OLR Bill Analysis sHB 7148

#### AN ACT CONCERNING ACCESSORY COMMERCIAL UNITS.

#### SUMMARY

This bill requires municipalities that exercise zoning authority under the statutes (CGS § 8-2) to adopt or amend regulations to allow accessory commercial units, as of right, on at least 33% of land zoned for residential use. Under the bill, an "accessory commercial unit" (ACU) is a structure, or portion of one, (1) on the same lot as an existing residential use and (2) used by the owner or a lessee for commercial use that is accessory (subordinate) to the residential use.

Under existing law and the bill, "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 (1) specifies conditions under which municipalities must allow ACUs to be constructed and the types of commercial (and light industrial) activities that they may be used for and (2) prohibits certain restrictions on them.

EFFECTIVE DATE: October 1, 2025

#### **REGULATION ADOPTION REQUIREMENT**

The bill requires municipalities to adopt zoning regulations designating residentially zoned land on which at least one ACU is allowed as of right per lot. The designated land must comprise at least 33% of the total residentially zoned land area.

If a municipality does not amend or adopt ACU regulations by October 1, 2026, the bill requires the municipality to review ACU permit applications in accordance with the bill's regulation requirements until

Researcher: JSB

the regulations are amended or adopted. A municipality may not use or impose additional standards beyond those specified in the bill. The bill deems noncompliant regulations void.

### **AS OF RIGHT PERMITTING**

The bill requires regulations to establish an as of right permit application and review process for ACUs. The process must require the zoning or planning and zoning commission to decide within 65 days after receiving an application unless an applicant (1) agrees to an extension or extensions of up to 65 days total or (2) withdraws the application.

Under the bill, municipalities cannot condition ACU approval on the correction of a nonconforming use, structure, or lot or require fire sprinklers unless they are also required in the principal dwelling or by the fire code.

## ZONING REGULATION CONTENTS

### ACU's Location on Property

The bill requires the adopted regulations to allow at least one ACU to be constructed:

- 1. within a residential property's building envelope (residential properties include mixed-use properties);
- 2. in an existing detached structure accessory to the residential property; or
- 3. on a lot that has a residential property, whether the ACU is attached to it or not (and under the bill, it is then exempt from any local setback or lot coverage restrictions).

### **Prohibited Restrictions on ACUs**

Regulations adopted under the bill cannot set height, landscaping, and architectural design standards that exceed standards applied to single-family dwellings in the municipality. Additionally, the regulations cannot require:

- 1. an ACU's net floor area to be under 1,000 square feet;
- 2. a passageway between the ACU and the residential property;
- 3. a minimum number of off-street parking spaces that exceeds the number required for the existing residential use;
- 4. traffic or parking studies on the ACU's proposed use;
- 5. a familial, marital, or employment relationship between the residential property's occupants and the ACU's occupants; or
- 6. periodic ACU permit renewal.

Additionally, the regulations cannot impose noise restrictions or building code requirements on an ACU's:

- 1. construction, if they exceed the standards or requirements applicable to other commercial uses in the municipality, or
- 2. use, if they exceed the standards or requirements applicable to residential uses in the municipality.

The bill specifies that it does not supersede applicable building code requirements or other requirements where a well or private sewerage system is being used, but it prohibits unreasonably withholding approval for such an ACU.

# **Commercial Uses Allowed**

Under the bill, the ACU zoning regulations cannot restrict the (1) potential commercial or light industrial uses of an ACU (except as specified below), (2) ability of members of the public to visit a business operating in an ACU, or (3) operating hours of a business using an ACU to less than 10 hours per day.

Regulations must prohibit an ACU from having a drive-through facility or being used to sell takeaway alcoholic beverages, tobacco products, cannabis products, or smoking paraphernalia.

#### UTILITY CONNECTIONS AND BILLING

Under the bill, zoning regulations cannot, for an ACU, require separate billing of utilities otherwise connected to, or used by, the residential property and ACU.

Additionally, the bill prohibits municipalities, special districts, and sewer or water authorities from (1) considering an ACU to be a new use when calculating connection fees or capacity charges for utilities, including water and sewer service, unless the ACU was constructed with a new single-family dwelling on the same lot or (2) requiring the installation of a new or separate utility connection directly to an ACU, or imposing a related connection fee or capacity charge.

### COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute Yea 11 Nay 8 (03/21/2025)