

Planning & Development Committee PUBLIC HEARING AGENDA Monday, March 22, 2021 - 10:00 AM in Zoom & YouTube Live

SB 1068 - **AN ACT CONCERNING PROPERTY TAXES AND AFFORDABLE HOUSING**

(Similar to Bill SB 172 in Finance Committee, but only applies to residential properties - **AN ACT**

ESTABLISHING A STATE-WIDE ASSESSMENT TO ENCOURAGE AFFORDABLE HOUSING IN THE STATE.)

- establish a STATE PROPERTY TAX on **residential real property**,
- **exempt first \$300,000** of the assessed residential value.
- **Calculated based on the percentage of affordable housing** developments, as defined in section 8-30g of the general statutes, located in a municipality as follows:
 - (1) for > OR = to 10 % affordable, 0 mill
 - (2) from 8% to < 10%, 0.4 mill
 - (3) from 6% to < 8%, 0.8 mill
 - (4) from 4% to <6%, 1.2 mill
 - (5) from 2% to <4%, 1.6 mill
 - (6) From 0% to <2% 2.0 mill

This is yet another zoning bill in the Finance Committee. Exponential "As of right" MARKET VALUE multi-family overdevelopment by predatory builders included in other proposed zoning bills will push all towns further away from meeting 8-30g 10% affordable housing thresholds!

How to calculate this unprecedented STATE PROPERTY TAX: **Only municipalities tax property now!**

Assume a home with an ASSESSED value of:

\$500,000: $\$500,000 - \$300,000 = \$200,000 / 1000 = 200$ and

if only 0-2% affordable, $\$200 * 2.0 \text{ mill} = \400 add'l state property tax

\$1,000,000: $\$1,000,000 - \$300,000 = \$700,000 / 1000 = 700$ and

if only 0-2% affordable, $\$700 * 2.0 \text{ mill} = \$1,400$ add'l state property tax

IF THIS BILL IS COMBINED WITH THE NUMEROUS ZONING BILLS WITH "AS OF RIGHT" MARKET VALUE DEVELOPMENT IN ½ MILE TRANSIT ORIENTED (with a density of 15+ units PER ACRE) AND ¼ MILE MAIN STREET, **it makes it even harder for communities to improve their percentage of affordable housing when compared to the percentage of total available housing stock.** The number of market value properties will grow exponentially leading to higher local taxes and even greater issues with affordability!

WHAT IS BAD ABOUT "AS OF RIGHT" MULTI-FAMILY TRANSIT ORIENTED DEVELOPMENT (WITHIN ½ MILE OF TRANSIT)?

***** SEE "AS OF RIGHT" TALKING POINTS SHEET *****