



# Senate

General Assembly

**File No. 580**

January Session, 2025

Senate Bill No. 1444

*Senate, April 8, 2025*

The Committee on Planning and Development reported through SEN. RAHMAN of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

## ***AN ACT CONCERNING THE CONVERSION OF COMMERCIAL REAL PROPERTY FOR RESIDENTIAL USE.***

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

1       Section 1. (NEW) (*Effective October 1, 2025*) (a) As used in this section:

2       (1) "As of right" has the same meaning as provided in section 8-1a of  
3       the general statutes;

4       (2) "Commercial building" means a structure designed or used  
5       primarily for nonresidential purposes, including, but not limited to,  
6       hotels, retail space and office space. "Commercial building" does not  
7       include an industrial building;

8       (3) "Dwelling unit" has the same meaning as provided in section 47a-  
9       1 of the general statutes;

10      (4) "Industrial building" means a structure that is used primarily for  
11      industrial activity and is generally not open to the public, including, but  
12      not limited to, warehouses, factories and storage facilities; and

13 (5) "Residential development" means a structure or structures, or a  
14 portion of a structure, that contains one or more dwelling units.

15 (b) Any zoning regulations adopted pursuant to section 8-2 of the  
16 general statutes shall allow the conversion or partial conversion of any  
17 commercial building into a residential development as of right.

18 (c) A municipality shall not condition the approval of the conversion  
19 or partial conversion of a commercial building into a residential  
20 development on the correction of a nonconforming use, structure or lot.

21 (d) Nothing in this section shall be interpreted or enforced to exempt  
22 the conversion or partial conversion of a commercial building into a  
23 residential development from the requirements of any applicable  
24 building code, fire safety code or fire prevention code. No municipality  
25 shall unreasonably delay any inspection required in connection with  
26 such conversion or partial conversion.

27 (e) The as-of-right permit application and review process for  
28 approval of the conversion or partial conversion of a commercial  
29 building into a residential development shall require that a decision on  
30 any such application be rendered not later than sixty-five days after  
31 receipt of such application by the applicable zoning commission, except  
32 that an applicant may consent to one or more extensions of not more  
33 than an additional sixty-five days or may withdraw such application.

34 (f) Notwithstanding the provisions of section 12-62 of the general  
35 statutes, no municipality shall subject a commercial building that has  
36 been converted or partially converted under this section to a  
37 revaluation, as defined in section 12-62 of the general statutes, for a  
38 period of three years from the date of issuance of a certificate of  
39 occupancy in connection with such conversion or partial conversion.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2025	New section
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**PD**      *Joint Favorable*

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** See below

**Explanation**

The bill requires (1) municipalities that exercise their zoning powers under the statutes to allow developers to convert commercial buildings into residential developments as of right, and (2) prohibits municipalities from conducting a revaluation of a conversion or partial conversion for at least a three-year period. This may result in a grand list increase or decrease. Any impact to municipalities is dependent on how these buildings would have otherwise been valued.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

**OLR Bill Analysis****SB 1444*****AN ACT CONCERNING THE CONVERSION OF COMMERCIAL REAL PROPERTY FOR RESIDENTIAL USE.*****SUMMARY**

This bill requires municipalities that exercise zoning powers under the statutes (i.e. CGS § 8-2) to adopt regulations allowing the conversion (or partial conversion) of commercial buildings into residential developments as of right. As under existing law, “as of right” means able to be approved without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) other discretionary zoning action, other than a determination that a site plan conforms with applicable zoning regulations. The bill also sets related requirements for the as-of-right permit application and review process (see below).

Additionally, the bill prohibits municipalities from conducting a revaluation of a conversion or partial conversion for at least a three-year period beginning after a certificate of occupancy is issued in connection with the conversion. This prohibition applies regardless of existing law on municipal property revaluations, which requires municipalities to perform revaluations every five years based on a rotating schedule the Office of Policy and Management prescribes.

Under the bill, commercial buildings are those designed or used primarily for non-residential purposes, including hotels, retail space, and office space. They do not include industrial buildings, meaning those used primarily for industrial activity and generally not open to the public, including warehouses, factories, and storage facilities. Residential developments are structures (or a portion of one) containing at least one dwelling unit.

EFFECTIVE DATE: October 1, 2025

## APPLICATION REVIEW

The bill requires regulations to establish an as-of-right permit application and review process for the conversion projects discussed above. The process must require the zoning or planning and zoning commission to decide within 65 days after an application is received unless an applicant approves an extension or extensions of up to 65 days total or withdraws the application.

The bill prohibits municipalities from conditioning a conversion's (or partial conversion's) approval on the correction of a nonconforming use, structure, or lot. (A nonconforming use is a property use that legally exists at the time a zoning restriction prohibiting or limiting it is adopted. The term also generally applies to lots and structures that do not comply with zoning regulations.) The bill also specifies that its provisions do not exempt these conversions from the requirements of applicable building and fire codes, however, it prohibits municipalities from unreasonably delaying inspections required in connection with conversions.

## BACKGROUND

### *Related Bills*

sSB 1263, reported favorably by the Housing Committee, requires the Department of Housing to establish a tax credit program for owners that convert commercial buildings into residential developments or taxpayers that make contributions toward the conversion.

sSB 12 (File 251), § 7, reported favorably by the Planning and Development Committee, generally has the same provisions as this bill.

## COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 12    Nay 7    (03/21/2025)