2019 DRAFTING REQUEST

Bill

For:

Mike Kuglitsch (608) 267-5158

Drafter:

emueller

FVM

By:

Charlie

Secondary Drafters:

Date:

4/11/2019

May Contact:

Same as LRB:

-4561

Submit via email:

YES

Requester's email: Carbon copy (CC) to: Rep.Kuglitsch@legis.wisconsin.gov eric.mueller@legis.wisconsin.gov

marc.shovers@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Housing authority modernization

Instructions:

See attached

Draftin	g History:	bed Names	CV/V		
Vers.	<u>Drafted</u>	Reviewed	Submitted	<u>Jacketed</u>	Required
/?	emueller 4/12/2019	csicilia 4/12/2019			
/P1	emueller 5/23/2019		dwalker 4/12/2019		State S&L Housing
/P2	emueller 10/14/2019	csicilia 5/23/2019	jmurphy 5/23/2019		State S&L Housing
/1		csicilia	dwalker	dwalker	State

Vers.DraftedReviewed
10/14/2019Submitted
10/14/2019Jacketed
10/14/2019Required
10/14/2019Vers.Prafted
10/14/201910/14/2019Required
10/14/2019

FE Sent For: <END>

2019 DRAFTING REQUEST

		2	
Bill	K. Original	Requestar	
For: John Jagler (608) 266-9650	Drafter:	emueller
By: Charlie		Secondary Drafts	ers:
Date: 4/11/2019		May Contact:	
Same as LRB:			
Submit via email: Requester's email: Carbon copy (CC) to: marc.shovers@legis.wisconsin.gov marc.shovers@legis.wisconsin.gov			
Pre Topic:			
No specific pre topic given	No specific pre topic given		
Topic:	Topic:		
Housing authority modernization			
Instructions:			
See attached			
Drafting History:			- Additional to the state of th

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/?	emueller 4/12/2019	csicilia 4/12/2019			
/P1	emueller 5/23/2019		dwalker 4/12/2019		State S&L Housing

/P2 csicilia jmurphy 5/23/2019 5/23/2019

S&L Housing

State

FE Sent For:

<**END>**

Mueller, Eric

From:

Bellin, Charlie

Sent:

Thursday, April 11, 2019 11:07 AM

To: Subject:

Mueller, Eric P-draft

Attachments:

2019 Housing Authority Modernization Drafting Instructions -- 25376463 v1.docx

Hi Eric,

Could we get a draft of this?

Charlie Bellin Research Assistant Rep. John Jagler 37th Assembly District 608-266-9650



State of Misconsin 2017 - 2018 LEGISLATURE

LRB-2191/P3 EVM:ahe

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1	An	ACT to repeal 66.1205 (1) (c); to renumber and amend 66.1201 (22); to
2 and		<i>amend</i> 66.1201 (24) (a), 66.1203 (2) (b), 66.1205 (1) (intro.), 66.1205 (1) (a)
3 (am),		66.1205 (3); and to create 66.1201 (3) (js), 66.1201 (3) (mg), 66.1201 (9)
4 the		66.1201 (10) (i), 66.1201 (22) (a), 66.1201 (22) (b) and 106.50 (5m) (am) of
5		statutes; relating to: housing authorities.

Analysis by the Legislative Reference Bureau

This bill authorizes a housing authority to undertake certain mixed developments and increase the bidding threshold for housing authority projects.

Under current law, the common council of a city may create a housing authority. A housing authority may exercise a variety of powers generally related to increasing the availability of safe and sanitary dwelling accommodations for persons of low income. Among these powers is the authority of a housing authority to acquire, construct, and operate housing

projects. Under current law, the term "housing projects" is defined to include "all real and personal property, building and improvements, and community facilities acquired or constructed pursuant to a single plan either to demolish, clear, remove, alter or repair insanitary or unsafe housing or to provide safe and sanitary dwelling accommodations for persons of low income, or both."

This bill specifies that a housing authority also has the authority to acquire, construct, and operate mixed developments. The term "mixed development" means "all real and personal property, buildings and improvements, and community

facilities acquired, rehabilitated, or constructed pursuant to a single plan to revitalize, redevelop, or transfer one or more properties into a mixed-use or mixed-income development primarily to serve persons of low income or persons of low income and persons of moderate income with housing, commercial, and neighborhood amenities or other support services."

Under current law, if the estimated cost of a housing authority project exceeds

\$25,000, the authority must solicit bids and award the contract to the lowest qualified and competent bidder. This bill increases to \$150,000 the threshold that is applicable to a housing authority.

Currently, the property of a housing authority is exempt from state and local taxes. This bill specifies that for purposes of this exemption property of an authority includes property that is a housing project or mixed development in which an authority or an entity in which the authority holds an ownership interest holds a partial ownership interest if the property is held either as part of a financing or equity plan that includes state or federal tax credits, financing, funding, or rent subsidy or for a purpose related to the conversion of a housing project to a rental or housing assistance program under a contract with the federal government.

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **Section 1.** 66.1201 (3) (js) of the statutes is created to read:
- 2 66.1201 (3) (js) "Mixed development" means all real and personal property,
- buildings and improvements, and community facilities acquired, rehabilitated, or

- constructed pursuant to a single plan to revitalize, redevelop, or transfer one or more
- 5 properties into a mixed-use or mixed-income development primarily to serve
- 6 persons of low income or persons of low income and persons of moderate income with
- housing, commercial, and neighborhood amenities or other support services.

 "Mixed
- 8 development" includes the planning of buildings and improvements, the acquisition
- of property, the demolition of existing structures, the construction, reconstruction,
- alteration, and repair of the improvements, and all other related work.

Legislature

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displaced

1	Section 2. 66.1201 (3) (mg) of the statutes is created to read:
2	66.1201 (3) (mg) "Persons of moderate income" means persons or families who
3	qualify as having moderate income, as determined by the authority. The authority
4	may not consider a household to be a person of moderate income if the household's
5	income exceeds 120 percent of the median income for the area, unless an applicable
6	guideline or regulation of the federal department of housing and urban development
7	permits the household to qualify as having moderate income.
8	Section 3. 66.1201 (9) (am) of the statutes is created to read:
9	66.1201 (9) (am) Within its area of operation to prepare, carry out, acquire,
10	lease, and operatemixed developments; to provide for the construction,
11	reconstruction, improvement, alteration, or repair of any mixed development or any
12	part of a mixed development.
13	Section 4. 66.1201 (10) (i) of the statutes is created to read:
14	66.1201 (10) (i) If a housing project or mixed development involves federal

financial assistance, the duration of replacement housing payments to

tenants under the relocation plan is as provided under 42 USC 4624. 16 **Section 5.** 66.1201 (22) of the statutes is renumbered 66.1201 (22) 17 (intro.) and amended to read: 18 66.1201 (22) Tax exemption and payments in lieu of taxes. (intro.) The 19 property of an authority is public property used for essential 20 public and governmental purposes and the property and an authority are exempt from all taxes of the state or any state public body, except that the city in which a project 22 or projects are located may fix a sum to be paid annually in lieu of taxes by the authority for the services, improvements, or facilities furnished to the property of the 24 authority by the city. The amount paid in lieu of taxes may not exceed the amount that

would be levied

Section 5

- 1—as the annual tax of the city upon the project. Property of an authority includes
- 2—property that is a housing project or mixed development in which an authority or an
- 3 entity in which the authority holds an ownership interest holds a partial ownership
- 4 interest if the property is held for any of the following purposes:
- 5 Section 6. 66.1201 (22) (a) of the statutes is created to read:
- 66.1201 (22) (a) As part of a financing or equity plan that includes state or
- 7——federal tax credits, financing, funding, or rent subsidy.
- 8 Section 7. 66.1201 (22) (b) of the statutes is created to read:
- 9 66.1201 **(22)** (b) A purpose related to the conversion of a housing project to a
- 10 rental or housing assistance program under a contract with the federal government.
- 11 Section 8. 66.1201 (24) (a) of the statutes is amended to read:
- 12 66.1201 **(24)** (a) When a housing authority has the approval of the council for
- any project authorized under sub. (9) (a) or (b), the authority shall complete and
- approve plans, specifications, and conditions for carrying out the project, and shall
- advertise by publishing a class 2 notice, under ch. 985, for bids for all work which the
- authority must do by contract. The authority is not required to submit

;	for bidding
17	any contract in an amount of $\frac{25,000}{5150,000}$ or less, but if the estimated cost of
18	the contract is between \$10,000 and $\frac{$25,000}{$150,000}$, the authority shall give a
19	class 2 notice, under ch. 985, of the proposed work before the contract is entered into.
20	A contract subject to bidding shall be awarded to the lowest qualified and competent
21	bidder. Section 66.0901 applies to the bidding.
22	Section 9. 66.1203 (2) (b) of the statutes is amended to read:
23	66.1203 (2) (b) Meet the cost of, and provide for, maintaining and operating the
24	projects, including the cost of any insurance, <u>tenant support</u> <u>services</u> , and the
25	administrative expenses of the authority.

Legislature

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1	Section 10. 66.1205 (1) (intro.) of the statutes is amended to read:
2	66.1205 (1) (intro.) In the operation or management of housing projects <u>and</u>
3	mixed developments an authority shall at all times observe the following duties with
4	respect to rentals and tenant selection:
5	Section 11. 66.1205 (1) (a) of the statutes is amended to read:
6	66.1205 (1) (a) It may rent or lease the dwelling accommodations in a housing
7	project only to persons of low income and at rentals within the financial reach of
8	persons of low income, except that, for mixed-income dwelling accommodations that
9	are part of a mixed development, an authority may rent a portion of the dwelling
10	accommodations at rentals that are not within the reach of persons of low income.
11	Section 12. 66.1205 (1) (c) of the statutes is repealed.
12	Section 13. 66.1205 (3) of the statutes is amended to read:
13	66.1205 (3) Subsection (1) (a) and (c) does not apply in the case of housing
14	projects to the financing of which the Wisconsin Housing and Economic Development
15	Authority is a party, as to which ch. 234 shall be controlling.

SECTION 14. 106.50 (5m) (am) of the statutes is created to read:

÷17	106.50 (5m) (am) Nothing in this section prohibits an authority, as defined in
18	s. 66.1201 (3) (b), or an instrumentality, subsidiary, or not-for-profit affiliate of an
19	authority from making rental decisions based in whole or in part on source of income when renting housing
20	units, provided that the decision is material to an identified objective of the
21	authority or for the purpose of transitioning the renter to economic self- sufficiency
22	and is consistent with federal law.
23	Section 15. Initial applicability.
24	(1) The treatment of section 66.1201 (10) (i) of the statutes first applies to a
25	tenant displaced on the effective date of this subsection.

1	(2) The treatment of section 66.1201	(22) of the statutes first
	applies to the	

- 2 property tax assessments as of January 1, 2018.
- 3 (3) The treatment of section 66.1201 (24) (a) of the statutes first applies to a
- 4 contract entered into on the effective date of this subsection.

5 (END)



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State of Misconsin 2017 - 2018 LEGISLATURE

LRB-2191/P3) 2744/P1

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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AN ACT to repeal $66.1205\ (1)\ (c);$ to renumber and amend $66.1201\ (22);$ to

amend 66.1201 (24) (a), 66.1203 (2) (b), 66.1205 (1) (intro.), 66.1205 (1) (a) and

66.1205 (3); and to create 66.1201 (3) (js), 66.1201 (3) (mg), 66.1201 (9) (am),

66.1201 (10) (i), 66.1201 (22) (a), 66.1201 (22) (b) and 106.50 (5m) (am) of the

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applicable to a housing authority.

Currently, the property of a housing authority is exempt from state and local taxes. This bill specifies that for purposes of this exemption property of an authority includes property that is a housing project or mixed development in which an authority or an entity in which the authority holds an ownership interest holds a partial ownership interest if the property is held either as part of a financing or equity plan that includes state or federal tax credits, financing, funding, or rent subsidy or for a purpose related to the conversion of a housing project to a rental or housing assistance program under a contract with the federal government.

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix

to this bill.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 66.1201 (3) (js) of the statutes is created to read:

66.1201 (3) (js) "Mixed development" means all real and personal property, buildings and improvements, and community facilities acquired, rehabilitated, or constructed pursuant to a single plan to revitalize, redevelop, or transfer one or more properties into a mixed-use or mixed-income development primarily to serve persons of low income or persons of low income and persons of moderate income with housing, commercial, and neighborhood amenities or other support services. "Mixed development" includes the planning of buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other related work.

 2

SECTION 2. 66.1201 (3) (mg) of the statutes is created to read:

66.1201 (3) (mg) "Persons of moderate income" means persons or families who qualify as having moderate income, as determined by the authority. The authority may not consider a household to be a person of moderate income if the household's income exceeds 120 percent of the median income for the area, unless an applicable guideline or regulation of the federal department of housing and urban development permits the household to qualify as having moderate income.

Section 3. 66.1201 (9) (am) of the statutes is created to read:

66.1201 (9) (am) Within its area of operation to prepare, carry out, acquire, lease, and operate mixed developments; to provide for the construction, reconstruction, improvement, alteration, or repair of any mixed development or any part of a mixed development.

Section 4. 66.1201 (10) (i) of the statutes is created to read:

66.1201 (10) (i) If a housing project or mixed development involves federal financial assistance, the duration of replacement housing payments to displaced tenants under the relocation plan is as provided under 42 USC 4624.

SECTION 5. 66.1201 (22) of the statutes is renumbered 66.1201 (22) (intro.) and amended to read:

66.1201 (22) Tax exemption and payments in lieu of taxes. (intro.) The property of an authority is public property used for essential public and governmental purposes and the property and an authority are exempt from all taxes of the state or any state public body, except that the city in which a project or projects are located may fix a sum to be paid annually in lieu of taxes by the authority for the services, improvements, or facilities furnished to the property of the authority by the city. The amount paid in lieu of taxes may not exceed the amount that would be levied

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as the annual tax of the city upon the project. Property of an authority includes property that is a housing project or mixed development in which an authority or an entity in which the authority holds an ownership interest holds a partial ownership interest if the property is held for any of the following purposes:

Section 6. 66.1201 (22) (a) of the statutes is created to read:

66.1201 (22) (a) As part of a financing or equity plan that includes state or federal tax credits, financing, funding, or rent subsidy.

Section 7. 66.1201 (22) (b) of the statutes is created to read:

66.1201 (22) (b) A purpose related to the conversion of a housing project to a rental or housing assistance program under a contract with the federal government.

SECTION 8. 66.1201 (24) (a) of the statutes is amended to read:

66.1201 (24) (a) When a housing authority has the approval of the council for any project authorized under sub. (9) (a) or (b), the authority shall complete and approve plans, specifications, and conditions for carrying out the project, and shall advertise by publishing a class 2 notice, under ch. 985, for bids for all work which the authority must do by contract. The authority is not required to submit for bidding any contract in an amount of \$25,000 \$150,000 or less, but if the estimated cost of the contract is between \$10,000 and \$25,000 \$150,000, the authority shall give a class 2 notice, under ch. 985, of the proposed work before the contract is entered into. A contract subject to bidding shall be awarded to the lowest qualified and competent bidder. Section 66.0901 applies to the bidding.

SECTION 9. 66.1203 (2) (b) of the statutes is amended to read:

66.1203 (2) (b) Meet the cost of, and provide for, maintaining and operating the projects, including the cost of any insurance, tenant support services, and the administrative expenses of the authority.

1	SECTION 10. 66.1205 (1) (intro.) of the statutes is amended to read:
2	66.1205 (1) (intro.) In the operation or management of housing projects and
3	mixed developments an authority shall at all times observe the following duties with
4	respect to rentals and tenant selection:
5	Section 11. 66.1205 (1) (a) of the statutes is amended to read:
6	66.1205 (1) (a) It may rent or lease the dwelling accommodations in a housing
7	project only to persons of low income and at rentals within the financial reach of
8	persons of low income, except that, for mixed-income dwelling accommodations that
9	are part of a mixed development, an authority may rent a portion of the dwelling
10	accommodations at rentals that are not within the reach of persons of low income.
11	Section 12. 66.1205 (1) (c) of the statutes is repealed.
12	SECTION 13. 66.1205 (3) of the statutes is amended to read:
13	66.1205 (3) Subsection (1) (a) and (c) does not apply in the case of housing
14	projects to the financing of which the Wisconsin Housing and Economic Development
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16	SECTION 14. 106.50 (5m) (am) of the statutes is created to read:
17	106.50 (5m) (am) Nothing in this section prohibits an authority, as defined in
18	s. 66.1201 (3) (b), or an instrumentality, subsidiary, or not-for-profit affiliate of an
19	authority from discriminating based on source of income when renting housing
20	units, provided that the discrimination is material to an identified objective of the
21	authority or for the purpose of transitioning the renter to economic self-sufficiency
22	and is consistent with federal law.
23	Section 15. Initial applicability.
24	(1) The treatment of section 66.1201 (10) (i) of the statutes first applies to a
25	tenant displaced on the effective date of this subsection.

1	(2) The treatment of section 66.1201 (22) of the statutes first applies to the
2	property tax assessments as of January 1, 2018.
3	(3) The treatment of section 66.1201 (24) (a) of the statutes first applies to a
4	contract entered into on the effective date of this subsection.
5	(END)

Mueller, Eric

From:

Bellin, Charlie

Sent:

Tuesday, May 21, 2019 12:35 PM Mueller, Eric

To: Subject:

LRB-2744/P1

Attachments:

19-2744_P1 RJM Mark-up -- 25864022 v1.doc

Hello Eric,

Can we get the changes noted in the attachment added to the bill? Thanks!

Charlie Bellin Research Assistant Rep. John Jagler 37th Assembly District 608-266-9650



State of Misconsin 2019 - 2020 LEGISLATURE

LRB-2744/P1 EVM:cis

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Changes highlighted in yellow.

1	AN ACT to repeal 66.1205 (1) (c); to amend 66.1201 (24) (a), 66.1203 (2)
2	66.1205 (1) (intro.), 66.1205 (1) (a) and 66.1205 (3); and to create
3	(js), 66.1201 (3) (mg), 66.1201 (9) (am), 66.1201 (10) (i) and 106.50 (5m)

4 the statutes; **relating to:** housing authorities.

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- 5 properties into a mixed-use or mixed-income development primarily to serve
- 6 persons of low income or persons of low income and persons of moderate income with
- 7 housing, commercial, and neighborhood amenities or other support services.
 "Mixed
- 8 development" includes the planning of buildings and improvements, the

	acquisition
9	of property, the demolition of existing structures, the construction, reconstruction,
10	alteration, and repair of the improvements, and all other related work.
11	Section 2. 66.1201 (3) (mg) of the statutes is created to read:
- 12	66.1201 (3) (mg) "Persons of moderate income" means persons or families who
13	qualify as having moderate income, as determined by the authority. The authority
14	may not consider a household to be a person of moderate income if the

income exceeds 120 percent of the median income for the area, unless an

household's

applicable

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Legislature

- guideline or regulation of the federal department of housing and urban development
- 2 permits the household to qualify as having moderate income.
- 3 **Section 3.** 66.1201 (9) (am) of the statutes is created to read:
- 4 66.1201 **(9)** (am) Within its area of operation to prepare, carry out, acquire,
- 5 lease, and operatemixed developments; to provide for the construction,
- 6 reconstruction, improvement, alteration, or repair of any mixed development or any
- 7 part of a mixed development.
- 8 **Section 4.** 66.1201 (10) (i) of the statutes is created to read:
- 9 66.1201 **(10)** (i) If a housing project or mixed development involves federal
- financial assistance, the duration of replacement housing payments to displaced
- 11 tenants under the relocation plan is as provided under 42 USC 4624.
- 12 **Section 5.** 66.1201 (24) (a) of the statutes is amended to read:
- 13 66.1201 **(24)** (a) When a housing authority has the approval of the council for
- any project authorized under sub. (9) (a) or (b), the authority shall complete and
- approve plans, specifications, and conditions for carrying out the project, and shall
- advertise by publishing a class 2 notice, under ch. 985, for bids for all work

which the

authority must do by contract. The authority is not required to submit for bidding

any contract in an amount of \$25,000 or less less than the simplified acquisition threshold amount for small purchase methods established by the federal Office of Management and Budget pursuant to 2 C.F.R. 200.88, but if the estimated cost of

- the contract is between \$10,000 and \$25,000 exceeds that threshold amount, the authority shall give a
- 2 class 2 notice, under ch. 985, of the proposed work before the contract is entered into.
- A contract subject to bidding shall be awarded to the lowest qualified and competent
- 4 bidder. Section 66.0901 applies to the bidding.
- 5 **Section 6.** 66.1203 (2) (b) of the statutes is amended to read:

1	66.1203 (2) (b) Meet the cost of, and provide for, maintaining and
	operating the

- projects, including the cost of any insurance, <u>tenant support</u> services, and the
- 3 administrative expenses of the authority.
- 4 **Section 7.** 66.1205 (1) (intro.) of the statutes is amended to read:
- 5 66.1205 **(1)** (intro.) In the operation or management of housing projects and
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- 8 Section 8. 66.1205 (1) (a) of the statutes is amended to read:
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- are part of a mixed development, an authority may rent a portion of the dwelling
- accommodations at rentals that are not within the reach of persons of low income.
- **Section 9.** 66.1205 (1) (c) of the statutes is repealed.
- 15 **Section 10.** 66.1205 (3) of the statutes is amended to read:
- 16 66.1205 **(3)** Subsection (1) (a) and (c) does not apply in the case of housing

17 projects to the financing of which the Wisconsin Housing and Economic Development 18 Authority is a party, as to which ch. 234 shall be controlling. 19 **Section 11.** 106.50 (5m) (am) of the statutes is created to read: 106.50 (5m) (am) Nothing in this section prohibits an authority, as 20 defined in 21 s. 66.1201 (3) (b), or an instrumentality, subsidiary, or not-for-profit affiliate of an 22 authority from discriminating based on source of income when renting housing 23 units, provided that the discrimination is material to an identified objective of the authority or for the purpose of transitioning the renter to economic self-24 sufficiency

and is consistent with federal law.

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Legislature

1	Section 12.	Initial	applicability.
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- 2 (1) The treatment of section 66.1201 (10) (i) of the statutes first applies to a
- 3 tenant displaced on the effective date of this subsection.
- 4 (2) The treatment of section 66.1201 (24) (a) of the statutes first applies to a
- 5 contract entered into on the effective date of this subsection.

6 **(END)**



State of Misconsin 2019 - 2020 LEGISLATURE

LRB-2744/P1

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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AN ACT to repeal 66.1205 (1) (c); to amend 66.1201 (24) (a), 66.1203 (2) (b),

2 66.1205 (1) (intro.), 66.1205 (1) (a) and 66.1205 (3); and to create 66.1201 (3)

(js), 66.1201 (3) (mg), 66.1201 (9) (am), 66.1201 (10) (i) and 106.50 (5m) (am) of

the statutes; relating to: housing authorities.

Analysis by the Legislative Reference Bureau

This bill authorizes a housing authority to undertake certain mixed developments and increase the bidding threshold for housing authority projects.

Under current law, the common council of a city may create a housing authority. A housing authority may exercise a variety of powers generally related to increasing the availability of safe and sanitary dwelling accommodations for persons of low income. Among these powers is the authority of a housing authority to acquire, construct, and operate housing projects. Under current law, the term "housing projects" is defined to include "all real and personal property, building and improvements, and community facilities acquired or constructed pursuant to a single plan either to demolish, clear, remove, alter or repair insanitary or unsafe housing or to provide safe and sanitary dwelling accommodations for persons of low income, or both."

This bill specifies that a housing authority also has the authority to acquire, construct, and operate mixed developments. The term "mixed development" means "all real and personal property, buildings and improvements, and community facilities acquired, rehabilitated, or constructed pursuant to a single plan to revitalize, redevelop, or transfer one or more properties into a mixed-use or

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mixed-income development primarily to serve persons of low income or persons of low income and persons of moderate income with housing, commercial, and neighborhood amenities or other support services."

Under current law, if the estimated cost of a housing authority project exceeds \$25,000, the authority must solicit bids and award the contract to the lowest qualified and competent bidder. This bill increases to \$150,000 the threshold that is applicable to a housing authority

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. 66.1201 (3) (is) of the statutes is created to read:

66.1201 (3) (js) "Mixed development" means all real and personal property, buildings and improvements, and community facilities acquired, rehabilitated, or constructed pursuant to a single plan to revitalize, redevelop, or transfer one or more properties into a mixed-use or mixed-income development primarily to serve persons of low income or persons of low income and persons of moderate income with housing, commercial, and neighborhood amenities or other support services. "Mixed development" includes the planning of buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other related work.

Section 2. 66.1201 (3) (mg) of the statutes is created to read:

66.1201 (3) (mg) "Persons of moderate income" means persons or families who qualify as having moderate income, as determined by the authority. The authority may not consider a household to be a person of moderate income if the household's income exceeds 120 percent of the median income for the area, unless an applicable

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LRB-2744/P1 EVM:cjs SECTION 2

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In this paragraph, "threshold amount means the simplified acquisition threshold amount described under

2 CFR 200.88 .

guideline or regulation of the federal department of housing and urban development permits the household to qualify as having moderate income.

Section 3. 66.1201 (9) (am) of the statutes is created to read:

66.1201 (9) (am) Within its area of operation to prepare, carry out, acquire, lease, and operate mixed developments; to provide for the construction, reconstruction, improvement, alteration, or repair of any mixed development or any part of a mixed development.

SECTION 4. 66.1201 (10) (i) of the statutes is created to read:

66.1201 (10) (i) If a housing project or mixed development involves federal financial assistance, the duration of replacement housing payments to displaced tenants under the relocation plan is as provided under 42 USC 4624.

SECTION 5. 66,1201 (24) (a) of the statutes is amended to read:

66.1201 (24) (a) When a housing authority has the approval of the council for any project authorized under sub. (9) (a) or (b), the authority shall complete and approve plans, specifications, and conditions for carrying out the project, and shall advertise by publishing a class 2 notice, under ch. 985, for bids for all work which the authority must do by contract. The authority is not required to submit for bidding any contract in an amount of \$25,000 \$150,000 or less, but if the estimated cost of the contract is between \$10,000 and \$25,000 \$150,000, the authority shall give a class 2 notice, under ch. 985, of the proposed work before the contract is entered into. A contract subject to bidding shall be awarded to the lowest qualified and competent bidder. Section 66.0901 applies to the bidding.

SECTION 6. 66.1203 (2) (b) of the statutes is amended to read:

ng pangangan ng pan

threshold amount

than the threshold amount it will

and is consistent with federal law.

1	66.1203 (2) (b) Meet the cost of, and provide for, maintaining and operating the
2	projects, including the cost of any insurance, tenant support services, and the
3	administrative expenses of the authority.
4	SECTION 7. 66.1205 (1) (intro.) of the statutes is amended to read:
5	66.1205 (1) (intro.) In the operation or management of housing projects and
6	mixed developments an authority shall at all times observe the following duties with
7	respect to rentals and tenant selection:
8	Section 8. 66.1205 (1) (a) of the statutes is amended to read:
9	66.1205 (1) (a) It may rent or lease the dwelling accommodations in a housing
10	project only to persons of low income and at rentals within the financial reach of
11	$persons \ of \ low \ income, \underline{except \ that}, \underline{for \ mixed-income \ dwelling \ accommodations \ that}$
12	are part of a mixed development, an authority may rent a portion of the dwelling
13	accommodations at rentals that are not within the reach of persons of low income.
14	SECTION 9. 66.1205 (1) (c) of the statutes is repealed.
15	Section 10. 66.1205 (3) of the statutes is amended to read:
16	66.1205 (3) Subsection (1) (a) and (c) does not apply in the case of housing
17	$projects\ to\ the\ financing\ of\ which\ the\ Wisconsin\ Housing\ and\ Economic\ Development$
18	Authority is a party, as to which ch. 234 shall be controlling.
19	SECTION 11. 106.50 (5m) (am) of the statutes is created to read:
20	106.50 (5m) (am) Nothing in this section prohibits an authority, as defined in
21	s. 66.1201 (3) (b), or an instrumentality, subsidiary, or not-for-profit affiliate of an
22	authority from discriminating based on source of income when renting housing
23	units, provided that the discrimination is material to an identified objective of the
24	authority or for the purpose of transitioning the renter to economic self-sufficiency

1	Section 12. Initial applicability.
2	(1) The treatment of section 66.1201 (10) (i) of the statutes first applies to a
3	tenant displaced on the effective date of this subsection.
4	(2) The treatment of section 66.1201 (24) (a) of the statutes first applies to a
5	contract entered into on the effective date of this guidagetion

(END)

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2019-2020 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

 $\begin{array}{c} LRB\text{--}2744/P2ins \\ EVM:cjs \end{array}$

1 INS Analysis

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to the federal simplified acquisition threshold amount. This amount reflects the threshold beneath which certain federal grant recipients may use simplified purchasing procedures. Currently, this amount is \$250,000.

Mueller, Eric

From:

Bellin, Charlie

Sent:

Wednesday, October 09, 2019 3:22 PM

To:

Mueller, Eric

Subject:

RE: Draft review: LRB -2744/P1

Hello Eric,

Could we get this released to the Kuglitsch office?

Charlie Bellin Research Assistant Rep. John Jagler 37th Assembly District 608-266-9650

From: LRB.Legal < Irblegal@legis.wisconsin.gov>

Sent: Friday, April 12, 2019 11:53 AM

To: Rep.Jagler < Rep.Jagler@legis.wisconsin.gov>

Subject: Draft review: LRB -2744/P1

Following is the PDF version of draft LRB -2744/P1.



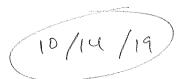
State of Misconsin 2019 - 2020 LEGISLATURE

LRB-2744/P2 / / EVM:cjs



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION





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- 1 AN ACT to repeal 66.1205 (1) (c); to amend 66.1201 (24) (a), 66.1203 (2) (b),
- 2 66.1205 (1) (intro.), 66.1205 (1) (a) and 66.1205 (3); and to create 66.1201 (3)
- 3 (js), 66.1201 (3) (mg), 66.1201 (9) (am), 66.1201 (10) (i) and 106.50 (5m) (am) of
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income exceeds 120 percent of the median income for the area, unless an applicable guideline or regulation of the federal department of housing and urban development permits the household to qualify as having moderate income.

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Section 5. 66.1201 (24) (a) of the statutes is amended to read:

66.1201 (24) (a) In this paragraph, "threshold amount" means the simplified acquisition threshold amount described under 2 CFR 200.88. When a housing authority has the approval of the council for any project authorized under sub. (9) (a) or (b), the authority shall complete and approve plans, specifications, and conditions for carrying out the project, and shall advertise by publishing a class 2 notice, under ch. 985, for bids for all work which the authority must do by contract. The authority is not required to submit for bidding any contract in an amount of \$25,000 or less than the threshold amount, but if the estimated cost of the contract is between \$10,000 and \$25,000 exceeds the threshold amount, the authority shall give a class 2 notice, under ch. 985, of the proposed work before the contract is entered into. A contract subject to bidding shall be awarded to the lowest qualified and competent bidder. Section 66.0901 applies to the bidding.

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10	66.1205 (1) (a) It may rent or lease the dwelling accommodations in a housing
11	project only to persons of low income and at rentals within the financial reach of
12	persons of low income, except that, for mixed-income dwelling accommodations that
13	are part of a mixed development, an authority may rent a portion of the dwelling
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6	(2) The treatment of section 66.1201 (24) (a) of the statutes first applies to a
7	contract entered into on the effective date of this subsection.
8	(END)

Walker, Dan

From:

LRB.Legal

To:

Rep.Kuglitsch@legis.wisconsin.gov

Subject:

Draft review: LRB -2744/1

Attachments:

19-2744/1

State of Wisconsin - Legislative Reference Bureau

One East Main Street - Suite 200 - Madison

The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent. If you have any questions concerning the draft or would like to have it redrafted, please contact Eric V. Mueller, Senior Legislative Attorney, at (608) 504-5825, at eric.mueller@legis.wisconsin.gov, or at One East Main Street, Suite 200.

We will jacket this draft for introduction in the Assembly.

If a jacket is needed immediately, please let us know in your response e-mail so we know to immediately jacket the proposal for you.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at <u>LRB.Legal@legis.wisconsin.gov</u> or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.