



General Assembly

**Substitute Bill No. 6356**

January Session, 2019



**AN ACT CONCERNING PAYMENTS IN LIEU OF TAXES FOR STATE HOUSING AUTHORITY PROPERTIES.**

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

1 Section 1. Subsection (b) of section 8-216 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2019*):

4 (b) The state, acting [by and in the discretion of] through the  
5 Commissioner of Housing, [may] shall enter into a contract with [a]  
6 each municipality and the housing authority of the municipality or  
7 with the Connecticut Housing Finance Authority or any subsidiary  
8 created by the authority pursuant to section 8-242a or 8-244 or with a  
9 successor owner to make payments in lieu of taxes to the municipality  
10 on land and improvements owned or leased by the housing authority  
11 or the Connecticut Housing Finance Authority or successor owner  
12 under the provisions of part II of chapter 128. On and after July 1, 1997,  
13 the time period of the contract may include the remaining years of  
14 operation of the project. Such payments shall be made annually in an  
15 amount equal to the taxes that would be paid on such property were  
16 the property not exempt from taxation, and shall be calculated by  
17 multiplying the assessed value of such property, which shall be  
18 determined by the tax assessor of such municipality in the manner  
19 used by such assessor for assessing the value of other real property, by  
20 the applicable tax rate of the municipality. Such contract shall provide

21 that, in consideration of such grant-in-aid, the municipality shall waive  
22 during the period of such contract any payments by the housing  
23 authority or the Connecticut Housing Finance Authority or successor  
24 owner to the municipality under the provisions of section 8-71, as  
25 amended by this act, and shall further provide that the amount of the  
26 payments so waived shall be used by the housing authority or the  
27 Connecticut Housing Finance Authority or successor owner for a  
28 program of social and supplementary services to the occupants or shall  
29 be applied to the operating costs or reserves of the property, or shall be  
30 used to maintain or improve the physical quality of the property. As  
31 used in this subsection, a "successor owner" means an entity that owns  
32 a housing project developed pursuant to part II of chapter 128 after the  
33 revitalization of such project pursuant to a plan approved by the  
34 commissioner.

35 Sec. 2. Subsection (d) of section 8-216 of the general statutes is  
36 repealed and the following is substituted in lieu thereof (*Effective*  
37 *October 1, 2019*):

38 (d) The state, acting [by and in the discretion of] through the  
39 Commissioner of Housing, [may] shall enter into a contract with [a]  
40 each municipality to make payments in lieu of taxes to the  
41 municipality on land and improvements owned or leased by said  
42 commissioner pursuant to chapter 129. Such payments shall be made  
43 annually in an amount equal to the taxes that would be paid on such  
44 property were the property not exempt from taxation, and shall be  
45 calculated by multiplying the assessed value of such property, which  
46 shall be determined by the tax assessor of such municipality in the  
47 manner used by such assessor for assessing the value of other real  
48 property, by the applicable tax rate of the municipality. Such contract  
49 shall provide that, in consideration of such grant-in-aid the  
50 municipality shall waive any payments by the state to the municipality  
51 under the provisions of a cooperation agreement between the  
52 municipality and said commissioner.

53 Sec. 3. Section 8-71 of the general statutes is repealed and the

54 following is substituted in lieu thereof (*Effective from passage*):

55 (a) In lieu of real property taxes, special benefit assessments and  
 56 sewerage system use charges otherwise payable to such municipality,  
 57 except in such municipalities as, by special act or charter, on May 20,  
 58 1957, had a sewer use charge, an authority shall pay each year to the  
 59 municipality in which any of its moderate rental housing projects are  
 60 located a sum to be determined by the municipality, with the approval  
 61 of the Commissioner of Housing, not in excess of twelve and one-half  
 62 per cent of the shelter rent per annum for each occupied dwelling unit  
 63 in any such housing project; except that the amount of such payment  
 64 shall not be so limited in any case where funds are made available for  
 65 such payment by an agency or department of the United States  
 66 government, but no payment shall exceed the amount of taxes which  
 67 would be paid on the property were the property not exempt from  
 68 taxation.

69 (b) [For the period commencing on June 2, 2016, and ending June 30,  
 70 2019, each] Each municipality that received a grant-in-aid pursuant to  
 71 section 8-216, as amended by this act, in the fiscal year ending June 30,  
 72 2015, shall waive any payment that becomes payable [during such  
 73 period] pursuant to subsection (a) of this section during any fiscal year  
 74 in which no grant-in-aid for such amount is made, pursuant to section  
 75 8-216, as amended by this act, except that no waiver shall be required  
 76 in any case where funds are made available for such payment by an  
 77 agency or department of the United States government.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	8-216(b)
Sec. 2	<i>October 1, 2019</i>	8-216(d)
Sec. 3	<i>from passage</i>	8-71

**HSG**      *Joint Favorable Subst.*