

# State of Wisconsin



2021 Senate Bill 533

Date of enactment: **March 18, 2022**

Date of publication\*: **March 19, 2022**

## 2021 WISCONSIN ACT 196

AN ACT *to amend* 66.1201 (24) (a), 66.1203 (2) (b), 66.1205 (1) (intro.), 66.1205 (1) (a) and 66.1205 (1) (c); 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 created by 1st class cities.

*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.

**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) On any property wholly or partially owned by a housing authority before October 1, 2021, and 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. This paragraph applies only to a housing authority created by a 1st class city.

**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. This paragraph applies only to a project or development on a property wholly or partially owned before October 1, 2021, by a housing authority created by a 1st class city.

**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

\* Section 991.11, WISCONSIN STATUTES: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication."

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, or, if the contract is for a project on a property wholly or partially owned before October 1, 2021, by a housing authority created by a 1st class city, \$50,000 or less, but if the estimated cost of the contract is between \$10,000 and \$25,000, the authority, except a contract for a project on a property wholly or partially owned before October 1, 2021, by an authority created by a 1st class city, 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:

66.1203 (2) (b) Meet the cost of, and provide for, maintaining and operating the projects, including the cost of any insurance, ~~and~~ the administrative expenses of the authority, and, for projects located on properties wholly or partially owned before October 1, 2021, by a housing authority created by a 1st class city, tenant support services.

**SECTION 7.** 66.1205 (1) (intro.) of the statutes is amended to read:

66.1205 (1) (intro.) In the operation or management of housing projects and mixed developments, an authority shall at all times observe the following duties with respect to rentals and tenant selection:

**SECTION 8.** 66.1205 (1) (a) of the statutes is amended to read:

66.1205 (1) (a) It may rent or lease the dwelling accommodations in a housing project only to persons of low income and at rentals within the financial reach of persons of low income, except that, for mixed-income dwelling accommodations that are part of a mixed development, an authority may rent a portion of the dwelling accommodations at rentals that are not within the financial reach of persons of low income.

**SECTION 9m.** 66.1205 (1) (c) of the statutes is amended to read:

66.1205 (1) (c) It shall not accept any person as a tenant in any housing project if the person or persons who would occupy the dwelling accommodations have an aggregate annual income in excess of 5 times the annual rental of the quarters to be furnished the person or persons, except that in the case of families with minor dependents the aggregate annual income of the person or persons who would occupy the dwelling accommodations may exceed 5 times the annual rental of the quarters to be furnished by \$100 for each minor dependent or by an amount equal to the annual income of the minor dependents. In computing the rental for the purpose of selecting tenants, the authority shall determine and include in the rental the average annual cost to the occupants, of heat, water, electricity, gas, cooking range and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental. This paragraph does not apply to a property wholly or partially owned before October 1, 2021, by a housing authority created by a 1st class city.

**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 defined in s. 66.1201 (3) (b), created by a 1st class city, or an instrumentality, subsidiary, or not-for-profit affiliate of an authority created by a 1st class city from discriminating based on source of income when renting housing units located in a property wholly or partially owned before October 1, 2021, by the authority, provided that the discrimination is material to an identified objective of the authority or for the purpose of transitioning the renter to economic self-sufficiency and is consistent with federal law.

**SECTION 12. Initial applicability.**

(1) The treatment of s. 66.1201 (10) (i) first applies to a tenant displaced on the effective date of this subsection.

(2) The treatment of s. 66.1201 (24) (a) first applies to a contract entered into on the effective date of this subsection.