



AN ACT CONCERNING INCLUSIONARY ZONING.

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

Section 1. Section 8-2i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

(a) **[As used in]** For purposes of this section: **[]**

(1) "Affordable housing" means housing for which persons and families pay thirty per cent of their annual income, where, after adjustments for household size, such income is less than or equal to the lesser of the state median income or the area median income for the area in which the municipality containing such housing is located, as determined by the United States Department of Housing and Urban Development;

(2) "Managed residential community" means a for-profit or not-for-profit facility consisting of private residential units that provides a managed group living environment consisting of housing and services for persons who are primarily fifty-five years of age or older. "Managed residential community" does not include a state-financed congregate housing facility;

(3) "Inclusionary zoning" means any zoning regulation, requirement or condition of development imposed by ordinance, regulation or pursuant to any special permit, special exception or subdivision plan which promotes the development of housing affordable to persons and families of low and moderate income, including, but not limited to, [(1)] the setting aside of a reasonable number of housing units for long-term retention as affordable housing restricted through **[deed restrictions]** deeds, covenants or other means, **[; (2)] in conjunction with** the use of density bonuses; **[or (3) in lieu of or in addition to such other requirements or conditions, the making of payments into a housing trust fund to be used for constructing, rehabilitating or repairing housing affordable to persons and families of low and moderate income]**

(4) "Median income" means, after adjustments for household size, the lesser of the state median income or the area median income for the area in which the municipality containing the affordable housing is located, as determined by the United States Department of Housing and Urban Development;

(5) "New multifamily housing development" means a housing development containing ten or more residential housing units that are either newly constructed or converted from nonresidential to residential use. "New multifamily housing development" does not include a housing development consisting entirely of detached single-family dwellings;

(6) "Supportive housing" means a housing development in which not less than ten per cent of housing units are affordable to residents with qualifying incomes as determined by the Department of Housing and qualifying disabilities and such residents are offered intensive and flexible support services, including, but not limited to, housing-based care management, assistance with reintegration into a community setting, information regarding basic skills of tenancy and referrals to community-based service providers.

(b) Notwithstanding the provisions of any special act, any municipality having zoning authority pursuant to this chapter or any special act or having planning authority pursuant to chapter 126 may, by regulation of the body exercising such zoning authority, implement inclusionary zoning regulations, requirements or conditions. Such regulations, requirements or conditions shall include, but not be limited to, requirements that:

(1) Income-restricted housing units within a new multifamily housing development approved on or after the effective date of this section may not be located in a less desirable location within such development or an area within such development that is less accessible to public amenities than nonrestricted housing units within such development;

(2) Income-restricted housing units shall be integrated within a new multifamily housing development approved on or after the effective date of this section and comparable in design, appearance, size, construction and quality of materials to nonrestricted housing units within such development; and

(3) The interior features and mechanical systems of income-restricted housing units within a new multifamily housing development approved on or after the effective date of this section shall conform to the same specifications as are applied to nonrestricted housing units within such development.

(c) Notwithstanding the provisions of any special act, any new multifamily housing development approved by a municipality shall meet the criteria enumerated in subdivisions (1) to (3), inclusive, of subsection (b) of this section and the following criteria:

(1) Not less than twelve per cent of the housing units in such development shall be subject to a deed or declaration of restrictive covenants which requires that for

a period of forty years after the initial occupation of the proposed development, such units shall be sold or rented at or below prices which preserve such units as housing for which persons or families pay thirty per cent or less of their annual income, where such income is less than or equal to sixty per cent of the median income. Not less than three per cent of such housing units shall be sold or rented at or below prices which preserve such units as housing for which persons or families pay thirty per cent or less of their annual income, where such income is less than or equal to thirty per cent of the median income; and

(2) In a zoning district with established density limits, the developer of such development shall have the right to not less than a twenty five per cent increase in such limits for such development, or a greater percentage at the discretion of the zoning authority.

(d) Any developer of a new multifamily housing development located in a census tract designated by the Department of Housing, pursuant to section 8-348, as moderate, high or very high opportunity may conduct a feasibility study to demonstrate that complying with the requirements of subdivision (1) of subsection (c) of this section would render such development financially infeasible. Upon completion of such study, such developer may submit findings to the Commissioner of Housing in a form and manner prescribed by the commissioner. Following such submission, the commissioner may reduce the number of housing units set aside pursuant to subdivision (1) of subsection (c) of this section by a percentage determined by the commissioner.

(e) The provisions of subsections (b) and (c) of this section shall not apply to (1) supportive housing, managed residential communities and new multifamily housing developments with fewer than ten residential housing units, or (2) new multifamily housing developments in a (A) distressed municipality, as defined in section 32-9p, or (B) census tract designated as low opportunity or very low opportunity by the Department of Housing, pursuant to section 8-348.

(f) The Commissioner of Housing shall, within available resources, establish a program to provide financial assistance to developers for the creation of affordable housing pursuant to this section.

(1) Within available resources, the commissioner shall issue to the developer of a new multifamily housing development a one-time payment for each income-restricted housing unit in an approved new multifamily housing development created pursuant to this section. The amount of such payment made from the program established to provide financial assistance to developers pursuant to this section shall not exceed \$\$\$\$\$\$\$\$\$\$ for each income-restricted housing unit in a new multifamily housing development. Such payment shall be made by the commissioner after the developer has

101 demonstrated proof that building approval has been granted by a municipality in
102 which the new multifamily housing development is located.

103 (g) Not later than September 30, 2021, and annually thereafter, each municipality shall
104 submit documentation to the Commissioner of Housing, in a form and manner
105 prescribed by the commissioner, of the number of affordable housing units constructed
106 in the municipality during the prior year.

107 (h) Nothing in this section shall be construed to alter or modify the provisions of
108 chapter 126a.

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