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SB-1444

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

AMENDMENT

LCO No.: 9562

File Copy No.: 580

Senate Calendar No.: 324

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact.

Section 1 establishes a tax credit for the conversion of commercial buildings into residential developments. This results in (1) a General Fund revenue loss of up to \$3 million annually beginning in FY 27 and (2) an annual cost of approximately \$300,000 to the Department of Housing (DOH) beginning in FY 26 to contract the administration of tax credit vouchers under this program.¹

Section 2 allows housing units that are created as a result of conversion from a commercial building to a residential development to be counted toward a moratorium under the affordable housing appeals procedure. This may result in a potential savings to municipalities beginning in FY 26 for legal costs to the extent more municipalities are awarded a moratorium.²

¹ Connecticut Housing and Finance Authority (CHFA) currently administers similar programs, and it is likely that CHFA would be contracted to administer this program as well.

² Several municipalities reported spending up to \$215,000 on legal costs, appeals, and litigations related to CGS 8-30g projects within the past two years.

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