

Multiple Agency Fiscal Note Summary

Bill Number: 1111 HB	Title: Housing benefit districts
-----------------------------	---

Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Housing Finance Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Housing Finance Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Housing Finance Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.
-------------------------------	--

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Final
---------------------------------------	---------------------------------	---------------------------------

Individual State Agency Fiscal Note

Bill Number: 1111 HB	Title: Housing benefit districts	Agency: 075-Office of the Governor
-----------------------------	---	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Serena Dolly	Phone: 360-786-7150	Date: 01/16/2023
Agency Preparation: Tracy Sayre	Phone: 360-890-5279	Date: 01/24/2023
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 01/24/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/24/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 6 of HB 1111 establishes a housing benefit district advisory board, which would be appointed by the governor, to provide oversight and technical assistance to housing districts. The governor shall appoint nine members of the advisory board. We believe the estimated time to recruit, vet, and appoint members could be done within existing resources.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1111 HB	Title: Housing benefit districts	Agency: 148-Housing Finance Commission
-----------------------------	---	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

Non-zero but indeterminate cost and/or savings. Please see discussion.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Serena Dolly	Phone: 360-786-7150	Date: 01/16/2023
Agency Preparation: Lucas Loranger	Phone: 206-254-5368	Date: 01/19/2023
Agency Approval: Fenice Taylor	Phone: 206-287-4432	Date: 01/19/2023
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 01/19/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Requires the Housing Finance Commission to implement a housing benefit district grant program and provide staff support to an advisory board to provide oversight and technical assistance to the housing benefit districts. Up to 1% of the funds appropriated is allowed per the statute to cover the the advisory board's and Housing Finance Commission's expenses. We anticipate these activities will necessitate up to two additional FTEs to develop and administer the program and support the advisory committee, however as a non-appropriated, non-allocated agency for operating expenses, those expenses will be covered by the 1% allowed. The appropriation amount is undetermined at this time. It is unclear in the legislation as to the source of funds appropriated, so we are making the assumption they will be included with the capital budget.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

Non-zero but indeterminate cost and/or savings. Please see discussion.

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Impact to capital budget indeterminate as appropriation amount has not been set.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1111 HB

Title: Housing benefit districts

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Cities would incur costs related to establishing a housing benefit district, cities could apply for grants to seek reimbursement for eligible costs
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: Grants cities the authority to establish a housing benefit district
- Key variables cannot be estimated with certainty at this time: Which cities would establish a housing benefit district, which cities would be awarded grants or amounts of such grants

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Tammi Alexander	Phone: 360-725-5038	Date: 01/18/2023
Leg. Committee Contact: Serena Dolly	Phone: 360-786-7150	Date: 01/16/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/18/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/18/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This bill would grant the legislative authority of cities the ability to establish a housing benefit district to acquire, bank, improve, sell, and lease land for the development of affordable housing.

It also requires the Housing Finance Commission to implement a housing benefit district grant program and establishes an advisory board to provide oversight and technical assistance to housing benefit districts.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

By itself, the authority granted in this bill has no fiscal impact. The legislative authority of cities opting to establish a housing benefit district as outlined in this bill would incur costs associated with adopt a housing action plan and developing a station area plan if necessary to meet the requirements to establish a housing benefit district. It is not possible to estimate potential expenditures without knowing:

1. which jurisdictions will establish a housing benefit district,
2. whether or not a housing action plan is already adopted by the jurisdiction,
3. whether or not the jurisdiction is within a county with a population of at least 750,000 making a station action plan required

Additionally, the bill appoints the county treasurer of the jurisdiction as the treasurer of any housing benefit district established. This would result in increased, but indeterminate, costs to the county related to this work.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

By itself, the authority granted in this bill has no fiscal impact. However, this legislation would establish a housing benefit district grant program through the housing finance commission that would allow cities establishing a housing benefit districts to apply for grant funding. Grants must not exceed \$50 million to a participating city in any biennium and can be used to pay for or reimburse a city for costs related to establishing the housing benefit district as outlined in the bill.

Without knowing which jurisdictions will create a housing benefit district, be awarded grants, or amounts of such grants, the revenue impact is indeterminate.

SOURCES:

House Bill Analysis, HB 1111, Housing Committee
Local Government fiscal note, HB 1128 (2021)