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## **OLR Bill Analysis**

### **HB 6960**

#### ***AN ACT ESTABLISHING A PUBLIC INFRASTRUCTURE GRANT PROGRAM FOR CERTAIN MUNICIPALITIES.***

#### **SUMMARY**

This bill requires, in years in which funding is available, the Office of Policy and Management (OPM) to administer a grant program for municipal public infrastructure projects associated with affordable housing construction.

Under the bill, the grants must help municipalities pay for public infrastructure construction, improvement, and expansion (e.g., water lines, sewer lines, and roads). The projects must be associated with the construction of single-family houses or middle housing (i.e. duplexes, triplexes, quadplexes, cottage clusters, and townhouses). Further, the dwellings constructed must be subject to an affordable housing deed restriction (see BACKGROUND).

EFFECTIVE DATE: July 1, 2025

#### **GRANT PROGRAM**

Under the bill, the OPM secretary must develop a grant application, eligibility and evaluation criteria, expenditure guidelines, and municipal reporting requirements. If a municipality receives a grant but does not spend all of it, it must return the unspent funds to OPM at the end of the project. Similarly, it must return to OPM any funds that are not spent in conformity with OPM's expenditure guidelines.

OPM's secretary must annually report to the Planning and Development Committee on the program, and the first report is due July 1, 2026. Each report must include the following information for the prior fiscal year: (1) each municipality that applied for a grant, including a description of the project or projects it sought the grant for; (2) whether OPM awarded them a grant in whole or in part; and (3) the grant

amounts.

## **BACKGROUND**

### ***Affordable Housing Deed Restrictions***

By law, an “affordable housing deed restriction” is a restriction filed on a municipality’s land records requiring that a dwelling be sold or rented only to households (1) with annual incomes of no more than the lesser of 80% of the area median income or the state median income and (2) that will pay no more than 30% of their income for the housing (CGS § 12-81bb).

### ***Related Bill***

sHB 7112, § 3, favorably reported by the Housing Committee, requires the OPM secretary, within available appropriations, to administer a grant program giving funds to certain municipalities and developers to connect affordable housing to sewer infrastructure, among other things.

## **COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable

Yea 20      Nay 0      (03/07/2025)