

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

**1. Bill Number:** HB1105

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

**2. Patron:** Carr

**3. Committee:** General Laws

**4. Title:** Housing; Zoning for Housing Production Fund created; affordable dwelling unit policy incentives.

**5. Summary:** Creates the Zoning for Housing Production Fund to be administered by the Department of Housing and Community Development. The bill requires moneys from the Fund to be awarded as grants to localities by application to the Department for the purpose of creating and maintaining affordable housing in mixed-income communities, as defined in the bill. To be eligible for a grant from the Fund, a locality is required to make a change to its zoning ordinance in accordance with the requirements of the bill. The bill has an expiration date of July 1, 2029.

**6. Budget Amendment Necessary:** See item 8.

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

**8. Fiscal Implications:** A budget amendment is needed to operationalize the Program and capitalize the Fund. The bill is silent on the use of monies in the Fund for administrative costs.

Based on work on similar programs, the Department of Housing and Community Development (DHCD) anticipates the administrative impact of this bill to include work related to program development, implementation, and monitoring. DHCD anticipates that the program in the bill is to mirror the agency's Industrial Revitalization Fund and Enterprise Zone programs. Two FTEs are currently tied to each of these programs, with one additional supervisory position. DHCD states that management of the Fund as described in the bill requires the expertise of zoning specialists, and that this expertise is not on staff.

An addition of up to three positions including an administrator and two program specialists, is anticipated to cost \$450,000 annually. Any funds for this initiative can be allocated to Item 102, HB30/SB30 as introduced.

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

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

**11. Other Comments:** None.