# Wisconsin Legislative Council AMENDMENT MEMO

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### 2021 Assembly Bill 526

#### **Assembly Amendment 1**

## BACKGROUND

Under current law, a housing authority created by a city may undertake housing projects 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.

A housing authority must submit for bidding any contract in an amount greater than \$25,000, and must give notice of any contract if the estimated cost is between \$10,000 and \$25,000.

A housing authority may fix rental rates for dwellings no higher than it finds necessary to accomplish certain objectives, such as meeting the cost of maintaining and operating the project, including the cost of any insurance, and the administrative expenses of the authority.

# 2021 ASSEMBLY BILL 526

2021 Assembly Bill 526 authorizes a housing authority to prepare, carry out, acquire, lease, and operate mixed developments, and to provide for the construction, reconstruction, improvement, alteration, or repair of any mixed development or any part of a mixed development.

The bill defines "mixed development" as 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.

The bill raises to \$50,000 the threshold for a housing authority to submit a contract for bidding and repeals the requirement for a housing authority to give notice of any contract if the estimated cost is between \$10,000 and \$25,000.

Finally, the bill allows a housing authority to include the cost of providing tenant support services when fixing rental rates for dwellings.

## **ASSEMBLY AMENDMENT 1**

Assembly Amendment 1 narrows the bill so that it applies only to a housing authority created by a firstclass city and authorizes a mixed development to be carried out only on property wholly or partially owned by a housing authority before October 1, 2021.

Similarly, the amendment applies the increased bidding threshold, and the repeal of the notice requirement, only to a housing authority created by a first-class city, and authorizes only a housing authority created by a first-class city to include the cost of providing tenant support services when fixing rental rates for dwellings.



## **BILL HISTORY**

Representative Kuglitsch offered Assembly Amendment 1 on December 23, 2021. On February 2, 2022, the Assembly Committee on Housing and Real Estate recommended adoption of the amendment and passage of the bill, as amended, on votes of Ayes, 8; and Noes, 0.

EL:ksm