



General Assembly

Substitute Bill No. 478

February Session, 2022



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 Section 12-117a of the general statutes is repealed and the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 appraisal 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) For any appeal brought pursuant to subsection (a) of this section
64 in which the assessed value of the real property that is the subject of
65 such appeal is seven hundred thousand dollars or less, no person
66 representing an applicant in such appeal or testifying as an expert
67 witness in such appeal may enter into a contingency fee arrangement or
68 agreement with such applicant regarding such appeal.

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 Section 12-119 of the general statutes is repealed and the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

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

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

93 (b) For any appeal brought pursuant to subsection (a) of this section
94 in which the assessed value of the real property that is the subject of
95 such appeal is seven hundred thousand dollars or less, no person
96 representing an applicant in such appeal or testifying as an expert
97 witness in such appeal may enter into a contingency fee arrangement or
98 agreement with such applicant regarding such appeal.

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

101 (a) For purposes of this section:

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

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

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

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

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

143 (e) The tax [abatements and exemptions] exemption offered to
144 owners of owner-occupied homes and eligible renters within a
145 homeownership incentive [block] tract pursuant to this section shall

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

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

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

169 (2) "Downtown" has the same meaning as provided in section 8-
170 169hh of the general statutes; and

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

173 (b) (1) The Department of Economic and Community Development
174 shall administer a program of tax credit vouchers within the resources,
175 requirements and purposes of this section to incentivize new or
176 expanded leases of commercial office space. Taxpayers may claim a

177 credit under such program against the tax imposed under chapter 207,
178 208, 209, 210, 211 or 212 of the general statutes in accordance with the
179 provisions of this section.

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

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

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

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

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

208 (3) The applicant is (A) already located in the same municipality as
209 the new or additional commercial office space for which a lease will be
210 signed, (B) locating in the state from out-of-state, or (C) located in
211 another municipality of the state and presents to the department a letter
212 from the chief executive officer or chief economic development official
213 of such municipality supporting the applicant's move or expansion to a
214 new or an additional commercial office space.

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

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

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

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

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

237 (e) (1) Any person that meets the requirements of subsection (c) of
238 this section may apply to the Department of Economic and Community

239 Development for participation in the program established under this
240 section. The department shall notify each applicant accepted for
241 participation and each participant shall apply annually for a tax credit
242 voucher.

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

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

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

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

268 (h) On or before January 1, 2024, and annually thereafter, the
269 Department of Economic and Community Development shall submit a

270 report, in accordance with the provisions of section 11-4a of the general
271 statutes, to the joint standing committees of the General Assembly
272 having cognizance of matters relating to commerce, planning and
273 development and finance, revenue and bonding. Such report shall
274 include, but not be limited to, the total number of program participants,
275 a summary of the locations of the property or project for which
276 applications were received and for which participants were accepted, a
277 summary of the employment levels of program participants, the amount
278 of each tax credit voucher allowed under this section for the previous
279 fiscal year and the aggregate amount of all tax credit vouchers allowed
280 under this section for the previous fiscal year.

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

282 (1) "Affordable housing" has the same meaning as provided in section
283 8-39a of the general statutes;

284 (2) "Downtown" has the same meaning as provided in section 8-
285 169hh of the general statutes;

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

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

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

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

300 (7) "Qualified expenditure" means any costs incurred for the physical
301 construction of a project, excluding (A) the owner's personal labor, (B)
302 the cost of a new addition, except as required to comply with any
303 provision of the State Building Code or the State Fire Safety Code, and
304 (C) any nonconstruction costs such as architectural fees, legal fees or
305 financing fees; and

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

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

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

333 submit a copy of the data required under said subparagraph to the
334 Commissioner of Housing and said commissioner shall, upon
335 confirming that the project complies with the definition of affordable
336 housing under section 8-39a of the general statutes, issue a certificate to
337 the owner of such confirmation.

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

352 (4) Following the completion of a project in its entirety or in phases
353 to an identifiable portion of the building, any owner who seeks a tax
354 credit voucher under this subsection shall notify the Commissioner of
355 Economic and Community Development that the rehabilitation or
356 renovation is complete. Such owner shall provide the commissioner
357 with documentation of the work performed on the building and shall
358 submit certification of the qualified expenditures incurred for such
359 project. The commissioner shall review the work performed and verify
360 its compliance with the plan of rehabilitation or renovation work
361 submitted to the commissioner under subdivision (2) of this subsection.
362 Following such verification, the commissioner shall issue a tax credit
363 voucher to the owner or to the taxpayer named by such owner as
364 contributing to the rehabilitation or renovation. The tax credit voucher
365 shall be in an amount equal to the lesser of (A) the credit allocated under

366 the provisions of subdivision (3) of this subsection, or (B) (i) twenty-five
367 per cent of the actual qualified expenditures, (ii) for a project located in
368 a federally designated opportunity zone, thirty per cent of the actual
369 qualified expenditures, or (iii) for a project that includes affordable
370 housing units as set forth in subparagraph (C) of subdivision (3) of this
371 subsection, thirty per cent of the actual qualified expenditures. To claim
372 a credit against a tax set forth in subsection (c) of this section, the holder
373 of the tax credit voucher shall file such voucher with the holder's state
374 tax return.

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

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

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

392 (7) Any owner allowed a credit under this subsection may sell, assign
393 or otherwise transfer such credit, in whole or in part, to one or more
394 persons, provided such credit may not be sold, assigned or otherwise
395 transferred more than three times. Whenever such credit is sold,
396 assigned or otherwise transferred, the transferor and transferee shall
397 jointly submit written notification of such sale, assignment or transfer to

398 the Department of Economic and Community Development not later
399 than thirty days after such sale, assignment or transfer. Such notification
400 shall include the tax credit voucher number, the date of transfer, the
401 amount of such credit transferred, the credit balance before and after the
402 transfer, the tax identification numbers for the transferor and the
403 transferee and any other information required by the department.
404 Failure to comply with the provisions of this subdivision shall result in
405 a disallowance of the credit until there is full compliance on the part of
406 the transferor and transferee and, for a second or third transfer, on the
407 part of all subsequent transferors and transferees.

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

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

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

425 (c) The Commissioner of Revenue Services shall grant a credit to a
426 taxpayer holding the tax voucher issued under the provisions of
427 subsection (b) of this section against the tax due under chapter 207, 208,
428 209, 210, 211 or 212 of the general statutes, provided such taxpayer has
429 filed such voucher with the holder's state tax return.

430 (d) On or before July 1, 2023, and annually thereafter, the Department
431 of Economic and Community Development shall submit a report, in
432 accordance with the provisions of section 11-4a of the general statutes,
433 to the joint standing committees of the General Assembly having
434 cognizance of matters relating to commerce, planning and development
435 and finance, revenue and bonding. Such report shall include the total
436 amount of credits reserved pursuant to subdivision (3) of subsection (b)
437 of this section for the previous fiscal year and the following information
438 for each project for which a credit has been reserved: (1) The total project
439 costs; (2) the amount of the credit reserved pursuant to subdivision (3)
440 of subsection (b) of this section; (3) a statement whether the project is for
441 a conversion to a mixed-use building and if so, the proportion of the
442 project that is not residential; (4) the number of residential units to be
443 created; and (5) if applicable, the percentage of residential units that
444 qualify as affordable housing.

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

447 (a) The purpose of the Capital Region Development Authority shall
448 be:

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

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

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

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

459 (5) [to] To stimulate family-oriented tourism, art, culture, history,

460 education and entertainment through cooperation and coordination
461 with city and regional organizations;

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

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

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

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

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

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

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

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

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

486 (3) [to] To employ such assistants, agents and other employees as may
487 be necessary or desirable to carry out its purposes, which employees

488 shall be exempt from the classified service and shall not be employees,
489 as defined in subsection (b) of section 5-270, to fix their compensation,
490 to establish and modify personnel procedures as may be necessary from
491 time to time and to negotiate and enter into collective bargaining
492 agreements with labor unions;

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

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

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

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

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

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

515 (c) In addition to the powers enumerated in subsections (b) and (d) of
516 this section, with respect to the convention center project and the
517 convention center facilities, the authority shall have the following

518 powers:

519 (1) To acquire, by gift, purchase, condemnation, lease or transfer,
520 lands or rights-in-land in connection with the convention center
521 facilities, the convention center hotel, the other on-site related private
522 development or related infrastructure improvements and to sell and
523 lease or sublease, as lessor or lessee or sublessor or sublessee, any
524 portion of its real property rights, including air space above or areas
525 below the convention center facilities or the convention center hotel, and
526 enter into related common area maintenance, easement, access, support
527 and similar agreements, and own and operate the convention center
528 facilities, provided that such activity is consistent with all applicable
529 federal tax covenants of the authority, transfer or dispose of any
530 property or interest therein acquired by it, at any time and to receive
531 and accept aid or contributions, from any source, of money, labor,
532 property or other things of value, to be held, used and applied to carry
533 out the purposes of this section, subject to the conditions upon which
534 such grants and contributions are made, including, but not limited to,
535 gifts or grants from any department, agency or instrumentality of the
536 United States or this state for any purpose consistent with this section;

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

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

551 operating or capital replacement reserves for the convention center;

552 (4) [to] To contract and be contracted with provided, if management,
553 operating or promotional contracts or agreements or other contracts or
554 agreements are entered into with nongovernmental parties with respect
555 to property financed with the proceeds of obligations the interest on
556 which is excluded from gross income for federal income taxation, the
557 board of directors shall ensure that such contracts or agreements are in
558 compliance with the covenants of the authority upon which such tax
559 exclusion is conditioned;

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

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

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

590 (8) [to] To adopt procedures (A) which shall require that contractors
591 or subcontractors engaged in the convention center project and the
592 construction of the convention center hotel take affirmative action to
593 provide equal opportunity for employment without discrimination as
594 to race, creed, color, national origin or ancestry or gender, (B) to ensure
595 that the wages paid on an hourly basis to any mechanic, laborer or
596 workman employed by such contractor or subcontractor with respect to
597 the convention center project or the construction of the convention
598 center hotel shall be at a rate customary or prevailing for the same work
599 in the same trade or occupation in the town and city of Hartford, unless
600 otherwise established pursuant to a project labor agreement, and (C)
601 which shall require the prime construction contractors for the
602 convention center project and for the convention center hotel, and the
603 principal facility managers of the convention center facilities and the
604 convention center hotel to make reasonable efforts to hire or cause to be
605 hired available and qualified residents of the city of Hartford and
606 available and qualified members of minorities, as defined in section 32-
607 9n, for construction and operation jobs at the convention center facilities
608 and the convention center hotel at all levels of construction and
609 operation;

610 (9) [to] To enter into a development agreement with the developer of
611 the convention center hotel, which agreement shall prohibit any
612 voluntary sale, transfer or other assignment of the interests of such
613 developer, or any affiliate thereof, in the convention center hotel,
614 including the rights under any ground lease, air rights or similar
615 agreement with the state or the authority, for a minimum period of five

616 years from the completion thereof except with the prior written consent
617 of the authority given or withheld in its sole discretion, and thereafter
618 except to a party which, in the reasonable judgment of the authority, is
619 financially responsible and experienced in the ownership and operation
620 of first class hotel properties in similar locations;

621 (10) [to] To borrow money and to issue bonds, notes and other
622 obligations of the authority to the extent permitted under section 32-607,
623 to fund and refund the same and to provide for the rights of the holders
624 thereof and to secure the same by pledge of assets, revenues, notes and
625 state contract assistance as provided in section 32-608;

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

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

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

639 (1) To acquire, by gift, purchase, condemnation, lease or transfer,
640 lands or rights-in-land and to sell and lease or sublease, as lessor or
641 lessee or sublessor or sublessee, any portion of its real property rights,
642 including air space above and enter into related common area
643 maintenance, easement, access, support and similar agreements, and
644 own and operate facilities, provided such activity is consistent with all
645 applicable federal tax covenants of the authority, transfer or dispose of
646 any property or interest therein acquired by it, at any time and to receive

647 and accept aid or contributions, from any source, of money, labor,
648 property or other thing of value, to be held, used and applied to carry
649 out the purposes of this section, subject to the conditions upon which
650 such grants and contributions are made, including, but not limited to,
651 gifts or grants from any department, agency or instrumentality of the
652 United States or this state for any purpose consistent with this section;

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

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

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

669 (5) [to] To fix and revise, from time to time, and to charge and collect
670 fees, rents and other charges for the use, occupancy or operation of such
671 projects, and to establish and revise from time to time, procedures
672 concerning the use, operation and occupancy of such facilities,
673 including parking rates, rules and procedures, provided such
674 arrangements are consistent with all applicable federal tax covenants of
675 the authority, and to utilize net revenues received by the authority from
676 the operation of such facilities, after allowance for operating expenses
677 and other charges related to the ownership, operation or financing
678 thereof, for other proper purposes of the authority, including, but not

679 limited to, funding of operating deficiencies or operating or capital
680 replacement reserves for either such facilities and related parking
681 facilities as determined to be appropriate by the authority;

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

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

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

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

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

705 (e) (1) The authority may solicit investment funds from corporations
706 and other business entities for a capital city project or any other project
707 undertaken by the authority. Any such investment shall be made on
708 equivalent or substantially similar terms and conditions, as determined
709 by the board of directors of the authority, as the investment made or to

710 be made by the authority for such project. The board of directors may
711 provide that funds invested by a corporation or other business entity
712 pursuant to this subdivision shall take repayment priority over funds
713 invested by the authority.

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

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

741 [(f)] (g) The authority and the Commissioner of Economic and
742 Community Development may enter into a memorandum of

743 understanding pursuant to which: (1) Administrative support and
744 services, including all staff support, necessary for the operations of the
745 authority may be provided by the Department of Economic and
746 Community Development, (2) the Department of Economic and
747 Community Development is authorized to administer contracts and
748 accounts of the authority, and (3) provision is made for the coordination
749 of management and operational activities at the convention center,
750 sport, exhibition or coliseum facilities and the stadium facility, that may
751 include: (A) Provision for joint procurement and contracting, (B) the
752 sharing of services and resources, (C) the coordination of promotional
753 and booking activities, and (D) other arrangements designed to enhance
754 facility utilization and revenues, reduce operating costs or achieve
755 operating efficiencies. The terms and conditions of such memorandum
756 of understanding, including provisions with respect to the
757 reimbursement by the authority to the Department of Economic and
758 Community Development of the costs of such administrative support
759 and services, shall be as the authority and the Commissioner of
760 Economic and Community Development determine to be appropriate.

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

772 (2) For purposes of state insurance or self-insurance, while owned,
773 leased or operated by the authority, the civic center and coliseum
774 complex shall be deemed to be state-owned property and the state
775 insurance and risk management board shall be authorized to determine,

776 purchase or otherwise arrange for such insurance or self-insurance with
777 respect to the civic center and coliseum complex, as provided in section
778 4a-20 with respect to state-owned property.

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

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

785 (9) "Private development district" means any land on the Adriaen's
786 Landing site that is designated jointly by the Secretary of the Office of
787 Policy and Management and the authority as available for the purpose
788 of on-site related private development and in need of inducement for
789 private development and operation. Only land on which construction of
790 a building or improvement is to commence on or after July 1, 2008, shall
791 be so designated. Any land so designated shall remain part of the
792 private development district during the term, including any extensions,
793 of any agreement providing for payments to the authority in lieu of real
794 property taxes entered into pursuant to subsection [(e)] (f) of section 32-
795 602, as amended by this act, and thereafter, until the Secretary of the
796 Office of Policy and Management and the authority certify that such
797 designation is no longer a needed inducement to private development
798 and operation. As used in this subdivision, "land" includes an easement
799 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	October 1, 2022	32-600(9)
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Statement of Legislative Commissioners:

In Section 5(b)(4), the penultimate sentence was rewritten for clarity and internal consistency.

FIN *Joint Favorable Subst.*