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Measure Description:

Expands laws regarding preservation of participating properties that are publicly supported housing.

Government Unit(s) Affected:

Judicial Department, Cities, Counties, Housing and Community Services Department

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Human Services and Housing to the Joint Committee on Ways and Means. The bill expands laws regarding the preservation of publicly supported housing and requires property owners to provide notice to the Housing and Community Services Department (HCSD) and local governments prior to taking actions to remove the property from publicly supported housing. HCSD is directed to maintain data from local, state, and federal sources concerning publicly supported housing and expiration of affordability restrictions on the properties.

HCSD will incur costs related to the development of a database to track publicly supported housing. Furthermore, the agency will likely require a position or portion of a position to oversee the database and program implementation. Since HCSD is the primary financier of affordable housing in the state, the agency would likely need to eliminate conflicts of interest by contracting with a third-party entity to establish an application process and inventory of potential designees in collaboration with local governments. This entity would provide expert guidance for potential designees regarding the risk of conversion to a market-rate property, as well as the physical condition of the project. The cost of this contract is estimated at \$150,000 per biennium.

Costs related to the development and maintenance of a data system, program oversight, and potential costs to local governments are still being determined. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required