



## Fiscal Estimate Narratives

WHEDA 5/3/2024

LRB Number	23-6004/1	Introduction Number	AB-1215	Estimate Type	Original
<b>Description</b> grants and loans for housing cooperative infrastructure improvements and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

Assembly Bill 1215 (AB1215) establishes a housing cooperative infrastructure improvements loan and grant program at the Wisconsin Housing and Economic Development Authority (WHEDA). AB1215 includes \$10 million in General Purpose Revenue (GPR) to finance loans and grants made under the housing cooperative infrastructure improvements loan and grant program.

AB1215 provides WHEDA wide flexibility in establishing policies and procedures to create and administer the housing cooperative infrastructure improvements loan and grant program. AB1215 has an indeterminate demand in the market of which WHEDA is not able to provide an accurate estimate, and an indeterminate effect on affordable housing in Wisconsin. The assumptions that follow are WHEDA's best estimates at program demand, program applications, and staff workloads.

WHEDA does not have adequate information to estimate the cost to implement and administer this program, The program would require additional staffing to create and implement, but WHEDA cannot estimate with current information.

AB1215 does not authorize WHEDA to use moneys in the fund to cover actual and necessary expenses incurred to accomplish the purposes of revolving loan program and to administer the fund. WHEDA estimates that the cost of implementing the loan and grant program could be absorb within WHEDA's administration budget. WHEDA does not receive GPR from the State of Wisconsin to cover the administration of the organization. Therefore, any increases in costs, including implementing and administering AB1215, are paid from WHEDA's program revenue, rather than reinvested to meet Wisconsin's affordable housing needs.

WHEDA cannot estimate the number or amount of loans and grants made under AB1215, without additional market analysis. Under AB1215, there is no minimum or maximum loan or grant amount that may be awarded.

### Long-Range Fiscal Implications

AB1215 has an indeterminate demand in the market of which WHEDA is not able to provide an accurate long-range estimate, and an indeterminate effect on affordable housing in Wisconsin in the long-term. Long-range fiscal implications will become clearer during program implementation and administration.