

Amendment to Chapter 3.24 “Affordable Housing Development Program” to Increase Tax Incentives for Affordable Housing Developments

WHEREAS, Chapter 3.24 of the Bridgeport Municipal Code, “Affordable Housing Development Program”, allows for the abatement of taxes for affordable housing developments for a period not to exceed two years; and

WHEREAS, Connecticut General Statutes Section 8-215 and Section 8-216 allow municipalities to offer tax abatements of real property taxes, in whole or in part, for affordable housing developments and allow the State, at its discretion, to provide the municipality with reimbursements for such real property tax abatements for so long as such development is used solely for low or moderate-income persons or families; and

WHEREAS, affordable housing developments are generally created with long-term financing; and

WHEREAS, the City wishes to encourage the development of affordable housing by providing tax incentives that support the required financing; Now, Therefore,

BE IT ORDAINED: by the City Council of the City of Bridgeport that the Bridgeport Municipal Code of Ordinances Chapter 3.24 Affordable Housing Development Program is hereby amended as follows:

Chapter 3.24

AFFORDABLE HOUSING TAX INCENTIVE DEVELOPMENT PROGRAM

Sections:

3.24.010 - Established.

3.24.020 - Program Administration.

3.24.030 - Eligibility Criteria.

3.24.040 - Miscellaneous.

3.24.010 - Established.

Pursuant to Connecticut General Statutes as amended (“Statutes”), Section 8-125 and Section 8-126; the ordinance codified in this chapter establishes an affordable housing tax incentive *development program for the city, and allows for the abatement of real property taxes* until such time that such housing is not solely for low or moderate-income persons or families.

3.24.020 - Program administration.

- A. Except for the establishment of property assessment as governed by the statutes of the State of Connecticut, and the charter and ordinances of the city, the director of the Office of Planning and Economic Development (OPED) shall administer this tax incentive program.
- B. In consultation with the tax collector and tax assessor, OPED shall establish uniform and consistent policies, procedures and forms to ensure compliance with this chapter making such procedures, and forms publicly available within one hundred twenty (120) days of the enactment of the ordinance codified in this chapter.
- C. The policies, procedures and forms shall be made available for public comment for a thirty-day period prior to their implementation and shall be approved by the city council through the office of the city clerk.
- D. The applicant for a tax incentive under this chapter shall submit a letter of request for such a tax incentive which shall disclose all principals of the applicant. The applicant must complete and file with OPED all other necessary forms required by OPED.

3.24.030 - Eligibility criteria.

- A. Projects eligible for assistance under this chapter must be projects that include housing for low or moderate-income persons or families as defined by the US Department of Housing and Urban Development or as defined by the State of Connecticut Department of Housing, the State of Connecticut Department of Economic and Community Development, or by the Connecticut Housing Finance Authority, or by their successor agencies in the federal or state government.
- B. A tax incentive development agreement shall provide that moneys equal to the amount of such tax incentive shall be used for any one or more of the purposes stated in Section 3.24.040A hereof and that such tax incentive shall terminate at any time when such housing is not solely for low or moderate-income persons or families.

3.24.040 - Miscellaneous.

- A. All projects receiving a tax incentive under this chapter are receiving the incentive so as to achieve one or more of the following objectives:
 - (1) To reduce rents below the levels that would be achieved in the absence of such tax incentive and to improve the quality and design of such housing;
 - (2) To effect occupancy of such housing by persons and families of varying income levels within limits determined by the relevant agencies as described in Section 3.24.030 hereof; or
 - (3) To provide necessary, related and complementary facilities or services in such housing.
- B. Tax incentive development agreements in compliance with this Section shall be recorded against title to, and shall be conveyed with, the property, provided that each successive owner of the property, including those who acquire a controlling interest in the entity owning the property, accepts and assumes all of the original applicant's obligations to be performed under such tax incentive development agreement, demonstrates its ability to carry out such obligations, and executes an agreement with OPED to be recorded on the land records. OPED may consent to such assignment in the exercise of its commercial business judgment, reasonably exercised.
- C. To become effective, tax incentive development agreements shall be executed as a contract between the owner of the property and the City and shall be recorded on the land records of the city.
- D. All projects awarded a tax incentive development agreement shall comply with all statutes, orders, ordinances, rules and regulations regarding civil rights, equal opportunity and affirmative action.
- E. Tax Incentive development agreements and all nonexempt information submitted to OPED by the applicant shall be subject to the Connecticut Freedom of Information Act as amended, Section 1-15 et seq.
- F. Once an application meets the eligibility criteria established by OPED in accordance with this chapter, the application shall be forwarded with a report from OPED to the city council for final approval. The report shall explain OPED's rationale for supporting the tax incentive development agreement.

This change shall be effective upon passage by the City Council

APPROVED BY THE
BRIDGEPORT CITY
COUNCIL ON:
November 4, 2013

APPROVED BY MAYOR
BILL FINCH
ON:
November 4, 2013

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