

Existing law requires the DOH commissioner to set maximum rent levels under the Rental Assistance Program (RAP; see *Background — RAP*) in a way that promotes the program's use in all municipalities. The act specifies that if the fair market rent for a housing unit under the federal Housing Choice Voucher (HCV) program is higher than the maximum allowable rent for the unit under RAP, DOH must instead use the HCV figure for the purposes of RAP.

The act also specifies that for RAP, "housing" or "housing unit" means any house or building, or portion of one, that is occupied, designed to be occupied, or rented, leased, or hired out to be occupied, exclusively as a home or residence for at least one person.

EFFECTIVE DATE: October 1, 2024

Background — RAP

RAP is a DOH-funded program that helps very low-income families afford decent, safe, and sanitary housing in the private market. Recipients of RAP certificates may choose any private rental housing that meets the program requirements.

§ 14 — TAX INCREMENT DISTRICT FUNDING FOR AFFORDABLE HOUSING RENOVATION

Authorizes municipalities to use tax increment district funds to renovate certain 8-30g deed-restricted affordable housing in exchange for the owner renewing the development's affordability restrictions

By law, municipalities that have adopted a tax increment district generally must establish a "district master plan fund" (see *Background — Tax Increment Districts*). Prior law limited the use of the fund to paying for specified categories of expenses, including costs (1) of certain improvements made in the district, or outside the district that are directly related to or necessary for establishing or operating the district, and (2) related to economic development, environmental improvements, or employment training associated with the district.

The act allows municipalities to also use the fund for improvement costs outside

OLR PUBLIC ACT SUMMARY

the district for renovating or rehabilitating certain 8-30g “set-aside developments” (i.e., deed-restricted affordable housing; see *Background — Affordable Housing Developments*). A municipality may do so if the (1) development’s affordability deed restrictions will expire in three years or less and (2) improvement costs are paid based on an agreement between the municipality and the development’s owner that the owner will renew the deed restrictions for at least 40 years.

EFFECTIVE DATE: October 1, 2024

Background

Affordable Housing Developments. By law, an affordable housing development under 8-30g means “assisted housing” or a “set-aside development.” The former is generally certain government-assisted housing or housing occupied by people receiving rental assistance. The latter is a development in which, for at least 40 years after initial occupancy, at least 30% of the units are deed-restricted based on specified household income limits.

Tax Increment Districts. Existing law allows municipalities, through their legislative bodies, to establish a tax increment district (generally known as a tax increment financing district) to finance economic development projects in eligible areas (CGS § 7-339cc et seq.). It requires them to adopt a district master plan and a statement of the percentage or amount of increased assessed value that will be designated as “captured assessed value” under the plan (i.e., the incremental increase in property values that is used from year to year to finance the plan’s project costs). Municipalities generally must establish a “district master plan fund” for depositing incremental tax revenues and paying project costs. They must also deposit any benefit assessments imposed on real property in the district.

§ 15 — RAP REPORTING REQUIREMENTS

Expands the information that the DOH commissioner must include in her annual reports on RAP assistance

Existing law requires the DOH commissioner, in consultation with other agency commissioners, to annually report to the Appropriations, Housing, Human Services, and Public Health committees on the number of departmental clients and, of those, the number who have received RAP assistance (see § 13 *Background — RAP*). The report must (1) detail voucher utilization under the program and (2) establish targets to ensure that its resources are allocated according to legislative intent.

The act specifies that, beginning with the annual report due by January 1, 2025, the voucher information must reflect utilization at the time of the report. It also requires that the report include the number of:

1. applicants (a) on any rental certificate (i.e., voucher) waitlist; (b) from any waitlist who received a certificate in the prior year; and (c) added to any waitlist during the prior year and
2. applications submitted when any waitlist was last open.

It must also include the date of the last opening on any waitlist.

OLR PUBLIC ACT SUMMARY

EFFECTIVE DATE: October 1, 2024

§§ 16 & 17 — NOTICE OF RENT INCREASES

Requires landlords to give residential tenants at least 45 days' written notice of proposed rent increases, or an amount of notice that equals the full length of the lease for tenants with lease terms of one month or less

The act generally prohibits rent increases for residential dwelling units from taking effect unless the landlord gives the unit's tenant written notice about the proposed increase at least 45 days before it takes effect. For leases with a term of one month or less, the advance notice must equal the full length of the lease. The act specifies that (1) a tenant's failure to respond to the notice does not mean he or she agrees to the proposed increase and (2) it does not allow landlords to increase rent during the rental agreement term or alter any notice requirements on rent increases federal law imposes.

Prior law did not require landlords to give tenants advance notice about an expected rent increase for a lease renewal, though a lease agreement may have provisions requiring one.

EFFECTIVE DATE: October 1, 2024, and applicable to rental agreements entered, renewed, or extended on or after that date.

§ 18 — HOUSING CHOICE VOUCHER PROGRAM TASK FORCE

Establishes a task force to study the federal HCV program and its implementation in the state, including any disparate impacts the program has on the development of at-risk children and youth or families

The act establishes a 12-member task force to study the federal HCV program and its implementation in the state, including any disparate impacts the program has on the development of at-risk children and youth or families.

Task force members may be General Assembly members and must include (1) the Housing Committee chairpersons and ranking members, or their designees; (2) two each appointed by the House and Senate minority leaders; and (3) one each appointed by the four other legislative leaders. The appointing authorities must make their initial task force appointments by July 6, 2024, and fill vacancies.

The act requires the House speaker and Senate minority leader to each select a task force member to serve as a chairperson. The chairpersons must schedule and hold the task force's first meeting by August 5, 2024. The Housing Committee's administrative staff serves as that of the task force.

The act requires the task force to report on its findings and recommendations by January 16, 2025, to the Housing Committee and the state's congressional delegation. The task force terminates when it submits this report or on January 16, 2025, whichever is later.

EFFECTIVE DATE: Upon passage

Background — HCV Program

OLR PUBLIC ACT SUMMARY

The HCV program is the federal government’s main program for helping very low-income families afford private market housing (42 U.S.C. § 1437f(o)). Eligible households that are issued a housing voucher must find housing that meets the program’s requirements. The Department of Housing and Urban Development funds the program and it is administered locally by public housing authorities and statewide by DOH.

§§ 19 & 20 — HOUSING ENVIRONMENTAL IMPROVEMENT LOAN AND GRANT FUND AND RETROFIT PILOT PROGRAM

Expands DEEP’s multifamily housing retrofit pilot program by, among other things, allowing (1) it to offer grants in addition to loans and (2) the department to contract with quasi-public agencies to administer the fund that finances the program; limits the amount of bond funding DEEP may use for the grants; delays the program’s implementation date by one year

Existing law requires the Department of Energy and Environmental Protection (DEEP), in collaboration with DOH, to start one or more pilot programs that provide financing for qualifying retrofit projects in multifamily homes located in environmental justice communities or alliance districts (e.g., energy efficiency projects or projects to address health concerns). This financing is funded through the Housing Environmental Improvement Revolving Loan Fund, with \$125 million in general obligation (GO) bonds authorized to capitalize the fund.

The act allows DEEP to also provide grants under the program but caps the amount of bond funds that may be used for grants at \$20 million. The act correspondingly renames the fund as the “Housing Environmental Improvement Revolving Loan and Grant Fund.” Additionally, it allows DEEP to enter into contracts with quasi-public agencies to administer the fund, in addition to nonprofits as existing law allows.

EFFECTIVE DATE: October 1, 2024, except the bond provisions (§ 20) are effective upon passage.

Implementation Date

The act delays the date DEEP must start accepting program applications, from July 1, 2024, to July 1, 2025. It also correspondingly delays:

1. DEEP’s reporting deadline to the Housing Committee from October 1, 2027, to October 1, 2028, and
2. the pilot program’s end date from September 30, 2028, to September 30, 2029.

Additionally, existing law authorizes \$125 million in GO bonds for the program (\$50 million for FY 24 and \$75 million for FY 25). The act delays the \$75 million authorization to FY 26. (PA 24-151, § 18, repeals this delay; see *Background – Related Act*.)

Eligibility

OLR PUBLIC ACT SUMMARY

Under prior law, to be eligible for pilot program financing, a dwelling unit had to be occupied by a tenant or occupied within 180 days after DEEP awarded the owner financing. Owners had to repay DEEP all the funds received under the program if this timeframe was not met. Additionally, units could not be owner-occupied. The act eliminates these conditions and instead extends eligibility to owners of residential dwelling units as defined in state law.

By law, DEEP must prioritize financing for projects benefitting current or prospective low-income residents. Under existing law, “low-income residents” are households with an income of no more than 60% of the state median income or 80% of the federally determined area median income adjusted for family size. The act expands the range of “low-income residents” to also include any other definition of this term used in state programs using federal funding, as the DEEP commissioner determines.

Background — Related Act

PA 24-151, §§ 18, 64 & 65, generally contains the same provisions. However, that act repeals the delay of the bond authorization enacted under this act.

§ 21 — VACANT LOTS

Exempts certain vacant lots in subdivisions and resubdivisions from changes to municipal zoning regulations and maps

The act exempts certain vacant lots in subdivisions and resubdivisions from changes to municipal zoning regulations and maps.

First, it exempts vacant lots shown on a subdivision or resubdivision plan (e.g., map) from changes adopted after the plan was approved or recorded if the (1) plan was recorded on or before October 1, 2024, and (2) lot’s recorded chain of title references the plan.

Second, for vacant lots shown on a subdivision or resubdivision plan that was both recorded on or before October 1, 2024, and before the respective municipality adopted zoning regulations, the act exempts these lots from changes adopted after the plan was approved or recorded if the lot conformed at any time with any applicable zoning regulations that were subsequently adopted.

Under the act, these exemptions apply regardless of the laws that:

1. prohibit (a) subdividing land until a subdivision plan has been approved by the local planning commission and (b) recording subdivision plans unless they are approved by the planning commission and
2. require that subdivisions and resubdivisions that existed on a map or plan before a municipality adopted zoning regulations be submitted for the planning commission’s approval.

The act’s exemptions are in addition to others under existing law, including one for lots in approved subdivision and resubdivision plans for residential property that exempts them from changes in zoning regulations and maps after the plans are filed and recorded in the land records. Existing law also exempts any construction on vacant lots shown in an approved subdivision or resubdivision plan from

OLR PUBLIC ACT SUMMARY

changes adopted after the plan's approval.
EFFECTIVE DATE: October 1, 2024

§ 22 — MORATORIA FROM 8-30G APPEALS PROCEDURE

Allows eligible units completed before a municipality's 8-30g moratorium began, but that were not counted toward establishing the moratorium, to be counted toward qualifying for a subsequent moratorium

The act allows eligible units completed before a municipality's 8-30g moratorium began, but that were not counted toward establishing eligibility for the moratorium, to be counted toward qualifying for a subsequent moratorium. Under existing law, eligible units completed after a municipality's moratorium begins may be counted toward qualifying for a subsequent moratorium (see §§ 10-12 *Background — Moratoria From 8-30g Appeals Procedure*).

EFFECTIVE DATE: Upon passage