



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-4705/1  
SWB:amn&emw

## 2021 ASSEMBLY BILL 605

October 8, 2021 - Introduced by Representatives BROOKS, ARMSTRONG, DITTRICH, GUNDRUM and PENTERMAN. Referred to Committee on Housing and Real Estate.

\*\*\*AUTHORS SUBJECT TO CHANGE\*\*\*

1 **AN ACT relating to:** municipal workforce housing incentive program.

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### *Analysis by the Legislative Reference Bureau*

This bill requires, to the extent permitted by federal law, political subdivisions to use a certain portion of moneys received by the political subdivisions from the federal American Rescue Plan Act of 2021 toward workforce housing projects. Under the bill, a political subdivision is defined as a city, village, town, or county. The bill requires that a political subdivision use at least \$1,000,000 or at least 10 percent of the total stimulus moneys it receives, whichever is less, for one or more of the following projects: 1) new workforce housing infrastructure, including streets, sewer, water, and sidewalks; 2) establishing a low interest or no interest loan program for the remodeling and repair expenses related to the rehabilitation of older workforce housing; 3) establishing a low interest or no interest loan program for the building of new workforce housing units; or 4) redeveloping idle sites currently used for a shopping center, shopping mall, or other commercial property of at least 40,000 square feet to workforce housing. The bill allows political subdivisions to make loans as part of the loan programs established. If the loan is not repaid at the time of the sale of the property, the loan amount is delinquent and becomes a lien on the property.

Because this bill may increase or decrease, directly or indirectly, the cost of the development, construction, financing, purchasing, sale, ownership, or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

**ASSEMBLY BILL 605**

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1. Nonstatutory provisions.**

2           (1) MUNICIPAL WORKFORCE HOUSING INCENTIVE PROGRAM.

3           (a) In this subsection:

4           1. "Political subdivision" means any city, village, town, or county.

5           2. "Workforce housing" means housing to which all of the following apply, as  
6 adjusted for family size and the county in which the household is located, based on  
7 the county's 5-year average median income and housing costs as calculated by the  
8 U.S. bureau of the census in its American community survey:

9           a. The housing costs a household no more than 30 percent of the household's  
10 gross median income.

11           b. The residential units are for initial occupancy by individuals whose  
12 household income is no more than 120 percent of the county's gross median income.

13           (b) Notwithstanding any other provision under state law, to the extent  
14 permitted by federal law, of the moneys a political subdivision receives pursuant to  
15 section 602 of the federal Social Security Act as amended by the federal American  
16 Rescue Plan Act of 2021, P.L. 117-2, that political subdivision shall use at least  
17 \$1,000,000 or at least 10 percent of the total stimulus moneys received, whichever  
18 is less, for one or more of the following projects:

19           1. New workforce housing infrastructure, including streets, sewer, water, and  
20 sidewalks, to support new workforce housing in the community.

