

Substitute Senate Bill No. 1070

Public Act No. 19-92

AN ACT CONCERNING ABANDONED AND BLIGHTED PROPERTY RECEIVERSHIP.

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

Section 1. (NEW) (Effective January 1, 2020) (a) As used in this section:



Substitute House Bill No. 6892

Public Act No. 23-33

AN ACT CONCERNING MUNICIPAL BLIGHT ORDINANCES AND THE FINE FOR LITTERING.

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

Section 1. Subsection (b) of section 8-169aa of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October* 1, 2023):

https://www.cga.ct.gov/2019/act/pa/pdf/2019PA-00092-R00SB-01070-PA.pdf

https://www.cga.ct.gov/2023/act/pa/pd f/2023PA-00033-R00HB-06892-PA.pdf

Public Act No. 19-92 AN ACT CONCERNING ABANDONED AND BLIGHTED PROPERTY RECEIVERSHIP.

In any municipality with a population of **thirty-five thousand or more**, a party in interest may file a petition for the appointment of a receiver to take possession and undertake rehabilitation of a building within such municipality, which petition shall be filed in the superior court for the judicial district in which such building is located. The proceeding on the petition shall constitute an action in rem.

"Party in interest" means any person or entity with a direct and immediate interest in a building, including

- (A) An owner of such building,
- (B) A lienholder or other secured creditor of such an owner,
- (C) A resident of or business owner in the municipality in which such building is located, provided such resident's residence or such owner's business is located less than one thousand feet from such building,
- (D) A development organization (i) in the municipality in which such building is located, and (ii) that has participated in a project in line with such organization's purpose within a five-mile radius of such building, or
- (E) The municipality in which such building is located

The court may appoint a receiver for the building if the court finds that, on the date the petition was filed, each of the following conditions applied:

- (A) The building has not been legally occupied for at least the twelve months immediately preceding the date of such filing;
- (B) The owner fails to present compelling evidence, as determined by the court, that the owner has (i) actively marketed the building during the sixty days immediately preceding the date of such filing, and (ii) made a good faith effort to sell the building at a price reflective of circumstances and market conditions;
- (C) The building is not subject to a pending foreclosure action by an individual or nongovernmental entity;
- (D) The owner fails to present compelling evidence, as determined by the court, that the owner acquired the building during the twelve months immediately preceding the date of such filing, except that the provisions of this subparagraph shall not apply when ownership of such building is in dispute in any other legal proceeding.

AND



The court finds at least three of the following:

- (i) The building is a public nuisance, blighted or unfit for human occupancy or use pursuant to the applicable municipal code;
- (ii) The building requires substantial rehabilitation, and no effort to rehabilitate the building has been made during the twelve months immediately preceding the date of such filing;
- (iii) The condition and any vacancy of the building materially increase the risk of fire to the building and any adjacent property;
- (iv) The building is susceptible to unauthorized entry and resulting potential health and safety hazards, and (I) the owner has failed to take reasonable and necessary measures to secure the building, or (II) the municipality has secured the building as a result of the failure by the owner;
- (v) The building is an attractive nuisance to children as a result of the presence of abandoned wells, shafts, basements, excavations and other unsafe structures;
- (vi) The building is an attractive nuisance for illicit purposes, including, but not limited to, prostitution, drug use and vagrancy;
- (vii) The presence of vermin or the accumulation of debris, uncut vegetation or physical deterioration of the building creates potential health and safety hazards, and the owner has failed to take reasonable and necessary measures to remove such hazards; or
- (viii) The appearance or other condition of the building negatively impacts the economic well-being of residents or businesses in close proximity to the building, which impact may include decrease in property values or loss of business, and the owner has failed to take reasonable and necessary measures to remedy the appearance or other condition.

While in possession and control of the abandoned property, the receiver shall:

- (A) Maintain, safeguard and insure such property;
- (B) Apply all revenue generated from such property consistent with the provisions of this section;
- (C) Develop a receiver's plan for abatement of the conditions described in subdivision (2) of subsection (c) of this section
- (D) Implement the receiver's plan developed pursuant to subparagraph (C) of this subdivision, provided the court shall approve such plan; and
- (E) Annually, or more frequently if the court deems appropriate, submit a status report to the court and each party to the action, which report shall include (i) a copy of any contract entered into by the receiver regarding the rehabilitation of the abandoned property, (ii) an account of the disposition of all revenue generated from such property, (iii) an account of all expenses, repairs and improvements, (iv) the status of developing and implementing the receiver's plan described in subparagraph (C) of this subdivision, and (v) a description of any proposed action to be taken in the six months following the date of



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OLR Bill Analysis

https://www.cga.ct.gov/2023/BA/PDF/2023HB-06892-R01-BA.PDF

- 1. Expands the communities in which abandoned and blighted property receiverships can be used, by including any community with at least 15,000 people;
- 2. Broadly expands state and local authority to regulate blight to include regulating blighted commercial properties, not just residential ones;
- 3. Increases the maximum daily penalties municipalities can assess for blight under their general powers, from \$100 to \$1,000, for repeat offenders in a 12-month period;
- 4. Increases the maximum state littering fine from \$199 to \$500;
- 5. Eliminates certain notice requirements to lienholders when a municipality remediates, or orders remediated, certain property maintenance-related violations; and
- 6. When a municipal authority requests a rent receivership, eliminates current law's requirement that mortgagees and lienholders participate in proceedings to determine whether a receiver should be appointed.

The bill also expands the enterprise zone program's goal of eliminating housing blight to include eliminating any blight (§ 5). By law, the enterprise zone program offers various tax incentives and other benefits to businesses that start up in or improve real property in areas designated as enterprise zones.

(xv) Make and enforce regulations for the prevention and remediation of housing blight or blight upon any commercial real property, including regulations reducing assessments and authorizing designated agents of the municipality to enter property during reasonable hours for the purpose of remediating blighted conditions, provided such regulations define [housing] blight and require such municipality to give written notice of any violation to the owner [and occupant] of the property and provide a reasonable opportunity for the owner [and occupant] to remediate the blighted conditions prior to any enforcement action being taken, except that a municipality may take immediate enforcement action in the case of a violation at a property that is the third or more such blight violation at such property during the prior twelve-month period, and further provided such regulations shall not authorize such municipality or its designated agents to enter any dwelling house or structure on such property, and including regulations establishing a duty to maintain property and specifying standards to determine if there is neglect; prescribe civil penalties for the violation of such regulations of not [less than ten or] more than one hundred fifty dollars for each day that a violation continues if such violation occurs at an occupied property, not more than two hundred fifty dollars for each day that a violation continues if such violation occurs at a vacant property, and not more than one thousand dollars for each day that a violation continues at a property if such violation is the third or more such violation at such property during the prior twelve-month period and, if such civil penalties are prescribed, such municipality shall adopt a citation

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The bill specifies that a violation may be counted toward this three-violation threshold if the municipality previously issued a violation notice and:

- (1) determined that the conditions creating the violation were previously resolved or
- (2) 120 days have passed since the violation notice was given and the conditions have not been resolved.

A third violation may also be established if there are three conditions, each constituting a violation, simultaneously on the property.