

Act Number: 09-040

Bill Number: 251

Senate Pages: 1399, 1479-1481

4

House Pages: 3383-3395

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Committee: Housing: 449-451

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Page Total:

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**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
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Administration and Elections.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Calendar 198, PR.

Calendar 199, Senate Bill Number 705, I move to refer this item to the Appropriations Committee.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Calendar 204, PR.

Calendar 206, Senate Bill Number 949, Mr. President, I move to place this item on the foot of the calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Calendar page 45, Calendar 212, PR.

Calendar 213, Senate Bill 972, Mr. President, I move to refer this item to the Committee on Finance, Revenue, and Bonding.

THE CHAIR:

Without objection, so ordered.

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Agenda Number 3, Emergency Certified Bill 6716 and
House Bill -- correction, 6379.

Turning to the calendar, calendar page 2,
Calendar Number 475, Senate Resolution Number 19;
Calendar 476, Senate Resolution Number 20; Calendar
477, Senate Joint Resolution Number 74.

Calendar page 4, Calendar Number 139, Senate Bill
854.

Calendar page 6, Calendar 178, Senate Bill 873.

Calendar page 7, Calendar 194, Substitute for
Senate Bill 756.

Calendar page 8, Calendar 223, Substitute for
Senate Bill 46.

Calendar page 10, Calendar Number 240, House Bill
Number 6401.

Calendar page 12, Calendar Number 264, Substitute
for Senate Bill 1023.

Calendar page 14, Calendar 328, Substitute for
Senate Bill 814.

Calendar page 19, Calendar Number 400, House Bill
6351.

Calendar page 20, Calendar Number 402, Substitute
for House Bill 6193.

Calendar page 21, Calendar 408, House Bill 6322;

Calendar 409, Senate Bill 1013.

Calendar page 23, Calendar 423, Substitute for
Senate Bill 1010.

Calendar page 27, Calendar 443, Substitute Senate
Bill 1149; Calendar 447, Senate Bill 673; Calendar
448, Senate Bill 1029.

Calendar page 30, Calendar 459, House Bill 5138;
Calendar 461, House Bill 6406; Calendar 462,
Substitute for House Bill 6537.

Calendar page 39, Calendar Number 81, Substitute
for Senate Bill 760; Calendar 83, Senate Bill 762;
Calendar 99, Senate Bill 787.

Calendar page 40, Calendar 119, Substitute for
Senate Bill 778.

Calendar page 43, Calendar 171, Senate Bill 251.

Calendar page 46, Calendar Number 266, Senate
Bill Number 382.

Calendar page 51, Calendar Number 356.

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Mr. President, I believe that completes those
items previously placed on the first Consent Calendar.

The Senate is now voting by roll call on the
Consent Calendar, will all Senators please return to
the chamber. The Senate is now voting by roll call on
the Consent Calendar, will all Senators please return

to the chamber.

THE CHAIR:

The machine is open.

Members, please check the board to see if your vote is properly cast and properly recorded. If all members have voted, the machine will be locked.

Would the Clerk please take a tally.

THE CLERK:

Motion is on adoption of Consent Calendar Number 1. Total number voting, 35; those voting yea, 35; those voting nay, 0; those absent/not voting, 1.

THE CHAIR:

Consent Calendar 1 is passed.

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President. Mr. President, the two items that appeared on Senate Agenda Number 3, have just been passed on the Consent Calendar. I would move that the first item from Senate Agenda Number 3, House Bill 6716, the emergency certified bill, I move for immediate transmittal of that item to the Governor.

THE CHAIR:

Motion is for immediate transmittal to the

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SPEAKER DONOVAN:

Bill passed.

Will the Clerk please called Calendar Number 534?

THE CLERK:

On page 19, Calendar 534, Senate Bill Number 251,
an Act Concerning Housing Development and Enterprise
Zones, favorable report of the Committee on Planning
and Development

SPEAKER DONOVAN:

Representative Kenneth Green.

REP. GREEN (1st):

Thank -- thank you, Mr. Speaker.

Mr. Speaker, I move acceptance of the Joint
Committee's favorable report in concurrence with the
Senate.

SPEAKER DONOVAN:

Question is acceptance of the Joint Committee's
favorable report and passage the bill in concurrence
with the Senate.

You may -- you have the floor, sir.

REP. GREEN (1st):

Thank you, Mr. Speaker.

Mr. Speaker, what this bill would do, it would
change one area that's allowed an enterprise zone
concerning housing. Currently, if you're -- if

there's an enterprise zone located in your community, there are funds available for various types of services and employment opportunities. But there's also money for housing. This would change the term "affordable housing" to "low and moderate income housing." It would actually try to focus more on providing opportunities for housing of a certain income of the low and moderate status.

I move passage and acceptance by this committee and this Assembly.

SPEAKER DONOVAN:

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Remark further on the bill, remark further on the bill?

If not --

Representative Miller?

REP. MILLER (122nd):

Thank you, Mr. Speaker.

I have no amendments. Thank you. But I do support the bill. It's a great idea. We need affordable housing. We need people that live in housing they can afford, and we ought to be doing more for them so I urge the Assembly to cast a green vote

on this bill.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Aman.

REP. AMAN (14th):

Thank you, Mr. Speaker.

Through the proponent of the bill, I have a couple of questions.

SPEAKER DONOVAN:

Please proceed, sir.

REP. AMAN (14th):

Yes, to the proponent of the bill, it talks about low and moderate income or affordable and moderate income. Could the proponent give me some income guidelines, or what those two words mean as far as an individual who would like to live in the enterprise zone, what type of income as an individual or family or how is it figured in this program?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

REP. GREEN (1st):

Thank you, Mr. Speaker.

Mr. Speaker, I'll try to answer that by

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explaining three categories of housing. Affordable housing, basically, those are people whose income is at the median income of the region so that's slightly higher than moderate income, which is usually 80 percent of median income of the area, and low being income at 60 percent of the median income. So, as you go from affordable to low and moderate, you're targeting a certain income population.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Just continuing on that, is that the income of a household, if they're married? Not married? If there's two roommates sharing a unit? How is that calculated for a unit, or how is it calculated as to the program's limits for individuals? I realize the question is a little far reaching, but I'm trying to get an overall feel of the family-unit structure that they're looking for and the various types of income that may be moving into an enterprise zone.

As I'm asking this, I do want the proponent to know that I do believe that this is a good idea. I'd just like to get a further clarification of the type of individuals and the type of family units we're trying to attract to the enterprise zone.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

REP. GREEN (1st):

Excuse me -- thank you, Mr. Speaker.

Through you, Mr. Speaker, yes, the income is based on family income and most of the median income is based not only on the family income but also on family size so that, normally bigger -- larger families, the income based on the family, you might be higher than families who have less household members and so it's really tied to the area median income.

For example, if -- in Hartford, for example, the area median income, say, is \$40,000, then you would base affordable, low and moderate based on that income. If in another community the median income is \$60,000, then, of course, affordable, medium and low would be different in terms of the figures, in terms of the family's size -- based on family size and family income.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes, continuing on with that, if you had a couple

deciding that they wanted to live within this area and they were looking at the income guidelines and the decision was should we get married or not, how would that choice affect the income guidelines for this particular program?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

REP. GREEN (1st):

Thank you, Mr. Speaker.

As stated, it would be based on family income. If two individuals then become a family, the income would be based on that family.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

I think I'm still a little confused. If you have two people living who had no legal arrangement necessarily between the two of them, would their incomes be combined or would they look at each one separately or, again, how is it going to be calculated?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

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REP. GREEN (1st):

Thank you, Mr. Speaker.

I'm not exactly sure how the guidelines may be, but, for example, it probably will be based on those individuals that live in the apartment, a total combination of that income to determine whether or not they're eligible under that circumstance.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Okay. Thank you, Mr. Speaker.

Going on to another question regarding this particular project or idea, it talks about rebuilding or rehabilitating decent rental or owner-occupied housing located in this zone. Who would actually be building, rehabilitating, or renting these particular housing units?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

REP. GREEN (1st):

Thank you. I think anyone that has an interest and wanted to do that, that could be private developers, nonprofits. The purpose of the enterprise zone is -- I think the main purpose is to try create a

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tax-base in the community, to try to create some job opportunities. And, since we're trying to do that, one of the things the enterprise zone encourages is that you hire people that live in the zone for the economic development that may happen.

So the idea is that you have people that live in zone, that can afford to live in the zone. And, based on some of these other economic stimulus ideas, they could also work in the zone so it's really more comprehensive, with a main focus on trying to create jobs and employment opportunities.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes. I'm glad to hear that it's not limited just to the government providing the housing or the nonprofits. That it is a variety of people.

We have over the last year talked tremendously about increasing housing in transportation centers, in areas of high employment, et cetera, and these enterprise zones, some of them are in those particular areas.

But, in all of them, we have talked about mixed-income, mixed uses, basically, trying to make a neighborhood of varying incomes of individuals from

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those that are just entering the income system to those who are maybe fairly wealthy, to those who are very young, just their first home, to the retirees. And I'm wondering how this particular program -- when we're targeting people with low and moderate income only in this particularly bill, how that fits into the overall concept of trying to form neighborhoods.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

REP. GREEN (1st):

Thank you, Mr. Speaker.

Through you, Mr. Speaker, not only through enterprise zones but through HOMEConnecticut, through some of our other housing initiatives, we're always trying to create mixed communities in various -- mixed-income housing in various communities. I think what we want to do with this is -- enterprise zones, the main purpose for that is for economic development, increasing a tax-base and creating jobs. Housing is actually secondary so there's not a lot in terms of a mixed-income housing strategy in the enterprise zone. It sort of has a different focus. We have a number of programs that create mixed-income housing, and there's incentives for that.

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SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Just one more question, most of the enterprise zones currently consist of relatively small areas in urban centers. There may be some others, but those are the ones that I'm thinking of. There's also a bill that's working its way through the system that has, I believe, the entire towns of Windsor Locks, Windsor and maybe one other as part of a gigantic enterprise zone, and I'm wondering how this particular funding, through DECD, is going to be impacted from taking relatively small, compact areas and now, maybe, if the other bill passes, including three whole entire towns as enterprise zones.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Green.

REP. GREEN (1st):

Thank you, Mr. Speaker.

This bill really does not address the intent of change in enterprise zones in towns. What this does is that it, basically, takes an area that is currently in law that allows for housing and it simply to nail that. There are approximately 15 communities with

enterprise zones. There's a couple that have a more narrow definition of enterprise zone, and I don't believe that there's any town that has the entire town as an enterprise zone.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes. The proponent is correct that currently there is no town, but there is, again, bills coming through the system. Whether they're going to reach this chamber and be passed is a different question. But I think what this trend is for -- is for more and more towns to be looking at the advantages of enterprise zones and increasing the size of them, that's a concern probably for me for another day.

I thank the proponent for his answers. Anything that we can do to encourage the mix of various housing-types, housing incomes, jobs, moving them close together, I think is for the overall benefit of this state. I think from what I've seen of the enterprise zones, the municipalities are very protective of them. They're looking at them very carefully and handling them well so I will be voting for the measure.

Thank you very much, Mr. Speaker.

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SPEAKER DONOVAN:

Thank you, sir, for your remarks.

Will you remark further on the bill? Will you remark further on the bill? If not, will all staff and guests please come to the well of the House. Will the members please take your seats? The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call, members to the chamber. The House is voting by roll call, members to the chamber, please.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted?

Will all the members please check the board and determine if your vote is properly cast. If all the members have voted, the machine will be locked and the Clerk will please take a tally.

Will the Clerk please announce that tally?

THE CLERK:

Senate Bill 251 in concurrence with the Senate.

Total number voting 143

Necessary for passage 72

Those voting yea 143

Those voting nay 0

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Those absent and not voting 8

SPEAKER DONOVAN:

Bill passes in concurrence with the Senate.

Will the Clerk please call Calendar Number 371?

Excuse me. Garey, don't do that.

Will the Chamber stand at ease for a moment?

Thank you.

[AT EASE]

SPEAKER DONOVAN:

Will the Chamber please come back to order and
will the House Clerk please call Calendar Number 540.

THE CLERK:

On page 20, Calendar 540, Substitute for Senate
Bill Number 764, an Act Concerning Derivative
Financial Transaction Controls, favorable report of
the Committee on Insurance and Real Estate.

SPEAKER DONOVAN:

The distinguished chair of the Insurance
Committee, Representative Fontana, you have the floor,
sir.

REP. FONTANA (87th):

Thank you, Mr. Speaker.

Mr. Speaker, I move for acceptance of the Joint
Committee's favorable report and the passage of bill
in concurrence with the Senate.

**JOINT
STANDING
COMMITTEE
HEARINGS**

**HOUSING
PART 2
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2009



**STATEMENT SUPPORTING
COMMITTEE BILL 251: AN ACT CONCERNING HOUSING DEVELOPMENT IN
ENTERPRISE ZONES**

**COMMITTEE ON HOUSING
FEBRUARY 19, 2009**

The MetroHartford Alliance is Hartford's Chamber of Commerce and the region's economic development leader. The membership of the MetroHartford Alliance is representative of businesses of all sizes, health care providers, and institutions of higher education, as well as 34 municipalities. The Alliance's mission is to ensure that the Hartford Region competes aggressively and successfully for jobs, talent and capital so that it thrives as one of the country's premier places for all people to live, work, play, and raise a family.

The Commissioner of the Department of Economic and Community Development currently has the ability to offer grants to encourage the development or rehabilitation of rental or owner-occupied housing in enterprise zones. Senate Bill 251 expands that program to specifically enable the Commissioner to offer these grants for the purpose of creating affordable housing alternatives for low and moderate income individuals in designated zones. The ability to build housing options in enterprise zones not only promotes the sustainability and sense of community that is directly attributed to owner-occupied housing, it also bolsters the vitality of the neighborhoods by connecting residents directly with local businesses. This, in turn, would allow more residents to become customers for local merchants who have been impacted directly by the current economic crisis.

Between 2000 and 2006, Connecticut was 46th among states in construction of housing units per capita, ultimately ranking 49th in 2006. This lack of supply drives up home

prices and continues to ensure that a large portion of our population, particularly young professionals and lower income individuals, cannot afford to buy a home in Connecticut. If we are to create healthy and stable neighborhoods, cities and towns must have the flexibility to create housing options in all feasible locations, including enterprise zones. Senate Bill 251 would make this possible.

We respectfully ask you to help support affordable homeownership in Connecticut's cities by considering passage of Senate Bill 251, *An Act Concerning Housing Development in Enterprise Zones*.



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THE VOICE OF LOCAL GOVERNMENT

TESTIMONY
of the
CONNECTICUT CONFERENCE OF MUNICIPALITIES
to the
HOUSING COMMITTEE
February 19, 2009

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to testify before you on issues of concern to towns and cities.

CCM supports the Proposed Senate Bill 251 "*An Act Concerning Housing Development in Enterprise Zones.*"

S.B 251 would provide enterprise zones flexibility in housing eligible for funds for financial assistance for neighborhood development, to provide housing that meets community specific needs.

CCM *urges the Committee to favorably report* Proposed Senate Bill 251.

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If you have any questions, please contact Donna Hamzy, Legislative Analyst
via email dhamzy@ccm-ct.org or via phone (203) 498-3000.