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Infrastructure Development Economic Assistance Program

Sec. 32-116-1. Definitions

- (a) “Act” means Public Act 85-571 as amended.
 - (b) “Commissioner” means the Commissioner of Economic Development.
 - (c) “Department” means the Department of Economic Development.
- (Effective December 20, 1985)

Sec. 32-116-2. General eligibility requirements

- (a) The Commissioner is authorized to make grants or loans or a combination of a grant and loan to an eligible municipality to carry out the provisions of the Act. In order to be eligible to receive such grants or loans or combination thereof, the municipality must have a planning commission.
 - (b) The municipality is authorized, by vote of its legislative body and with the approval of the Commissioner, to designate as its implementing agency, the agency, commission, authority or corporation defined in the Act. The municipality may with the approval of the Commissioner, designate a separate implementing agency for each development project it undertakes under the Act.
- (Effective December 20, 1985)

Sec. 32-116-3. Eligibility requirements for development grants or loans

- (a) Any implementing agency which has prepared, adopted and approved a project plan in accordance with the Act and with these regulations, subject to approval by the Commissioner, is eligible to apply for an infrastructure development economic assistance grant or loan or combination thereof.
 - (b) Applications for development grants or loans or combination thereof shall be made on forms prescribed by the Department and available at its office on written request and shall be submitted simultaneously with the project plan. Such application shall include minutes of the public hearing specified in subsection (a) of Section 5 of the Act, a Statement of Minority Participation specifying goals, timetables and other information required by the Commissioner to ensure that minority groups, women and the mentally or physically disabled will benefit from the project, and information specified in subsection (d) of Section 5 of the Act. When determining whether to grant disapproval, final approval or conditional approval of a project plan and application, the commissioner shall consider the criteria set forth in subsections (b) and (d) of sec. 5 of P.A. 85-571 and the information required to be submitted in the application. Upon final approval of the Project Plan and approval of the application by the Department, an offer of grant or loan or combination thereof shall be made by the Department, subject to authorization of funds by the State Bond Commission and the execution of an Assistance Agreement between the implementing agency and the Department.
- (Effective December 20, 1985)

Sec. 32-116-4. Modification of plan

An approved Project Plan may be modified under the following procedures and criteria:

- (a) if the modification is minor, through adoption of a resolution by the implementing agency and approval of the Commissioner, consistent with the criteria set forth in subsection (d) of sec. 5 of P.A. 85-571.
- (b) if the modification is substantial, through the same manner as the adoption and approval of the project plan, with the written consent of the eligible business

and approval of the Commissioner, consistent with the criteria set forth in subsection (d) of sec. 5 of P.A. 85-571.

(Effective December 20, 1985)

Sec. 32-116-5. Determination of the amount of funding for development grants and/or loans

(a) The maximum amount of funds for a development grant or loan or combination thereof for which a municipality may be eligible is fifty percent of the net project cost. The net project cost is the total project cost less the estimated income from the project and other State grants and federal capital grants. Eligible project costs are costs directly related to and necessary for the infrastructure development economic assistance project including:

- (1) real estate acquisition and disposition;
- (2) clearance and development activities;
- (3) project inspection fees;
- (4) planning, engineering design and project administration to the extent permitted under Subsection (6) of Section 2 of the Act;
- (5) interest costs for temporary and definitive financing for a period not to exceed five years on a principal amount not to exceed the required matching local share, but excluding interest costs related to any loan specified under Section 6 of these Regulations.
- (6) relocation as required by Chapter 135 of the Connecticut General Statutes; and
- (7) to the extent approved by the Commissioner, project plan preparation, if such costs have already been paid or reimbursed by the municipality.

The purchase of vehicles and interim and final audits are not eligible costs. Interim audits are required every two years through the duration of the development project.

(b) The project income includes monies or the value of goods and services received from:

- (1) the sale or lease of land;
- (2) the temporary use of land, residence or businesses prior to their dispositions;
- (3) the sale or lease of sand, gravel, or other earthen or salvage materials;
- (4) the sale or lease of buildings, machinery, equipment or other materials of value, occupying land areas within the project area; and
- (5) interest income realized from the investment of project monies.

(Effective December 20, 1985)

Sec. 32-116-6. Loan procedures

(a) Subject to the provisions of Section 7 of the Act, the Commissioner shall charge and collect interest on each infrastructure development economic assistance loan. In establishing both the interest rate and the term of each loan, the Commissioner shall take into consideration the general financial conditions of the municipality, the tax revenues to be generated by the project and the relative cost of the project.

(b) No loan may be made to a municipality unless the municipality pledges its full faith and credit for the payment of the principal thereof and interest thereon.

(Effective December 20, 1985)