



General Assembly

February Session, 2022

***Raised Bill No. 478***

LCO No. 4009



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

***AN ACT CONCERNING PROPERTY ASSESSMENT APPEALS AND HOMEOWNERSHIP INCENTIVE TRACTS, ESTABLISHING TAX CREDIT VOUCHER PROGRAMS TO INCENTIVIZE COMMERCIAL LEASES AND RESIDENTIAL CONVERSIONS AND AUTHORIZING THE CAPITAL REGION DEVELOPMENT AUTHORITY TO SOLICIT INVESTMENT FUNDS.***

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

1 Section 1. Section 12-117a of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2022*):

3 (a) (1) Any person, including any lessee of real property whose lease  
4 has been recorded as provided in section 47-19 and who is bound under  
5 the terms of his lease to pay real property taxes, claiming to be aggrieved  
6 by the action of the board of tax review or the board of assessment  
7 appeals, as the case may be, in any town or city may, within two months  
8 from the date of the mailing of notice of such action, make application,  
9 in the nature of an appeal therefrom [, with respect to the assessment list  
10 for the assessment year commencing October 1, 1989, October 1, 1990,  
11 October 1, 1991, October 1, 1992, October 1, 1993, October 1, 1994, or

12 October 1, 1995, and with respect to the assessment list for assessment  
13 years thereafter,] to the superior court for the judicial district in which  
14 such town or city is situated, which shall be accompanied by a citation  
15 to such town or city to appear before said court. Such citation shall be  
16 signed by the same authority and such appeal shall be returnable at the  
17 same time and served and returned in the same manner as is required  
18 in case of a summons in a civil action. The authority issuing the citation  
19 shall take from the applicant a bond or recognizance to such town or  
20 city, with surety, to prosecute the application to effect and to comply  
21 with and conform to the orders and decrees of the court in the premises.  
22 Any such application shall be a preferred case, to be heard, unless good  
23 cause appears to the contrary, at the first session, by the court or by a  
24 committee appointed by the court. The pendency of such application  
25 shall not suspend an action by such town or city to collect not more than  
26 seventy-five per cent of the tax so assessed or not more than ninety per  
27 cent of such tax with respect to any real property for which the assessed  
28 value is five hundred thousand dollars or more, and upon which such  
29 appeal is taken. If, during the pendency of such appeal, a new  
30 assessment year begins, the applicant may amend his application as to  
31 any matter therein, including an appeal for such new year, which is  
32 affected by the inception of such new year and such applicant need not  
33 appear before the board of tax review or board of assessment appeals,  
34 as the case may be, to make such amendment effective.

35 (2) If the application made under subdivision (1) of this subsection  
36 concerns the valuation of the real property that is the subject of such  
37 application, the applicant shall file with the court, not later than ninety  
38 days after making such application, an appraisal of the real property  
39 that is the subject of the application. Such appraisal shall be completed  
40 by an individual or a company licensed to perform real estate appraisals  
41 in the state. The court may extend the ninety-day period for good cause.  
42 If such application is not timely filed, the court may dismiss the  
43 application.

44 (b) The court shall have power to grant such relief as to justice and  
45 equity appertains, upon such terms and in such manner and form as

46 appear equitable, and, if the application appears to have been made  
47 without probable cause, may tax double or triple costs, as the case  
48 appears to demand; and, upon all such applications, costs may be taxed  
49 at the discretion of the court. If the assessment made by the board of tax  
50 review or board of assessment appeals, as the case may be, is reduced  
51 by said court, the applicant shall be reimbursed by the town or city for  
52 any overpayment of taxes, together with interest and any costs awarded  
53 by the court, or, at the applicant's option, shall be granted a tax credit  
54 for such overpayment, interest and any costs awarded by the court.  
55 Upon motion, said court shall, in event of such overpayment, enter  
56 judgment in favor of such applicant and against such city or town for  
57 the whole amount of such overpayment, less any lien recording fees  
58 incurred under sections 7-34a and 12-176, together with interest and any  
59 costs awarded by the court. The amount to which the assessment is so  
60 reduced shall be the assessed value of such property on the grand lists  
61 for succeeding years until the tax assessor finds that the value of the  
62 applicant's property has increased or decreased.

63 (c) No person representing an applicant in an appeal brought  
64 pursuant to subsection (a) of this section or testifying as an expert  
65 witness in such appeal may enter into a contingency fee arrangement or  
66 agreement with such applicant regarding such appeal.

67 Sec. 2. Section 12-119 of the general statutes is repealed and the  
68 following is substituted in lieu thereof (*Effective October 1, 2022*):

69 (a) When it is claimed that a tax has been laid on property not taxable  
70 in the town or city in whose tax list such property was set, or that a tax  
71 laid on property was computed on an assessment which, under all the  
72 circumstances, was manifestly excessive and could not have been  
73 arrived at except by disregarding the provisions of the statutes for  
74 determining the valuation of such property, the owner thereof or any  
75 lessee thereof whose lease has been recorded as provided in section 47-  
76 19 and who is bound under the terms of his lease to pay real property  
77 taxes, prior to the payment of such tax, may, in addition to the other  
78 remedies provided by law, make application for relief to the superior

79 court for the judicial district in which such town or city is situated. Such  
80 application may be made within one year from the date as of which the  
81 property was last evaluated for purposes of taxation and shall be served  
82 and returned in the same manner as is required in the case of a summons  
83 in a civil action, and the pendency of such application shall not suspend  
84 action upon the tax against the applicant. In all such actions, the  
85 Superior Court shall have power to grant such relief upon such terms  
86 and in such manner and form as to justice and equity appertains, and  
87 costs may be taxed at the discretion of the court. If such assessment is  
88 reduced by said court, the applicant shall be reimbursed by the town or  
89 city for any overpayment of taxes in accordance with the judgment of  
90 said court.

91 (b) No person representing an applicant in an appeal brought  
92 pursuant to subsection (a) of this section or testifying as an expert  
93 witness in such appeal may enter into a contingency fee arrangement or  
94 agreement with such applicant regarding such appeal.

95 Sec. 3. Section 12-62s of the general statutes is repealed and the  
96 following is substituted in lieu thereof (*Effective October 1, 2022*):

97 (a) For purposes of this section:

98 (1) "Owner-occupied home" means a building containing three or  
99 fewer dwelling units, one of which units is occupied as a primary  
100 residence by the owner of the building or, with respect to a common  
101 interest community, as defined in section 47-202, "owner-occupied  
102 home" means a dwelling unit occupied as a primary residence by the  
103 owner of the unit, within a common interest community containing  
104 three or fewer dwelling units; and

105 (2) "Eligible renter" means a person leasing and occupying a dwelling  
106 unit as a primary residence who graduated from a four-year college,  
107 provided such person graduated not earlier than two years prior to the  
108 date a lease is signed.

109 (b) A municipality that has adopted the property tax system under

110 section 12-62r shall institute a program to promote homeownership in  
111 certain areas of such municipality. Such program shall be applicable to  
112 two or more designated census [blocks] tracts that have owner-occupied  
113 home rates of fifteen per cent or less [,] and shall [abate property taxes  
114 for the owners of owner-occupied homes within such designated census  
115 blocks and] provide an exemption from personal income taxes for the  
116 owners of owner-occupied homes and for eligible renters within such  
117 designated census [blocks] tracts. For purposes of this subsection,  
118 ["census block"] "census tract" means [the smallest geographic unit used  
119 by the United States Census Bureau] a census tract as determined in  
120 accordance with the most recent United States census.

121 (c) A municipality required to proceed under this section shall  
122 determine which of the census [blocks] tracts within such municipality  
123 have a number of owner-occupied homes equaling fifteen per cent or  
124 less of the dwelling units in such census [block,] tract and shall  
125 designate two or more of such census [blocks] tracts as a  
126 homeownership incentive [block] tract. [The municipality shall abate  
127 one hundred per cent of the property taxes on any owner-occupied  
128 home within a homeownership incentive block.]

129 (d) The Department of Revenue Services shall exempt each owner of  
130 an owner-occupied home and each eligible renter within a  
131 homeownership incentive [block] tract from the taxes due under chapter  
132 229, other than the liability imposed by section 12-707, provided such  
133 owner and eligible renter shall continue to be eligible for the credit  
134 under section 12-704e. Such tax exemption shall be available to each  
135 eligible renter who occupies a dwelling unit within a homeownership  
136 incentive [block] tract as a primary residence. The municipality shall  
137 provide the department with any information needed by the  
138 department to allow such exemption.

139 (e) The tax [abatements and exemptions] exemption offered to  
140 owners of owner-occupied homes and eligible renters within a  
141 homeownership incentive [block] tract pursuant to this section shall  
142 continue until the number of owner-occupied homes within such

143 [block] homeownership incentive tract meets or exceeds forty-nine per  
144 cent of the dwelling units in such [block] tract. Upon reaching such  
145 percentage, the municipality shall notify such owners and eligible  
146 renters and the Department of Revenue Services, and the [abatement  
147 and exemptions] exemption allowed pursuant to this section shall phase  
148 out over a five-year period. [(1) The municipality shall charge the owner  
149 of each owner-occupied home within such block twenty per cent of the  
150 property tax otherwise owing during the first assessment year  
151 commencing after the forty-nine-per-cent goal is reached, and an  
152 additional twenty per cent each year thereafter, until the owner is liable  
153 for all property tax owed on such owner-occupied home. (2)] Owners of  
154 an owner-occupied home and eligible renters within such [block]  
155 homeownership incentive tract shall be liable for twenty per cent of the  
156 income tax otherwise due, as described in subsection (d) of this section,  
157 in the first taxable year commencing after the forty-nine-per-cent goal is  
158 reached, and shall be liable for an additional twenty per cent each year  
159 thereafter, until such owner and eligible renter is liable for all income  
160 taxes owed. The municipality shall provide the department with any  
161 information needed by the department to process such phase-out.

162 Sec. 4. (NEW) (*Effective July 1, 2022*) (a) As used in this section:

163 (1) "Distressed municipality" has the same meaning as provided in  
164 section 32-9p of the general statutes;

165 (2) "Downtown" has the same meaning as provided in section 8-  
166 169hh of the general statutes; and

167 (3) "Person" has the same meaning as provided in section 12-1 of the  
168 general statutes.

169 (b) (1) The Department of Economic and Community Development  
170 shall administer a program of tax credit vouchers within the resources,  
171 requirements and purposes of this section to incentivize new or  
172 expanded leases of commercial office space. Taxpayers may claim a  
173 credit under such program against the tax imposed under chapter 207,  
174 208, 209, 210, 211 or 212 of the general statutes in accordance with the

175 provisions of this section.

176 (2) Tax credit vouchers shall be awarded to program participants that  
177 meet the requirements set forth in subsection (d) of this section, in an  
178 amount (A) up to ten per cent of the amount of lease payments made  
179 during the annual period by the participant for the term of the lease, up  
180 to a maximum of ten years, and (B) up to ten per cent of the amount of  
181 capital improvements made during the annual period to newly leased  
182 or additionally leased commercial office space. For the purposes of this  
183 section, capital improvements include furniture, fixtures and  
184 equipment, telecommunications upgrades and improvements,  
185 cybersecurity upgrades and improvements and other improvements to  
186 commercial office space as permitted by the department.

187 (3) The department shall develop an application form for the  
188 program and shall publicize the program under this section. The  
189 department shall post the application form on the department's Internet  
190 web site, along with information about the program, including the  
191 eligibility requirements set forth in subsections (c) and (d) of this section  
192 and the information required to be submitted with the application form  
193 to substantiate that such eligibility requirements are met.

194 (c) The following requirements shall be met for an applicant to be  
195 eligible to participate in the program:

196 (1) The property or project is located within the downtown area of a  
197 distressed municipality with a population of eighty thousand or more;

198 (2) The lease is (A) (i) a new lease for commercial office space  
199 previously unoccupied by the applicant, or (ii) a lease that expands the  
200 applicant's existing leased commercial office space, (B) for new or  
201 additional commercial office space of ten thousand square feet or more,  
202 and (C) for a minimum of three years. Subleases shall not be eligible for  
203 the program; and

204 (3) The applicant is (A) already located in the same municipality as  
205 the new or additional commercial office space for which a lease will be

206 signed, (B) locating in the state from out-of-state, or (C) located in  
207 another municipality of the state and presents to the department a letter  
208 from the chief executive officer or chief economic development official  
209 of such municipality supporting the applicant's move or expansion to a  
210 new or an additional commercial office space.

211 (d) (1) To be eligible to claim a tax credit voucher under this section,  
212 a program participant shall demonstrate:

213 (A) (i) If a new business, the investment into the business of at least  
214 two million five hundred thousand dollars for the annual period, or (ii)  
215 if an existing business, increased investment of at least one hundred per  
216 cent of the expenditures made for real property and capital  
217 improvements during the previous annual period; and

218 (B) That the participant (i) has hired at least ten new full-time  
219 employees over the number of full-time employees employed by the  
220 participant at the time of signing the lease, or (ii) shows an employment  
221 increase of at least ten per cent over the preceding twelve-month  
222 employment average.

223 (2) (A) The provisions of subparagraph (B) of subdivision (1) of this  
224 subsection shall not apply to a program participant for the first year  
225 following the signing of the lease and shall not be grounds for the  
226 Department of Economic and Community Development to deny a tax  
227 credit voucher for such first year.

228 (B) If a program participant does not meet the requirements of  
229 subparagraph (B) of subdivision (1) of this subsection in any given year  
230 other than such first year, the department shall reduce proportionately  
231 the amount of the tax credit voucher for which such participant would  
232 otherwise be eligible.

233 (e) (1) Any person that meets the requirements of subsection (c) of  
234 this section may apply to the Department of Economic and Community  
235 Development for participation in the program established under this  
236 section. The department shall notify each applicant accepted for



237 participation and each participant shall apply annually for a tax credit  
238 voucher.

239 (2) Not later than ninety days after the annual period, a program  
240 participant may apply to the department for a tax credit voucher and  
241 shall provide such information as the commissioner may require  
242 pertaining to the amount of such participant's lease payments for the  
243 annual period, capital improvement expenditures made during the  
244 annual period and employment levels for the annual period. If the  
245 commissioner determines that such participant is eligible to be issued a  
246 tax credit voucher, the department shall enter on the voucher the  
247 amount of the payments and expenditures that have been established to  
248 the commissioner's satisfaction and the amount of the credit allowed  
249 under this section.

250 (3) Any program participant that submits information to the  
251 department that such participant knows to be fraudulent or false shall,  
252 in addition to any other penalties provided by law, be liable for a  
253 penalty equal to the amount of such participant's credit entered on the  
254 tax credit voucher under this section.

255 (f) The Commissioner of Economic and Community Development  
256 may adopt regulations, in accordance with the provisions of chapter 54  
257 of the general statutes, to implement the provisions of subsections (b) to  
258 (e), inclusive, of this section.

259 (g) The Commissioner of Revenue Services shall grant a credit to a  
260 taxpayer holding the tax voucher issued under the provisions of this  
261 section against the tax due under chapter 207, 208, 209, 210, 211 or 212  
262 of the general statutes, provided such taxpayer has filed such voucher  
263 with the holder's state tax return.

264 (h) On or before January 1, 2024, and annually thereafter, the  
265 Department of Economic and Community Development shall submit a  
266 report, in accordance with the provisions of section 11-4a of the general  
267 statutes, to the joint standing committees of the General Assembly  
268 having cognizance of matters relating to commerce, planning and

269 development and finance, revenue and bonding. Such report shall  
270 include, but not be limited to, the total number of program participants,  
271 a summary of the locations of the property or project for which  
272 applications were received and for which participants were accepted, a  
273 summary of the employment levels of program participants, the amount  
274 of each tax credit voucher allowed under this section for the previous  
275 fiscal year and the aggregate amount of all tax credit vouchers allowed  
276 under this section for the previous fiscal year.

277 Sec. 5. (NEW) (*Effective July 1, 2022*) (a) As used in this section:

278 (1) "Affordable housing" has the same meaning as provided in section  
279 8-39a of the general statutes;

280 (2) "Downtown" has the same meaning as provided in section 8-  
281 169hh of the general statutes;

282 (3) "Owner" means any individual, partnership, limited liability  
283 company, corporation or other business entity or municipality that  
284 possesses title to a commercial office building;

285 (4) "Person" has the same meaning as provided in section 12-1 of the  
286 general statutes;

287 (5) "Placed in service" means the completion of substantial  
288 rehabilitation or renovation work that would allow for occupancy of the  
289 entire building or an identifiable portion of the building;

290 (6) "Project" means the rehabilitation or renovation of a commercial  
291 office building, or of units and spaces in such building, that is located  
292 within a downtown area of a distressed municipality, as defined in  
293 section 32-9p of the general statutes, and such rehabilitation or  
294 renovation is for the conversion of such commercial office building or  
295 units to a residential or mixed-use building or residential units;

296 (7) "Qualified expenditure" means any costs incurred for the physical  
297 construction of a project, excluding (A) the owner's personal labor, (B)  
298 the cost of a new addition, except as required to comply with any

299 provision of the State Building Code or the State Fire Safety Code, and  
300 (C) any nonconstruction costs such as architectural fees, legal fees or  
301 financing fees; and

302 (8) "Substantial rehabilitation or renovation" or "substantially  
303 rehabilitated or renovated" means the qualified expenditures of a  
304 project that exceed twenty-five per cent of the assessed value of the  
305 commercial office building that is the subject of such project.

306 (b) (1) The Department of Economic and Community Development  
307 shall administer a program of tax credit vouchers within the resources,  
308 requirements and purposes of this section for owners undertaking a  
309 project under this section. The commissioner may charge any owner  
310 seeking a tax credit voucher under this section an application fee not to  
311 exceed ten thousand dollars to cover the cost of administering the  
312 program.

313 (2) Prior to beginning any rehabilitation or renovation work for a  
314 project under this section, any owner seeking a credit pursuant to this  
315 section shall submit to the Commissioner of Economic and Community  
316 Development (A) certification that the commercial building that is the  
317 subject of the project has been vacant or underutilized for a period of at  
318 least six consecutive months since March 15, 2020, and any additional  
319 information required by the commissioner to substantiate such  
320 certification, (B) a plan of the rehabilitation or renovation work to be  
321 undertaken for such project, (C) if such work is to be undertaken in  
322 phases, a complete description with anticipated schedules for  
323 completion of each such phase, and (D) for a project that includes  
324 affordable housing units as set forth in subparagraph (C) of subdivision  
325 (3) of this subsection, (i) the number of units of affordable housing to be  
326 created, (ii) the proposed rents or sales prices of such units, and (iii) the  
327 median income for the municipality where the project is located. For a  
328 project under subparagraph (D) of this subdivision, the owner shall  
329 submit a copy of the data required under said subparagraph to the  
330 Commissioner of Housing and said commissioner shall, upon  
331 confirming that the project complies with the definition of affordable

332 housing under section 8-39a of the general statutes, issue a certificate to  
333 the owner of such confirmation.

334 (3) Upon the satisfaction of the Commissioner of Economic and  
335 Community Development that the project is eligible for a tax credit  
336 voucher under this section, the commissioner shall reserve for the  
337 benefit of the owner an allocation of a credit equal to (A) twenty-five per  
338 cent of the qualified expenditures, (B) thirty per cent of the qualified  
339 expenditures if the project is located in a federally designated  
340 opportunity zone, or (C) thirty per cent of the qualified expenditures if  
341 (i) at least twenty per cent of the residential units are rental units that  
342 qualify as affordable housing, or (ii) at least ten per cent of the  
343 residential units are individual homeownership units that qualify as  
344 affordable housing. The commissioner shall not allocate any credit  
345 pursuant to subparagraph (C) of this subdivision unless the  
346 Commissioner of Housing has issued a certificate to the owner of the  
347 project pursuant to subdivision (2) of this subsection.

348 (4) Following the completion of a project in its entirety or in phases  
349 to an identifiable portion of the building, any owner who seeks a tax  
350 credit voucher under this subsection shall notify the Commissioner of  
351 Economic and Community Development that the rehabilitation or  
352 renovation is complete. Such owner shall provide the commissioner  
353 with documentation of the work performed on the building and shall  
354 submit certification of the qualified expenditures incurred for such  
355 project. The commissioner shall review the work performed and verify  
356 its compliance with the plan of rehabilitation or renovation work  
357 submitted to the commissioner under subdivision (2) of this subsection.  
358 Following such verification, the commissioner shall issue a tax credit  
359 voucher to the owner or to the taxpayer named by such owner as  
360 contributing to the rehabilitation or renovation. The tax credit voucher  
361 shall be in an amount equal to the lesser of the credit allocated under the  
362 provisions of subdivision (3) of subsection (b) of this section or (A)  
363 twenty-five per cent of the actual qualified expenditures, or (B) for a  
364 project that includes affordable housing units as set forth in  
365 subparagraph (C) of subdivision (3) of this subsection, thirty per cent of

366 the actual qualified expenditures. To claim a credit against a tax set forth  
367 in subsection (c) of this section, the holder of the tax credit voucher shall  
368 file such voucher with the holder's state tax return.

369 (5) (A) The credit authorized under this subsection shall be available  
370 for the tax year in which the substantially rehabilitated or renovated  
371 building is placed in service. Any credit not used by the taxpayer for the  
372 year in which a substantially rehabilitated or renovated building is  
373 placed in service may be carried forward for the five immediately  
374 succeeding five years or until the full credit is used, whichever occurs  
375 first.

376 (B) In the case of a project completed in phases, the credit shall be  
377 prorated to the substantially rehabilitated or renovated identifiable  
378 portion of the building that is placed in service and the department may  
379 issue vouchers for such portion of the building.

380 (6) If a credit is allowed under this section for a building with  
381 multiple owners, such credit shall be passed through to such owners, or  
382 persons designated as partners or members of such owners, pro rata or  
383 pursuant to an agreement among such owners or persons that  
384 documents an alternative distribution method without regard to other  
385 tax or economic attributes of such owners or persons.

386 (7) Any owner allowed a credit under this subsection may sell, assign  
387 or otherwise transfer such credit, in whole or in part, to one or more  
388 persons, provided such credit may not be sold, assigned or otherwise  
389 transferred more than three times. Whenever such credit is sold,  
390 assigned or otherwise transferred, the transferor and transferee shall  
391 jointly submit written notification of such sale, assignment or transfer to  
392 the Department of Economic and Community Development not later  
393 than thirty days after such sale, assignment or transfer. Such notification  
394 shall include the tax credit voucher number, the date of transfer, the  
395 amount of such credit transferred, the credit balance before and after the  
396 transfer, the tax identification numbers for the transferor and the  
397 transferee and any other information required by the department.

398 Failure to comply with the provisions of this subdivision shall result in  
399 a disallowance of the credit until there is full compliance on the part of  
400 the transferor and transferee and, for a second or third transfer, on the  
401 part of all subsequent transferors and transferees.

402 (8) (A) The aggregate amount of credits that may be reserved by the  
403 Commissioner of Economic and Community Development under this  
404 subsection shall not exceed sixty million dollars in any fiscal year. No  
405 project may receive a credit in an amount exceeding nine million dollars.

406 (B) The Commissioner of Economic and Community Development  
407 shall provide a list annually to the Commissioner of Revenue Services  
408 that details the credits that have been approved for the most recent fiscal  
409 year and all sales, assignments and transfers thereof that were made  
410 under this subsection for such year.

411 (9) The Commissioner of Economic and Community Development  
412 may adopt regulations, in accordance with the provisions of chapter 54  
413 of the general statutes, to carry out the purposes of this section,  
414 including provisions for the filing of applications, the criteria for  
415 evaluating applications and the timely approval of applications by the  
416 Department of Economic and Community Development. Any criteria  
417 for evaluating applications shall give priority to applications for projects  
418 located in federally designated opportunity zones.

419 (c) The Commissioner of Revenue Services shall grant a credit to a  
420 taxpayer holding the tax voucher issued under the provisions of  
421 subsection (b) of this section against the tax due under chapter 207, 208,  
422 209, 210, 211 or 212 of the general statutes, provided such taxpayer has  
423 filed such voucher with the holder's state tax return.

424 (d) On or before July 1, 2023, and annually thereafter, the Department  
425 of Economic and Community Development shall submit a report, in  
426 accordance with the provisions of section 11-4a of the general statutes,  
427 to the joint standing committees of the General Assembly having  
428 cognizance of matters relating to commerce, planning and development  
429 and finance, revenue and bonding. Such report shall include the total

430 amount of credits reserved pursuant to subdivision (3) of subsection (b)  
431 of this section for the previous fiscal year and the following information  
432 for each project for which a credit has been reserved: (1) The total project  
433 costs; (2) the amount of the credit reserved pursuant to subdivision (3)  
434 of subsection (b) of this section; (3) a statement whether the project is for  
435 a conversion to a mixed-use building and if so, the proportion of the  
436 project that is not residential; (4) the number of residential units to be  
437 created; and (5) if applicable, the percentage of residential units that  
438 qualify as affordable housing.

439 Sec. 6. Section 32-602 of the general statutes is repealed and the  
440 following is substituted in lieu thereof (*Effective October 1, 2022*):

441 (a) The purpose of the Capital Region Development Authority shall  
442 be:

443 (1) [to] To stimulate new investment within the capital region and  
444 provide support for multicultural destinations and the creation of a  
445 vibrant multidimensional downtown;

446 (2) [to] To work with the Department of Economic and Community  
447 Development to attract through a coordinated sales and marketing  
448 effort with the state's major sports, convention and exhibition venues  
449 large conventions, trade shows, exhibitions, conferences, consumer  
450 shows and events;

451 (3) [to] To encourage residential housing development;

452 (4) [to] To operate, maintain and market the convention center;

453 (5) [to] To stimulate family-oriented tourism, art, culture, history,  
454 education and entertainment through cooperation and coordination  
455 with city and regional organizations;

456 (6) [to] To manage facilities through contractual agreement or other  
457 legal instrument;

458 (7) [to] To stimulate economic development in the capital region;

459 (8) [upon] Upon request from the legislative body of a city or town  
460 within the capital region, to work with such city or town to assist in the  
461 development and redevelopment efforts to stimulate the economy of the  
462 region and increase tourism;

463 (9) [upon] Upon request of the Secretary of the Office of Policy and  
464 Management, to enter into an agreement for funding to facilitate the  
465 relocation of state offices within the capital city economic development  
466 district;

467 (10) [in] In addition to the authority set forth in subdivision (9) of  
468 section 32-600, as amended by this act, to develop and redevelop  
469 property within the town and city of Hartford; and

470 (11) [to] To market and develop the capital city economic  
471 development district as a multicultural destination and create a vibrant,  
472 multidimensional downtown.

473 (b) For these purposes, the authority shall have the following powers:

474 (1) To have perpetual succession as a body corporate and to adopt  
475 procedures for the regulation of its affairs and the conduct of its business  
476 as provided in subsection (f) of section 32-601, to adopt a corporate seal  
477 and alter the same at its pleasure, and to maintain an office at such place  
478 or places within the city of Hartford as it may designate;

479 (2) [to] To sue and be sued, to contract and be contracted with;

480 (3) [to] To employ such assistants, agents and other employees as may  
481 be necessary or desirable to carry out its purposes, which employees  
482 shall be exempt from the classified service and shall not be employees,  
483 as defined in subsection (b) of section 5-270, to fix their compensation,  
484 to establish and modify personnel procedures as may be necessary from  
485 time to time and to negotiate and enter into collective bargaining  
486 agreements with labor unions;

487 (4) [to] To acquire, lease, hold and dispose of personal property for  
488 the purposes set forth in this section;



489 (5) [to] To procure insurance against any liability or loss in connection  
490 with its property and other assets, in such amounts and from such  
491 insurers as it deems desirable and to procure insurance for employees;

492 (6) [to] To invest any funds not needed for immediate use or  
493 disbursement in obligations issued or guaranteed by the United States  
494 of America or the state of Connecticut, including the Short Term  
495 Investment Fund, and the Tax-Exempt Proceeds Fund, and in other  
496 obligations which are legal investments for savings banks in this state  
497 and in time deposits or certificates of deposit or other similar banking  
498 arrangements secured in such manner as the authority determines;

499 (7) [notwithstanding] Notwithstanding any other provision of the  
500 general statutes, upon request of the Secretary of the Office of Policy and  
501 Management, to enter into an agreement for funding to facilitate the  
502 relocation of state offices within the capital city economic development  
503 district;

504 (8) [to] To enter into such memoranda of understanding as the  
505 authority deems appropriate to carry out its responsibilities under this  
506 chapter; and

507 (9) [to] To do all acts and things necessary or convenient to carry out  
508 the purposes of and the powers expressly granted by this section.

509 (c) In addition to the powers enumerated in subsections (b) and (d) of  
510 this section, with respect to the convention center project and the  
511 convention center facilities, the authority shall have the following  
512 powers:

513 (1) To acquire, by gift, purchase, condemnation, lease or transfer,  
514 lands or rights-in-land in connection with the convention center  
515 facilities, the convention center hotel, the other on-site related private  
516 development or related infrastructure improvements and to sell and  
517 lease or sublease, as lessor or lessee or sublessor or sublessee, any  
518 portion of its real property rights, including air space above or areas  
519 below the convention center facilities or the convention center hotel, and

520 enter into related common area maintenance, easement, access, support  
521 and similar agreements, and own and operate the convention center  
522 facilities, provided that such activity is consistent with all applicable  
523 federal tax covenants of the authority, transfer or dispose of any  
524 property or interest therein acquired by it, at any time and to receive  
525 and accept aid or contributions, from any source, of money, labor,  
526 property or other things of value, to be held, used and applied to carry  
527 out the purposes of this section, subject to the conditions upon which  
528 such grants and contributions are made, including, but not limited to,  
529 gifts or grants from any department, agency or instrumentality of the  
530 United States or this state for any purpose consistent with this section;

531 (2) [to] To condemn properties which may be necessary or desirable  
532 to effectuate the purposes of the authority with respect to the convention  
533 center project and the convention center hotel to be exercised in  
534 accordance with the provisions of part I of chapter 835;

535 (3) [to] To formulate plans for, acquire, finance and develop, lease,  
536 purchase, construct, reconstruct, repair, improve, expand, extend,  
537 operate, maintain and market the convention center facilities, provided  
538 such activities are consistent with all applicable federal tax covenants of  
539 the authority and provided further that the authority shall retain control  
540 over naming rights with respect to the convention center, that any sale  
541 of such naming rights shall require the approval of the secretary and  
542 that the proceeds of any such sale of naming rights, to the extent not  
543 required for start-up or current operating expenses of the convention  
544 center, shall be used by the authority exclusively for the purpose of  
545 operating or capital replacement reserves for the convention center;

546 (4) [to] To contract and be contracted with provided, if management,  
547 operating or promotional contracts or agreements or other contracts or  
548 agreements are entered into with nongovernmental parties with respect  
549 to property financed with the proceeds of obligations the interest on  
550 which is excluded from gross income for federal income taxation, the  
551 board of directors shall ensure that such contracts or agreements are in  
552 compliance with the covenants of the authority upon which such tax

553 exclusion is conditioned;

554 (5) [to] To enter into arrangements or contracts to either purchase or  
555 lease, on a fully completed turn key basis, the convention center, and  
556 arrangements with the secretary regarding the development, ownership  
557 and operation by the authority of the related parking facilities, and to  
558 enter into a contract or contracts with an entity, or entities, for operation  
559 and management thereof and, for purposes of section 31-57f relating to  
560 standard wage rates for certain service workers, any such contract for  
561 operation and management of the convention center shall be deemed to  
562 be a contract with the state;

563 (6) [to] To fix and revise, from time to time, and to charge and collect  
564 fees, rents and other charges for the use, occupancy or operation of such  
565 projects, and to establish and revise from time to time, procedures  
566 concerning the use, operation and occupancy of the convention center  
567 facilities, including parking rates, rules and procedures, provided such  
568 arrangements are consistent with all applicable federal tax covenants of  
569 the authority, and to utilize net revenues received by the authority from  
570 the operation of the convention center facilities, after allowance for  
571 operating expenses and other charges related to the ownership,  
572 operation or financing thereof, for other proper purposes of the  
573 authority, including, but not limited to, funding of operating  
574 deficiencies or operating or capital replacement reserves for either the  
575 convention center or the related parking facilities as determined to be  
576 appropriate by the authority;

577 (7) [to] To engage architects, engineers, attorneys, accountants,  
578 consultants and such other independent professionals as may be  
579 necessary or desirable to carry out its purposes; to contract for  
580 construction, development, concessions and the procurement of goods  
581 and services and to establish and modify procurement procedures from  
582 time to time to implement the foregoing in accordance with the  
583 provisions of section 32-603;

584 (8) [to] To adopt procedures (A) which shall require that contractors

585 or subcontractors engaged in the convention center project and the  
586 construction of the convention center hotel take affirmative action to  
587 provide equal opportunity for employment without discrimination as  
588 to race, creed, color, national origin or ancestry or gender, (B) to ensure  
589 that the wages paid on an hourly basis to any mechanic, laborer or  
590 workman employed by such contractor or subcontractor with respect to  
591 the convention center project or the construction of the convention  
592 center hotel shall be at a rate customary or prevailing for the same work  
593 in the same trade or occupation in the town and city of Hartford, unless  
594 otherwise established pursuant to a project labor agreement, and (C)  
595 which shall require the prime construction contractors for the  
596 convention center project and for the convention center hotel, and the  
597 principal facility managers of the convention center facilities and the  
598 convention center hotel to make reasonable efforts to hire or cause to be  
599 hired available and qualified residents of the city of Hartford and  
600 available and qualified members of minorities, as defined in section 32-  
601 9n, for construction and operation jobs at the convention center facilities  
602 and the convention center hotel at all levels of construction and  
603 operation;

604 (9) [to] To enter into a development agreement with the developer of  
605 the convention center hotel, which agreement shall prohibit any  
606 voluntary sale, transfer or other assignment of the interests of such  
607 developer, or any affiliate thereof, in the convention center hotel,  
608 including the rights under any ground lease, air rights or similar  
609 agreement with the state or the authority, for a minimum period of five  
610 years from the completion thereof except with the prior written consent  
611 of the authority given or withheld in its sole discretion, and thereafter  
612 except to a party which, in the reasonable judgment of the authority, is  
613 financially responsible and experienced in the ownership and operation  
614 of first class hotel properties in similar locations;

615 (10) [to] To borrow money and to issue bonds, notes and other  
616 obligations of the authority to the extent permitted under section 32-607,  
617 to fund and refund the same and to provide for the rights of the holders  
618 thereof and to secure the same by pledge of assets, revenues, notes and

619 state contract assistance as provided in section 32-608;

620 (11) ~~[to]~~ To do anything necessary and desirable, including executing  
621 reimbursement agreements or similar agreements in connection with  
622 credit facilities, including, but not limited to, letters of credit or policies  
623 of bond insurance, remarketing agreements and agreements for the  
624 purpose of moderating interest rate fluctuations, to render any bonds to  
625 be issued pursuant to section 32-607 more marketable; and

626 (12) ~~[to]~~ To engage in and contract for marketing and promotional  
627 activities to attract national, regional and local conventions, sports  
628 events, trade shows, exhibitions, banquets and other events to maximize  
629 the use of the convention center facilities.

630 (d) In addition to the powers enumerated in subsections (b) and (c) of  
631 this section, with respect to capital city projects, the authority shall have  
632 the following powers:

633 (1) To acquire, by gift, purchase, condemnation, lease or transfer,  
634 lands or rights-in-land and to sell and lease or sublease, as lessor or  
635 lessee or sublessor or sublessee, any portion of its real property rights,  
636 including air space above and enter into related common area  
637 maintenance, easement, access, support and similar agreements, and  
638 own and operate facilities, provided such activity is consistent with all  
639 applicable federal tax covenants of the authority, transfer or dispose of  
640 any property or interest therein acquired by it, at any time and to receive  
641 and accept aid or contributions, from any source, of money, labor,  
642 property or other thing of value, to be held, used and applied to carry  
643 out the purposes of this section, subject to the conditions upon which  
644 such grants and contributions are made, including, but not limited to,  
645 gifts or grants from any department, agency or instrumentality of the  
646 United States or this state for any purpose consistent with this section;

647 (2) ~~[in]~~ In consultation with the chief elected official of the town and  
648 city of Hartford, to condemn properties which may be necessary or  
649 desirable to effectuate the purposes of the authority to be exercised in  
650 accordance with the provisions of part I of chapter 835;

651 (3) [to] To formulate plans for, acquire, finance and develop, lease,  
652 purchase, construct, reconstruct, repair, improve, expand, extend,  
653 operate, maintain and market facilities, provided such activities are  
654 consistent with all applicable federal tax covenants of the authority;

655 (4) [to] To contract and be contracted with provided, if management,  
656 operating or promotional contracts or agreements or other contracts or  
657 agreements are entered into with nongovernmental parties with respect  
658 to property financed with the proceeds of obligations the interest on  
659 which is excluded from gross income for federal income taxation, the  
660 board of directors shall ensure that such contracts or agreements are in  
661 compliance with the covenants of the authority upon which such tax  
662 exclusion is conditioned;

663 (5) [to] To fix and revise, from time to time, and to charge and collect  
664 fees, rents and other charges for the use, occupancy or operation of such  
665 projects, and to establish and revise from time to time, procedures  
666 concerning the use, operation and occupancy of such facilities,  
667 including parking rates, rules and procedures, provided such  
668 arrangements are consistent with all applicable federal tax covenants of  
669 the authority, and to utilize net revenues received by the authority from  
670 the operation of such facilities, after allowance for operating expenses  
671 and other charges related to the ownership, operation or financing  
672 thereof, for other proper purposes of the authority, including, but not  
673 limited to, funding of operating deficiencies or operating or capital  
674 replacement reserves for either such facilities and related parking  
675 facilities as determined to be appropriate by the authority;

676 (6) [to] To engage architects, engineers, attorneys, accountants,  
677 consultants and such other independent professionals as may be  
678 necessary or desirable to carry out its purposes;

679 (7) [to] To contract for construction, development, concessions and  
680 the procurement of goods and services and to establish and modify  
681 procurement procedures, from time to time, to implement the foregoing  
682 in accordance with the provisions of section 32-603;

683 (8) [to] To borrow money and to issue bonds, notes and other  
684 obligations of the authority to the extent permitted under section 32-607,  
685 to fund and refund the same and to provide for the rights of the holders  
686 thereof and to secure the same by pledge of assets, revenues, notes and  
687 state contract assistance, as provided in section 32-608;

688 (9) [to] To do anything necessary and desirable, including executing  
689 reimbursement agreements or similar agreements in connection with  
690 credit facilities, including, but not limited to, letters of credit or policies  
691 of bond insurance, remarketing agreements and agreements for the  
692 purpose of moderating interest rate fluctuations, to render any bonds to  
693 be issued pursuant to section 32-607 more marketable; and

694 (10) [to] To engage in and contract for marketing and promotional  
695 activities to attract national, regional and local conventions, sporting  
696 events, trade shows, exhibitions, banquets and other events to maximize  
697 the use of exhibition, sporting and entertainment facilities under the  
698 operation or jurisdiction of the authority.

699 (e) (1) The authority may solicit investment funds from corporations  
700 and other business entities for a capital city project or any other project  
701 undertaken by the authority. Any such investment shall be made on  
702 equivalent or substantially similar terms and conditions, as determined  
703 by the board of directors of the authority, as the investment made or to  
704 be made by the authority for such project. The board of directors may  
705 provide that funds invested by a corporation or other business entity  
706 pursuant to this subdivision shall take repayment priority over funds  
707 invested by the authority.

708 (2) No corporation or other business entity shall be prohibited from  
709 investing funds pursuant to this subdivision for any such project by  
710 virtue of the fact that a member of the board of directors of the authority  
711 is an officer, director, shareholder or employee of such corporation or  
712 business entity, provided such member of the board shall abstain from  
713 deliberation, action or vote by the authority in specific request to such  
714 corporation or business entity.

715        [(e)] (f) The authority shall have the power to negotiate, and, with the  
716 approval of the Secretary of the Office of Policy and Management, to  
717 enter into an agreement with any private developer, owner or lessee of  
718 any building or improvement located on land in a private development  
719 district, as defined in section 32-600, as amended by this act, providing  
720 for payments to the authority in lieu of real property taxes. Such an  
721 agreement shall be made a condition of any private right of  
722 development within the private development district, and shall include  
723 a requirement that such private developer, owner or lessee make good-  
724 faith efforts to hire, or cause to be hired, available and qualified minority  
725 business enterprises, as defined in section 4a-60g, to provide  
726 construction services and materials for improvements to be constructed  
727 within the private development district in an effort to achieve a minority  
728 business enterprise utilization goal of ten per cent of the total costs of  
729 construction services and materials for such improvements. Such  
730 payments to the authority in lieu of real property taxes shall have the  
731 same lien and priority, and may be enforced by the authority in the same  
732 manner, as provided for municipal real property taxes. Such payments  
733 as received by the authority shall be used to carry out the purposes of  
734 the authority set forth in subsection (a) of this section.

735        [(f)] (g) The authority and the Commissioner of Economic and  
736 Community Development may enter into a memorandum of  
737 understanding pursuant to which: (1) Administrative support and  
738 services, including all staff support, necessary for the operations of the  
739 authority may be provided by the Department of Economic and  
740 Community Development, (2) the Department of Economic and  
741 Community Development is authorized to administer contracts and  
742 accounts of the authority, and (3) provision is made for the coordination  
743 of management and operational activities at the convention center,  
744 sport, exhibition or coliseum facilities and the stadium facility, that may  
745 include: (A) Provision for joint procurement and contracting, (B) the  
746 sharing of services and resources, (C) the coordination of promotional  
747 and booking activities, and (D) other arrangements designed to enhance  
748 facility utilization and revenues, reduce operating costs or achieve



749 operating efficiencies. The terms and conditions of such memorandum  
750 of understanding, including provisions with respect to the  
751 reimbursement by the authority to the Department of Economic and  
752 Community Development of the costs of such administrative support  
753 and services, shall be as the authority and the Commissioner of  
754 Economic and Community Development determine to be appropriate.

755       [(g)] (h) (1) No ordinance, law or regulation adopted by, or granting  
756 authority to, any municipality shall apply to the demolition,  
757 construction, repair, improvement, expansion or extension of the civic  
758 center and coliseum complex if undertaken by the state or a public  
759 instrumentality thereof, including the authority. Notwithstanding any  
760 provision of the general statutes, the State Building Inspector and the  
761 State Fire Marshal shall have original jurisdiction with respect to the  
762 civic center and coliseum complex, including, but not limited to, the  
763 conduct of necessary reviews and inspections, and the issuance of any  
764 building permit, certificate of occupancy or other necessary permits or  
765 certificates related to building construction, occupancy or fire safety.

766       (2) For purposes of state insurance or self-insurance, while owned,  
767 leased or operated by the authority, the civic center and coliseum  
768 complex shall be deemed to be state-owned property and the state  
769 insurance and risk management board shall be authorized to determine,  
770 purchase or otherwise arrange for such insurance or self-insurance with  
771 respect to the civic center and coliseum complex, as provided in section  
772 4a-20 with respect to state-owned property.

773       (3) The authority shall be authorized to purchase utility services at  
774 and for the civic center and coliseum complex at rates otherwise  
775 available to the state with respect to state-owned facilities.

776       Sec. 7. Subdivision (9) of section 32-600 of the 2022 supplement to the  
777 general statutes is repealed and the following is substituted in lieu  
778 thereof (*Effective October 1, 2022*):

779       (9) "Private development district" means any land on the Adriaen's  
780 Landing site that is designated jointly by the Secretary of the Office of

781 Policy and Management and the authority as available for the purpose  
 782 of on-site related private development and in need of inducement for  
 783 private development and operation. Only land on which construction of  
 784 a building or improvement is to commence on or after July 1, 2008, shall  
 785 be so designated. Any land so designated shall remain part of the  
 786 private development district during the term, including any extensions,  
 787 of any agreement providing for payments to the authority in lieu of real  
 788 property taxes entered into pursuant to subsection [(e)] (f) of section 32-  
 789 602, as amended by this act, and thereafter, until the Secretary of the  
 790 Office of Policy and Management and the authority certify that such  
 791 designation is no longer a needed inducement to private development  
 792 and operation. As used in this subdivision, "land" includes an easement  
 793 to use air space, whether or not contiguous to the surface of the ground.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2022</i>	12-117a
Sec. 2	<i>October 1, 2022</i>	12-119
Sec. 3	<i>October 1, 2022</i>	12-62s
Sec. 4	<i>July 1, 2022</i>	New section
Sec. 5	<i>July 1, 2022</i>	New section
Sec. 6	<i>October 1, 2022</i>	32-602
Sec. 7	<i>October 1, 2022</i>	32-600(9)

**Statement of Purpose:**

To (1) require the filing of an appraisal for certain property assessment appeals and prohibit contingency fee agreements for assessment appeals, (2) enlarge the eligible area for a homeownership incentive program and revise the provisions of such program, (3) establish a tax credit voucher program to incentivize new or expanded leases of commercial office space, (4) establish a tax credit voucher program for the conversion of certain commercial office buildings to mixed-use or residential buildings, and (5) authorize the Capital Region Development Authority to solicit investment funds.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*