

General Assembly

January Session, 2025

Raised Bill No. 7143

LCO No. **3606**

Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by: (PD)

AN ACT PROHIBITING THE USE OF EMINENT DOMAIN FOR CERTAIN COMMERCIAL PURPOSES.

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

Section 1. Subdivision (1) of subsection (a) of section 8-127a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025, and applicable to property acquired on or after October 1, 2025*):

(a) (1) No real property may be acquired by a redevelopment agency
by eminent domain pursuant to section 8-128 under a redevelopment
plan under this chapter for the primary purpose of increasing local tax
revenue <u>or any purpose that produces income from such real property</u>
<u>for a private entity</u>.

Sec. 2. Subdivision (3) of section 8-125 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025, and applicable to property acquired on or after October 1, 2025):

(3) A "redevelopment plan" means a plan that includes: (A) (i) Adescription of the redevelopment area and the condition, type and use

15 of the structures therein, and (ii) specification of each parcel proposed 16 to be acquired, including parcels to be acquired by eminent domain; (B) 17 the location and extent of the land uses, other than for any purpose that 18 produces income from any such parcel acquired by eminent domain for 19 a private entity, proposed for and within the redevelopment area, such 20 as housing, recreation, business, industry, schools, civic activities, open 21 spaces or other categories of public and private uses; (C) the location 22 and extent of streets and other public utilities, facilities and works 23 within the redevelopment area; (D) schedules showing the number of 24 families displaced by the proposed improvement, the method of 25 temporary relocation of such families and the availability of sufficient 26 suitable living accommodations at prices and rentals within the 27 financial reach of such families and located within a reasonable distance of the area from which such families are displaced; (E) present and 28 29 proposed zoning regulations in the redevelopment area; (F) a 30 description of how the redevelopment area is deteriorated, 31 deteriorating, substandard or detrimental to the safety, health, morals 32 or welfare of the community; and (G) any other detail including 33 financial aspects of redevelopment which, in the judgment of the 34 redevelopment agency authorized herein, is necessary to give it 35 adequate information;

Sec. 3. Subsection (b) of section 8-127 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025):

39 (b) Before approving any redevelopment plan, the redevelopment 40 agency shall hold a public hearing on the plan, notice of which shall be published at least twice in a newspaper of general circulation in the 41 42 municipality, the first publication of notice to be not less than two weeks 43 before the date set for the hearing. At least thirty-five days prior to any public hearing, the redevelopment agency shall post the plan on the 44 45 Internet web site of the redevelopment agency, if any. The 46 redevelopment agency may approve any such redevelopment plan if, 47 following such hearing, it finds that: (1) The area in which the proposed

48 redevelopment is to be located is a redevelopment area; (2) the carrying 49 out of the redevelopment plan will result in materially improving 50 conditions in such area; (3) sufficient living accommodations are 51 available within a reasonable distance of such area or are provided for 52 in the redevelopment plan for families displaced by the proposed 53 improvement, at prices or rentals within the financial reach of such 54 families; (4) the redevelopment plan is satisfactory as to site planning, 55 relation to the plan of conservation and development of the 56 municipality adopted under section 8-23 and, except when the 57 redevelopment agency has prepared the redevelopment plan, the 58 construction and financial ability of the redeveloper to carry it out; (5) 59 the planning agency has issued a written opinion in accordance with 60 subsection (a) of this section that the redevelopment plan is consistent 61 with the plan of conservation and development of the municipality 62 adopted under section 8-23; and (6) (A) public benefits resulting from 63 the redevelopment plan will outweigh any private benefits; (B) existing 64 use of the real property cannot be feasibly integrated into the overall 65 redevelopment plan for the project; (C) acquisition by eminent domain 66 is reasonably necessary to successfully achieve the objectives of such 67 redevelopment plan; and (D) the redevelopment plan is not for the 68 primary purpose of increasing local tax revenues or any purpose that 69 produces income from such real property for a private entity. No 70 redevelopment plan for a project that consists predominantly of 71 residential facilities shall be approved by the redevelopment agency in 72 any municipality having a housing authority organized under the 73 provisions of chapter 128 except with the approval of such housing 74 authority.

Sec. 4. Subdivision (1) of subsection (b) of section 8-193 of the general
statutes is repealed and the following is substituted in lieu thereof
(*Effective October 1, 2025, and applicable to property acquired on or after*October 1, 2019):

(b) (1) The development agency may, with the approval of thelegislative body in accordance with this subsection, and in the name of

81 the municipality, acquire by eminent domain real property located 82 within the project area and real property and interests therein for rights-83 of-way and other easements to and from the project area, in the same 84 manner that a redevelopment agency may acquire real property under 85 sections 8-128 to 8-133, inclusive, as if said sections specifically applied 86 to development agencies, except that no real property may be acquired by eminent domain pursuant to this subsection for the primary purpose 87 88 of increasing local tax revenue or any purpose that produces income 89 from such real property for a private entity.

90 Sec. 5. Section 8-187 of the general statutes is repealed and the 91 following is substituted in lieu thereof (*Effective October 1, 2025*):

92 As used in this chapter, (1) "municipality" means a town, city, 93 consolidated town and city or consolidated town and borough; (2) 94 "legislative body" means (A) the board of selectmen in a town that does 95 not have a charter, special act or home rule ordinance relating to its 96 government or (B) the council, board of aldermen, representative town 97 meeting, board of selectmen or other elected legislative body described 98 in a charter, special act or home rule ordinance relating to government 99 in a city, consolidated town and city, consolidated town and borough or 100 a town having a charter, special act, consolidation ordinance or home 101 rule ordinance relating to its government; (3) "development agency" 102 means the agency designated by a municipality under section 8-188 103 through which the municipality may exercise the powers granted under 104 this chapter; (4) "development project" means a project conducted by a 105 municipality for the assembly, improvement and disposition of land or 106 buildings or both to be used principally for industrial or business 107 purposes and includes vacated commercial plants; (5) "vacated 108 commercial plants" means buildings formerly used principally for 109 business or industrial purposes of which more than fifty per cent of the 110 usable floor space is, or which it is anticipated, within eighteen months, shall be, unused or substantially underutilized; (6) "project area" means 111 112 the area within which the development project is located; (7) 113 "commissioner" means the Commissioner of Economic and Community

114 Development; (8) "planning commission" means the planning and 115 zoning commission designated pursuant to section 8-4a or the planning 116 commission created pursuant to section 8-19; (9) "real property" means 117 land, subterranean or subsurface rights, structures, any and all 118 easements, air rights and franchises and every estate, right or interest 119 therein; and (10) "business purpose" includes, but is not limited to, any 120 commercial, financial or retail enterprise, [and includes] including any 121 enterprise which promotes tourism, [and any] but excludes any real 122 property that produces income for a private entity.

Sec. 6. Subsection (a) of section 8-189 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October* 1, 2025, and applicable to property acquired on or after October 1, 2025):

126 (a) The development agency may initiate a development project by 127 preparing a project plan in accordance with regulations adopted by the 128 commissioner pursuant to section 8-198. The project plan shall meet an 129 identified public need and include: (1) A legal description of the land 130 within the project area; (2) a description of the present condition and 131 uses of such land or building; (3) a description of the process utilized by 132 the agency to prepare the plan and a description of alternative 133 approaches considered to achieve project objectives; (4) a description of 134 the types and locations of land uses or building uses proposed for the 135 project area; (5) a description of the types and locations of present and 136 proposed streets, sidewalks and sanitary, utility and other facilities and 137 the types and locations of other proposed site improvements; (6) 138 statements of the present and proposed zoning classification and 139 subdivision status of the project area and the areas adjacent to the 140 project area; (7) a plan for relocating project-area occupants; (8) a financing plan; (9) an administrative plan; (10) a marketability and 141 142 proposed land-use study or building use study if required by the commissioner; (11) appraisal reports and title searches; (12) a 143 144 description of the public benefits of the project including, but not limited 145 to, (A) the number of jobs which the development agency anticipates 146 would be created by the project; (B) the estimated property tax benefits;

147 (C) the number and types of existing housing units in the municipality 148 in which the project would be located, and in contiguous municipalities, 149 which would be available to employees filling such jobs; (D) a general 150 description of infrastructure improvements, including public access, 151 facilities or use, that the development agency anticipates may be needed 152 to implement the development plan; (E) a general description of the 153 development agency's goals for blight remediation or, if known, 154 environmental remediation; (F) a general description of any aesthetic 155 improvements that the development agency anticipates may be 156 generated by the project; (G) a general description of the project's 157 intended role in increasing or sustaining market value of land in the 158 municipality; (H) a general description of the project's intended role in 159 assisting residents of the municipality to improve their standard of living; and (I) a general statement of the project's role in maintaining or 160 161 enhancing the competitiveness of the municipality; (13) findings that 162 (A) the land and buildings within the project area will be used principally for industrial or business purposes; (B) the plan is in 163 164 accordance with the plan of conservation and development for the 165 municipality adopted by its planning commission under section 8-23, 166 and the plan of development of the regional council of governments 167 adopted under section 8-35a, if any, for the region within which the 168 municipality is located; (C) the plan was prepared giving due 169 consideration to the state plan of conservation and development 170 adopted under chapter 297 and any other state-wide planning program 171 objectives of the state or state agencies as coordinated by the Secretary 172 of the Office of Policy and Management; and (D) the project will 173 contribute to the economic welfare of the municipality and the state; and 174 that to carry out and administer the project, public action under this 175 chapter is required; and (14) a preliminary statement describing the 176 proposed process for acquiring each parcel of real property, including 177 findings that (A) public benefits resulting from the development plan 178 will outweigh any private benefits; (B) existing use of the real property 179 cannot be feasibly integrated into the overall development plan for the 180 project; (C) acquisition by eminent domain is reasonably necessary to

181 successfully achieve the objectives of such development plan; and (D) 182 the development plan is not for the primary purpose of increasing local 183 tax revenues or for any purpose that produces income from such real property for a private entity. Any plan that has been prepared by a 184 185 redevelopment agency under chapter 130 may be submitted by the 186 development agency to the legislative body and to the commissioner for 187 approval in lieu of a plan initiated and prepared in accordance with this 188 section, provided all other requirements of this chapter for obtaining the 189 approval of the commissioner of the project plan are satisfied.

Sec. 7. Subdivision (1) of subsection (i) of section 32-224 of the general
statutes is repealed and the following is substituted in lieu thereof
(*Effective October 1, 2025, and applicable to property acquired on or after*October 1, 2025):

194 (i) (1) The implementing agency may, with the approval of the 195 legislative body of the municipality, and in the name of the 196 municipality, condemn in accordance with section 8-128 to 8-133, 197 inclusive, any real property necessary or appropriate for the project as 198 identified in the development plan, including real property and 199 interests in land for rights-of-way and other easements to and from the project area, except that no real property may be condemned pursuant 200 201 to this subsection for the primary purpose of increasing local tax 202 revenue or for any purpose that produces income from such real 203 property for a private entity.

Sec. 8. Subsection (a) of section 32-222 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October* 1, 2025, and applicable to property acquired on or after October 1, 2025):

(a) "Business development project" means a project undertaken by aneligible applicant involving one or more of the following:

209 (1) The construction, substantial renovation, improvement or210 expansion of a facility;

211 (2) The acquisition of new machinery and equipment;

(3) The acquisition, <u>other than by condemnation for any purpose that</u>
<u>produces income for a private entity</u>, improvement, demolition,
cultivation or disposition of real property, or combinations thereof, or
the remediation of contaminated real property;

(4) The creation at a facility, within twenty-four months of the
initiation of a hiring program, not less than ten new jobs or an increase
in the number of persons employed at the facility of twenty per cent,
whichever is greater;

(5) Economic diversification of the economy of an area of the state or
manufacturing or other economic base business where such area or
business is substantially reliant upon defense and related industry;

(6) Participation in the avoidance of an imminent plant closing or
relocation by a manufacturing or other economic base business or assist
or improve the economy of an area of the state which has been or is
likely to be significantly and adversely impacted by one or more major
plant closings or relocations;

(7) Support research and development or commercialization of
technologies, products, processes or techniques of a manufacturing or
other economic base business;

(8) Creation or support of organizations and activities specifically
leveraging federal resources that provide technical and engineering
assistance to small manufacturers or other economic base businesses to
assist them with the design, testing, manufacture and marketing of new
products, the exporting of state products and services, and the
instruction and implementation of new techniques and technologies;

237 (9) Support of substantial workforce development efforts;

(10) Promotion of community conservation or development orimprovement of the quality of life for urban residents of the state;

(11) Promotion of the revitalization of underutilized, state-ownedformer railroad depots and areas adjacent to such depots; or

(12) Promotion of export activities, including sponsorship of
programs that support exportation, assistance to companies in accessing
federal Department of Commerce services, and provision of marketing
materials and web site improvements for exporters;

Sec. 9. Subsection (b) of section 32-224 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025, and applicable to property acquired on or after October 1, 2025):

249 (b) The implementing agency may initiate a municipal development 250 project by preparing and submitting a development plan to the 251 commissioner. Such plan shall meet an identified public need and 252 include: (1) A legal description of the real property within the 253 boundaries of the project area; (2) a description of the present condition 254 and uses of such real property; (3) a description of the process utilized 255 by the agency to prepare the plan and a description of alternative 256 approaches considered to achieve project objectives; (4) a description of 257 the types and locations of land uses or building uses proposed for the 258 project area; (5) a description of the types and locations of present and 259 proposed streets, sidewalks and sanitary, utility and other facilities and 260 the types and locations of other proposed project improvements; (6) 261 statements of the present and proposed zoning classification and 262 subdivision status of the project area and the areas adjacent to the 263 project area; (7) a plan for relocating project area occupants; (8) a 264 financing plan; (9) an administrative plan; (10) an environmental 265 analysis, marketability and proposed land use study, or building use 266 study if required by the commissioner; (11) appraisal reports and title 267 searches if required by the commissioner; (12) a description of the public 268 benefit of the project, including, but not limited to, (A) the number of 269 jobs which the implementing agency anticipates would be created or 270 retained by the project, (B) the estimated property tax benefits, (C) the 271 number and types of existing housing units in the municipality in which

272 the project would be located, and in contiguous municipalities, which 273 would be available to employees filling such jobs, (D) a general 274description of infrastructure improvements, including public access, 275 facilities or use, that the implementing agency anticipates may be 276 needed to implement the development plan, (E) a general description of 277 the implementing agency's goals for blight remediation or, if known, 278 environmental remediation, (F) a general description of any aesthetic 279 improvements that the implementing agency anticipates may be 280 generated by the project, (G) a general description of the project's 281 intended role in increasing or sustaining market value of land in the 282 municipality, (H) a general description of the project's intended role in 283 assisting residents of the municipality to improve their standard of 284 living, and (I) a general statement of the project's role in maintaining or 285 enhancing the competitiveness of the municipality; (13) a finding that 286 (A) the land and buildings within the boundaries of the project area will 287 be used principally for manufacturing or other economic base business purposes or business support services; (B) the plan is in accordance with 288 289 the plan of conservation and development for the municipality, if any, 290 adopted by its planning commission under section 8-23, and the plan of 291 development of the regional council of governments adopted under 292 section 8-35a, if any, for the region within which the municipality is 293 located; (C) the plan was prepared giving due consideration to the state 294 plan of conservation and development adopted under chapter 297 and 295 other state-wide planning program objectives of the state or state 296 agencies as coordinated by the Secretary of the Office of Policy and 297 Management; and (D) the project will contribute to the economic 298 welfare of the municipality and the state and that to carry out and 299 administer the project, public action under sections 32-220 to 32-234, 300 inclusive, is required; and (14) a preliminary statement describing the 301 proposed process for acquiring each parcel of real property, including 302 findings that (A) public benefits resulting from the plan will outweigh 303 any private benefits; (B) existing use of the real property cannot be 304 feasibly integrated into the overall plan for the project; (C) acquisition 305 by eminent domain is reasonably necessary to successfully achieve the

306 objectives of such plan; and (D) the plan is not for the primary purpose 307 of increasing local tax revenues or for any purpose that produces income from such parcel for a private entity. The provisions of this subsection 308 309 with respect to submission of a development plan to and approval by 310 the commissioner and with respect to a finding that the plan was 311 prepared giving due consideration to the state plan of conservation and 312 development and state-wide planning program objectives of the state or 313 its agencies shall not apply to a project for which no financial assistance 314 has been given and no application for financial assistance is to be made 315 under section 32-223. Any plan that has been prepared under chapters 316 130, 132 or 588a may be submitted by the implementing agency to the 317 legislative body of the municipality and to the commissioner in lieu of a 318 plan initiated and prepared in accordance with this section, provided all 319 other requirements of sections 32-220 to 32-234, inclusive, for obtaining 320 the approval of the commissioner of the development plan are satisfied. 321 Any action taken in connection with the preparation and adoption of 322 such plan shall be deemed effective to the extent such action satisfies the 323 requirements of said sections.

| This act shall take effect as follows and shall amend the following sections: | | | |
|---|---|--------------|--|
| Section 1 | October 1, 2025, and applicable to property acquired on or after October 1, 2025 | 8-127a(a)(1) | |
| Sec. 2 | October 1, 2025, and applicable to property acquired on or after October 1, 2025 | 8-125(3) | |
| Sec. 3 | October 1, 2025 | 8-127(b) | |
| Sec. 4 | October 1, 2025, and applicable to property acquired on or after October 1, 2019 | 8-193(b)(1) | |
| Sec. 5 | October 1, 2025 | 8-187 | |

| Sec. 6 | October 1, 2025, and | 8-189(a) |
|--------|------------------------|--------------|
| | applicable to property | |
| | acquired on or after | |
| | <i>October</i> 1, 2025 | |
| Sec. 7 | October 1, 2025, and | 32-224(i)(1) |
| | applicable to property | |
| | acquired on or after | |
| | <i>October 1, 2025</i> | |
| Sec. 8 | October 1, 2025, and | 32-222(a) |
| | applicable to property | |
| | acquired on or after | |
| | October 1, 2025 | |
| Sec. 9 | October 1, 2025, and | 32-224(b) |
| | applicable to property | 、 <i>′</i> |
| | acquired on or after | |
| | October 1, 2025 | |

Statement of Purpose:

To prohibit municipalities from exercising the use of eminent domain for any purpose that produces income for a private, commercial entity.

[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.]