



General Assembly

Substitute Bill No. 7361

January Session, 2019



AN ACT CONCERNING THE ADOPTION OF MASTER PLANS BY TAX INCREMENT DISTRICTS.

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

1 Section 1. Section 7-339ee of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2019*):

3 Prior to the establishment of a tax increment district and approval of
4 a district master plan for such tax increment district, the municipal
5 legislative body or the board of selectmen in the case of a municipality
6 in which the legislative body is a town meeting shall (1) consider
7 whether the proposed tax increment district and district master plan
8 will contribute to the economic growth or well-being of the
9 municipality or to the betterment of the health, welfare or safety of the
10 inhabitants of the municipality; (2) [at least ninety days prior to
11 establishing a tax increment district and approving the district master
12 plan for such tax increment district,] transmit the district master plan
13 to the planning commission or combined planning and zoning
14 commission of the municipality, [if any] as applicable, requesting a
15 study of the district master plan and a written advisory opinion. Such
16 written advisory opinion shall include a determination on whether the
17 plan is consistent with the plan of conservation and development of
18 the municipality adopted under section 8-23; (3) hold at least one
19 public hearing on the proposal to establish a tax increment district.

20 Notice of the hearing shall be published at least ten days prior to the
21 hearing in a newspaper having general circulation within the
22 municipality and shall include (A) the date, time and place of such
23 hearing, and (B) the boundaries of the proposed tax increment district
24 by legal description; and (4) determine whether the proposed tax
25 increment district meets the following conditions:

26 (A) A portion of the real property within a tax increment district
27 shall meet at least one of the following criteria: (i) Be a substandard,
28 insanitary, deteriorated, deteriorating or blighted area; (ii) be in need
29 of rehabilitation, redevelopment or conservation work; or (iii) be
30 suitable for industrial, commercial, residential, mixed-use or retail
31 uses, downtown development or transit-oriented development; and

32 (B) The original assessed value of a proposed tax increment district
33 plus the original assessed value of all existing tax increment districts
34 within the municipality may not exceed ten per cent of the total value
35 of taxable property within the municipality as of October first of the
36 year immediately preceding the establishment of the tax increment
37 district. Excluded from the calculation in this subdivision is any tax
38 increment district established on or after October 1, 2015, that consists
39 entirely of contiguous property owned by a single taxpayer. For the
40 purpose of this subdivision, "contiguous property" includes a parcel or
41 parcels of land divided by a road, power line, railroad line or right-of-
42 way. A municipality may not establish a tax increment district if the
43 conditions in this subdivision are not met.

44 Sec. 2. Section 7-339ff of the general statutes is repealed and the
45 following is substituted in lieu thereof (*Effective October 1, 2019*):

46 (a) In connection with the establishment of a tax increment district,
47 the legislative body of a municipality shall adopt a district master plan
48 for each tax increment district and a statement of the percentage or
49 stated sum of increased assessed value to be designated as captured
50 assessed value in accordance with such plan. [The district master plan
51 shall be adopted at the same time that the tax increment district is

52 established, as part of the tax increment district adoption proceedings
53 set forth in sections 7-339cc to 7-339kk, inclusive.] Such legislative
54 body shall adopt such plan after receipt of a written advisory opinion
55 from the planning commission or combined planning and zoning
56 commission of the municipality requested pursuant to section 7-339ee,
57 as amended by this act, or ninety days after the date such request was
58 made, whichever is earlier.

59 (b) The district master plan shall include: (1) The boundaries of the
60 tax increment district by legal description; (2) a list of the tax
61 identification numbers for all lots or parcels within the tax increment
62 district; (3) a description of the present condition and uses of all land
63 and buildings within the tax increment district; (4) a description of the
64 public facilities, improvements or programs within the tax increment
65 district anticipated to be added and financed in whole or in part; (5) a
66 description of the industrial, commercial, residential, mixed-use or
67 retail improvements, downtown development or transit-oriented
68 development within the tax increment district anticipated to be
69 financed in whole or in part; (6) a financial plan in accordance with
70 subsection (c) of this section; (7) a plan for the proposed maintenance
71 and operation of the tax increment district after the planned capital
72 improvements are completed; and (8) the maximum duration of the
73 tax increment district, which may not exceed a total of fifty tax years
74 beginning with the tax year in which the tax increment district is
75 established.

76 (c) The financial plan for a district master plan shall include: (1) Cost
77 estimates for the public improvements and developments anticipated
78 in the district master plan; (2) the maximum amount of indebtedness to
79 be incurred to implement the district master plan; (3) sources of
80 anticipated revenues; (4) a description of the terms and conditions of
81 any agreements, including any anticipated assessment agreements,
82 contracts or other obligations related to the district master plan; (5)
83 estimates of increased assessed values of the tax increment district; and
84 (6) the portion of the increased assessed values to be applied to the

85 district master plan as captured assessed values and resulting tax
86 increments in each year of the plan.

87 (d) The district master plan may be amended from time to time by
88 the legislative body of the municipality. Such legislative body shall
89 review the district master plan at least once every ten years after the
90 initial approval of the tax increment district and the district master
91 plan in order for the tax increment district and the district master plan
92 to remain in effect. With respect to any district master plan that
93 includes development that is funded in whole or in part by federal
94 funds, the provisions of this subsection shall not apply to the extent
95 that such provisions are prohibited by federal law.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	7-339ee
Sec. 2	<i>October 1, 2019</i>	7-339ff

PD *Joint Favorable Subst.*