

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** SB130

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Stanley

**3. Committee:** General Laws

**4. Title:** Building Revitalization Grant Fund.

**5. Summary:** Establishes the Building Revitalization Grant Fund administered by the Department of Housing and Community Development (DHCD) to award grants of up to \$100,000 to businesses that make a capital investment of at least \$1.0 million in revitalizing or retrofitting buildings to serve as a new place of business. The bill contains an enactment clause that makes the provisions of the bill contingent upon the inclusion of an appropriation of general fund dollars in the budget enacted by the 2012 General Assembly.

**6. Budget Amendment Necessary:** Yes. Item 108. See item 8, below.

**7. Fiscal Impact Estimates:** Preliminary. See item 8, below.

**8. Fiscal Implications:** A budget amendment to provide general fund support is necessary to capitalize the fund this bill establishes, and to provide funding to DHCD to administer this new program and fund. The amount of funding necessary to capitalize the fund is indeterminate; however, this bill establishes a cap on the aggregate amount of grants awarded and outstanding at any time at \$1.0 million. DHCD estimates that for a \$1.0 million program, the agency will require an annual general fund appropriation of \$30,000.

As part of the administration of this program, this bill requires DHCD to develop program guidelines and submit an annual report to the Governor and the General Assembly to include the list of grants, the amount of each approved grant, a description of approved proposals, the amount of matching funds anticipated, and an assessment of the effectiveness of the fund. Additionally, DHCD anticipates that the agency will incur costs by creating program materials, conducting informational sessions for potential applicants, providing technical assistance to applicants, and program oversight and monitoring.

**9. Specific Agency or Political Subdivisions Affected:** Department of Housing and Community Development.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 2/17/2012