
OLR Bill Analysis

sHB 5364

AN ACT CONCERNING TIERED DEED RESTRICTIONS.

SUMMARY

This bill makes changes to CGS § 8-30g (the affordable housing land use appeals procedure; see BACKGROUND – § 8-30g), specifically by allowing certain affordable housing developments with shorter affordability restrictions to qualify for the law’s protections and setting new housing unit equivalent (HUE) point allocations for these developments. HUE points are generally the measure used to determine whether a municipality is eligible for a § 8-30g moratorium (see BACKGROUND – § 8-30g *Moratoria*).

Under current law, two types of proposed affordable housing developments trigger § 8-30g’s protections: (1) certain government-assisted housing (“assisted housing”) and (2) developments in which, for at least 40 years after initial occupancy, at least 30% of the dwelling units are deed restricted for certain lower-income households (“set-aside developments”). The bill requires the duration of affordability restrictions for set-aside developments to be for “a fixed period of time” and establishes three categories of these developments that must have affordability restrictions lasting for (1) at least 40 years (“40-year set-aside development”), (2) 30-39 years (“30-year set-aside development”), and (3) 20-29 years (“20-year set-aside development”). (Under the bill, it is unclear whether a proposed set-aside development with an affordability restriction of less than 20 years triggers § 8-30g protections.)

The bill correspondingly establishes HUE point allocations for dwelling units in these set-aside development categories. The point allocations for family units in 40-year set-aside developments remain unchanged (see BACKGROUND – *HUE Point Allocations*). Point allocations for family units in 30- and 20-year set-aside developments

are set at 70% and 40%, respectively, of the allocation for an equivalent unit in a 40-year set-aside development. (In modifying current HUE point allocations, the bill makes ineligible for family unit HUE points any such unit that is not located in a set-aside development. Under current law, family units in assisted housing or that are newly subjected to certain affordability restrictions may qualify for HUE points.)

EFFECTIVE DATE: October 1, 2026

BACKGROUND

§ 8-30g

The affordable housing land use appeals procedure is a set of rules that allows developers to appeal to Superior Court local planning and zoning commission decisions denying affordable housing developments or approving them with costly conditions. In traditional zoning appeals, the developer must convince the court that the commission (municipality) acted illegally or arbitrarily, or abused its discretion, by rejecting the proposed development. The § 8-30g appeals procedure instead places the burden of proof on the municipality. Only municipalities in which less than 10% of the housing stock is affordable, and that have not qualified for a moratorium, are subject to the procedure.

§ 8-30g Moratoria

Under existing law, a municipality is generally eligible for a four- or five-year moratorium (temporary suspension) from appeals taken under § 8-30g each time it shows it has added a certain amount of qualifying housing units to its housing stock, measured in HUE points (since July 1, 1990, for a first moratorium). The number of points required depends on certain factors, like the municipality's size and whether it adopted certain zoning regulations or has qualified for a moratorium before.

HUE Point Allocations

The table below shows HUE point allocations by unit type under current law.

Table: Base and Bonus HUE Points Under Current Law

Unit Type		Base HUE Value (per Unit) Current Law
Owned family unit restricted to households earning no more than:	80% of median income	1.00
	60% of median income	1.50
	40% of median income	2.00
Rented family unit restricted to households earning no more than:	80% of median income	1.50
	60% of median income	2.00
	40% of median income	2.50
Market-rate unit in a set-aside development		0.25
Owned or rented elderly unit restricted to households earning no more than 80% of the median income		0.50
Owned or rented homes in resident-owned mobile manufactured home parks occupied by households earning 80% or less of the median income		1.50
Owned or rented homes in resident-owned mobile manufactured home parks occupied by households earning 60% or less of the median income		2.00
Owned or rented homes in resident-owned mobile manufactured home parks not otherwise eligible for points		0.25
Certain middle housing dwelling units built under local option regulation		0.25
Unit Type		Bonus HUE Value Current Law
Rental family units in a set-aside development, if the developer applied for local approval before July 6, 1995		Bonus equal to 22% of the total points awarded to the development
Unit that is eligible for a base HUE allocation, as described above, and was constructed by (or with) a neighboring municipality's housing authority		0.25 per unit

***Median income" is the lesser of the state or area median income, after family size adjustments*

Related Bills

The Housing, Insurance and Real Estate, and Planning and Development committees favorably reported several bills impacting § 8-30g, including: sSB 338 (prohibits the allocation of HUE points after § 8-30g litigation, under certain circumstances); sHB 5362 (reduces the required affordability period for set-aside developments on municipal land, requires the court to stay appeals when a municipality applies for

a moratorium, extends moratoria to align with housing growth plans, requires towns to report on affordable housing applications, and clarifies middle housing HUE point allocations); sHB 5365 (File 113) (modifies HUE point allocations, including for accessory apartments and certain deeply affordable housing); sHB 5376 (adds an additional ground for a local commission to defend its decision on an affordable housing application); and sHB 5395 (allocates HUE points to modular and prefabricated homes that do not otherwise qualify for points).

COMMITTEE ACTION

Housing Committee

Joint Favorable

Yea 13 Nay 6 (03/10/2026)