

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB2053

House of Origin	☒	Introduced	☐	Substitute	☐	Engrossed
Second House	☐	In Committee	☐	Substitute	☐	Enrolled

2. Patron: Samirah

3. Committee: Counties, Cities and Towns

4. Title: Department of Housing and Community Development; stakeholder advisory group; accessory dwelling.

5. Summary: Directs the Department of Housing and Community Development (Department) to convene a stakeholder advisory group to evaluate the construction of internal, attached, and detached accessory dwelling units as a strategy to address the Commonwealth's growing demand for affordable and market-rate housing. The bill requires the stakeholder advisory group to report its findings and recommendations, including any legislative recommendations, to the Director of the Department, the Secretary of Commerce and Trade, the commissioners of the Virginia Housing Development Authority, and the Virginia Housing Commission no later than November 1, 2021.

6. Budget Amendment Necessary: Yes, to Item 113 of HB1800/SB1100.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021			
2022	\$50,000	n/a	GF

8. Fiscal Implications: This bill requires the Department of Housing and Community Development (DHCD) to convene and staff a stakeholder advisory group to evaluate the construction of internal, attached, and detached accessory dwelling units as a strategy to address the Commonwealth's growing demand for affordable and market-rate housing. It is anticipated that the agency will require the assistance of contractual services to handle the coordination of the stakeholder group, as well as to complete the data collection, economic modeling, and analysis.

DHCD indicates that due to the broad and diverse composition of required stakeholders and the complexity of the data, the agency estimates the need for a one-time budget amendment of \$50,000 from the general fund to hire outside assistance to implement this bill as current DHCD staff cannot absorb these additional duties within current workload. While DHCD has a number of federal and other nongeneral fund revenue sources, the uses of these sources

are restricted and therefore a budget amendment for one-time general fund support in FY 2022 is necessary.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community; Secretary of Commerce and Trade.

10. Technical Amendment Necessary: No.

11. Other Comments: None.